

Public Disclosure Authorized

CONFORMED COPY

LOAN NUMBER 4868-UA

Loan Agreement

(Power Transmission Project)

between

UKRAINE

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated November 9, 2007

LOAN NUMBER 4868-UA

LOAN AGREEMENT

Agreement dated November 9, 2007, between UKRAINE (“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 two hundred million Dollars (\$200,000,000) (“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 Commitment Charge payable by the Borrower shall be equal to three-fourths of one percent (3/4 of 1%) per annum on the Unwithdrawn Loan Balance, subject to any waiver of a portion of such charge as may be determined by the Bank from time to time.
- 2.04. The Front-end Fee payable by the Borrower shall be equal to one percent (1%) of the Loan amount, subject to any waiver of a portion of such fee as may be determined by the Bank from time to time.
- 2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to LIBOR for the Loan Currency plus the Variable Spread, subject to any waiver of a portion of such interest as may be determined by the Bank from time to time.
- 2.06. The Payment Dates are March 15 and September 15 in each year.

- 2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

ARTICLE III - PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project and the Program. To this end, the Borrower, through the MFE, shall cause the Project to be carried out by the Project Implementing Entity 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, through the MFE and the Project Implementing Entity, shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV - REMEDIES OF THE BANK

- 4.01. The Additional Events of Suspension consist of the following:
- (a) 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.
 - (b) The Energy Program adopted by the Borrower has been amended, suspended, abrogated, repealed or waived in a manner that materially and adversely affects the implementation of the Project.
- 4.02. The Additional Event of Acceleration consists of the following: that any event specified in paragraphs (a) and (b) of Section 4.01 of this Agreement occurs and is continuing for a period of 60 days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V - EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Project Agreement has been executed on behalf of the Bank and the Project Implementing Entity.

- (b) The Subsidiary Agreement has been executed on behalf of the Borrower, through the MOF, MFE and NERC, and the Project Implementing Entity.
- (c) The Project Implementing Entity has selected a procurement and Project management consultant for the PIU under terms and conditions satisfactory to the Bank.

5.02. The Additional Legal Matters consist of the following.

(a) The Project Agreement has been duly authorized by the Project Implementing Entity and is legally binding upon the Project Implementing Entity in accordance with its terms.

(b) The Subsidiary Agreement has been duly authorized by the Borrower, represented by the MOF, MFE, and NERC, and the Project Implementing Entity and is legally binding upon the Borrower 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. Any amendment to this Agreement shall be executed by agreement of the parties hereto in accordance with the provisions of Section 10.02 of the General Conditions. Such amendment shall become effective as set forth in the amending agreement.

ARTICLE VI - REPRESENTATIVE; ADDRESSES

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

6.02. The Borrower's Address is:

Ministry of Finance
12/2 Hrushevsky St.
Kyiv, 01008
Ukraine

Telex:

131450

Facsimile:

(380-44) 207-0504

6.03. 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 Kyiv, Ukraine, as of the day and year first above written.

UKRAINE

By /s/ Yuriy Boyko
Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Paul Bermingham
Authorized Representative

SCHEDULE 1

Project Description

The objectives of the Project are: (a) to improve the security, reliability, efficiency and quality of power supply through the rehabilitation of transmission substations and the strengthening of the power transmission network; and (b) to improve the institutional capacity and technical capabilities of the Project Implementing Entity to ensure a secure and reliable operation of the high voltage power grid and facilitate the unimpeded operation and opening up of the electricity market.

The Project consists of the following parts:

Part A **Rehabilitation of transmission substations**

Replacing outdated high voltage equipment and installation of modern protective relaying and substation automation systems in selected high voltage transmission substations.

Part B **Strengthening of transmission network**

Expanding the existing 330 kV Bar substation and construction of the transmission line to connect the Bar substation with the Dniester Hydropower Pumped-Storage Plant.

Part C **Stabilization of the Crimea Electric Power Grid**

Upgrading of the existing 220 kV Simferopol - Sebastopol transmission line and associated substations to the 330 kV voltage level and upgrading of the substation control system at selected transmission substations in the Crimea electric power grid.

Part D **Institutional development**

Establishing a corporate-wide Management Information System (MIS) in the Project Implementing Entity and providing technical assistance to the Project Implementing Entity in: (a) capacity building in procurement and project management; (b) designing and implementing corporate-wide MIS; and (c) annual auditing of project and company accounts.

Part E **Implementation of the Grid Code**

Providing technical assistance to the Project Implementing Entity for the implementation of the Grid Code and related regulations and norms of the Wholesale Electricity Market.

SCHEDULE 2**Project Execution****Section I. Implementation Arrangements****A. Institutional Arrangements**1. MFE responsible for the overall oversight of the Project

The Borrower, through the MFE, shall ensure that the appropriate departments in the MFE, with the assistance of the Project Implementing Entity, oversee the overall Project implementation and management with due diligence and efficiency.

2. Project Implementing Entity responsible for the overall day-to-day implementation and management of the Project

The Project Implementing Entity shall be responsible for the day-to-day management of the Project, including consolidated financial and procurement management and other Project-related tasks. To this effect the Borrower shall cause the Project Implementing Entity to maintain a Project Implementing Unit under terms and with staffing satisfactory to the Bank.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project Implementing Entity's implementation of the Project, the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity under a subsidiary agreement between the Borrower, through the MOF, MFE, NERC, and the Project Implementing Entity, under terms and conditions approved by the Bank, which shall include provisions setting forth that the Project Implementing Entity shall be responsible for the overall day-to-day implementation and management of the Project ("Subsidiary Agreement").

2. The Borrower, through the MOF, MFE and NERC, shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Safeguards1. Environmental Safeguard

(a) The Borrower, through the MFE, shall ensure that all measures necessary for the carrying out of the Environmental Management Plan shall be taken in a timely manner and that all legal and administrative planning and environmental permits and authorizations necessary to carry out Parts A, B and C of the Project are secured in a timely manner and with due diligence.

(b) The Borrower, through the MFE, shall cause the Project Implementing Entity to take all measures necessary and identified under the Environmental Management Plan at all times in a timely manner, ensuring that adequate information on the implementation of said measures is suitably included in the Project progress reports to be prepared pursuant to the provisions of Section II.B of this Schedule.

2. Land Acquisition for Part B of the Project

The Borrower, through the MFE, shall:

(a) notify the Bank or cause the Project Implementing Entity to notify the Bank of any intended acquisition of land for the purposes of the Project, in whole or in part, of the following: residences, agricultural holdings, commercial structures and businesses; and/or land used by people without claim to legal title;

(b) disclose or cause the Project Implementing Entity to disclose the Land Acquisition Framework and the Information Brochure in a manner satisfactory to the Bank no less than sixty (60) days prior to carrying out any land acquisition activities under the Project; and

(c) ensure or cause the Project Implementing Entity to ensure that all land acquisition under the Project shall be undertaken in accordance with the Land Acquisition Framework, and the Information Brochure shall be sent to all affected persons at the onset thereof along with the notice of expropriation.

D. Energy Program

1. At the national level, the Borrower shall maintain throughout the implementation of the Project, a high-level CESRD which shall act as a body responsible for the strategic coordination and oversight of the Energy Program, and of Project activities implemented, by the entities participating in the Project, all under terms of reference and a composition satisfactory to the Bank.

2. Throughout the implementation of the Project, the Borrower, through the MFE, shall ensure that the EPCU shall assist the CESRD and MFE under terms and with staffing and resources satisfactory to the Bank
3. The Borrower, through the MFE, NERC and the Project Implementing Entity, shall prepare and start implementing by not later than December 31, 2009 a Grid Code in accordance with international standards and best practices.

E. Budgetary Arrangements

Unless the Bank agrees otherwise, the Borrower shall:

- (a) ensure that from Fiscal Year 2008 and onwards, the NERC shall establish and maintain tariffs for the Project Implementing Entity sufficient to cover Project co-financing and debt servicing needs in a timely manner;
- (b) cause Energomarket to distribute funds due from Energomarket to the Project Implementing Entity in a timely manner; and
- (c) ensure that the NERC introduces by December 31, 2009 a system service charge to be paid to the Project Implementing Entity in accordance with principles adopted by the NERC for procurement of ancillary (power system) services in the Wholesale Electricity Market.

Section II. Project Monitoring Reporting and Evaluation

A. Midterm Review

1. Not later than March 31, 2010, the Borrower, through the MOE, MFE and the Project Implementing Entity jointly, shall carry out together with the Bank, a midterm review of the progress made in carrying out the Project (hereinafter referred to as the Midterm Review).

The Midterm Review shall cover, amongst other things:

- (a) progress made in meeting the Project's objectives; and
 - (b) overall Project performance against Project performance indicators.
2. The Borrower, through the MFE and the Project Implementing Entity, shall prepare, and at least three (3) month prior to the Mid-term Review, furnish to the Bank, a separate report describing the status of implementation of each component of the Project and a summary report of Project implementation generally (the "Mid-term Report").

B. Project Reports

1. The Borrower, through the MFE and NERC, shall 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 indicators agreed with the Bank. Each Project Report shall cover the period of one calendar year, and shall be furnished to the Bank not later than one month after the end of the period covered by such report.
2. For purposes of Section 5.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Bank not later than six (6) months after the Closing Date.
3. The Borrower, through the MFE, shall cause the Project Implementing Entity to prepare a report annually on or about June 30, beginning on June 30, 2008, for each year during project implementation containing financial projections and projections of Project Monitoring and Evaluation Indicators, under terms satisfactory to the Bank, for the upcoming year to be reviewed by the Bank.

C. Financial Management, Financial Reports and Audits

1. The Borrower, through the MFE, shall cause the Project Implementing Entity to maintain a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.
2. The Borrower, through the MFE, shall cause the Project Implementing Entity to prepare and furnish to the Bank 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 Bank, starting with the calendar quarter in which first withdrawal under the Project occurs.
3. The Borrower, through the MFE, shall cause the Project Implementing Entity to have the Financial Statements for the Project 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 Fiscal Year, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period shall be furnished to the Bank not later than six months after the end of such period.
4. Financial Management Manual
 - (a) The Borrower, through the MFE, shall take, and cause the Project Implementing Entity to take, all actions required to ensure that the

Financial Management Manual is applied and followed at all times in the implementation, monitoring and evaluation of the Project.

- (b) Except as the Bank shall otherwise agree, the Borrower shall ensure that it does not assign, amend, abrogate or waive the Financial Management Manual or any provision thereof.

Section III. Procurement

A. General

- 1. **Goods.** All goods 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

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

Procurement Method
(a) Shopping for goods estimated to cost less than US\$100,000 per contract
(b) 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 Method
(a) Fixed –Budget Selection
(b) Quality Based Selection
(c) Consultant Qualification for services estimated to cost less than \$200,000 per contract
(d) Least Cost Selection
(e) Single and Sole Source Selection
(f) Individual Consultant

D. Review by the Bank of Procurement Decisions

Except as the Bank shall otherwise determine by notice to the Borrower, the following contracts shall be subject to Prior Review by the Bank: (a) each contract for goods estimated to cost the equivalent of \$100,000 or more; each contract for goods procured on the basis of International Competitive Bidding, or Direct Contracting and the first contract for goods procured on the basis of Shopping; (b) each contract for consultants’ services provided by a firm estimated to cost the equivalent of \$200,000 or more and each contract for consultants’ services provided by an individual estimated to cost the equivalent of \$100,000 or more; and (c) the first contract for goods and services to be procured on the basis of each applicable procurement method. 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 Article II of the General Conditions, this Section, and such additional instructions as the Bank may 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 100% (inclusive of Taxes) of Eligible Expenditures.
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 USD)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods,	195,000,000	100%
(2) Consultants’ services, including auditing services, and training for the Project	5,000,000	100%
(3) Front-end Fee	0	Amount payable pursuant to Section 2.04 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
TOTAL AMOUNT	<u>200,000,000</u>	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.
2. The Closing Date is June 30, 2012.

Section V. Other Undertakings

1. The Borrower shall cause the Project Implementing Entity to: (a) maintain a debt service coverage ratio of at least 1.5 during the Project implementation period; (b) maintain a current ratio of at least 1.2 during the Project implementation period; and (c) carry out revaluation of its assets in accordance with terms of reference and consultants satisfactory to the Bank by June 30, 2009.

2. For purposes of paragraph 1 above:

(a) the term "current ratio" means a ratio of current assets to current liabilities where:

(i) Current assets means cash and all assets which could in the ordinary course of business be converted into cash within twelve months, including accounts receivable, marketable securities, inventories and prepaid expenses properly chargeable to operating expenses within the fiscal year.

(ii) Current liabilities means all liabilities which will become due and payable or could under circumstances then existing be called for payment within twelve months, including accounts payable, customer advances, debt service requirements, taxes and payments in lieu of taxes, and dividends.

(b) the term "debt" means any indebtedness of the Project Implementing Entity.

(c) debt shall be deemed to be incurred: (A) under a loan contract or agreement or other instrument providing for such debt or for the modification of its terms of payment, on the date of such contract, agreement or instrument; and (B) under a guarantee agreement, on the date the agreement providing for such guarantee has been entered into; and

(d) the term "debt service coverage ratio" means the aggregate of repayments (including sinking fund payments, if any) of, and interest and other charges on, debt.

SCHEDULE 3**Amortization Schedule**

<u>Principal Payment Date</u>	<u>Principal Amount of the Loan Payable (Expressed in Dollars*)</u>
On March 15, 2013	4,285,000
On September 15, 2013	4,410,000
On March 15, 2014	4,535,000
On September 15, 2014	4,665,000
On March 15, 2015	4,800,000
On September 15, 2015	4,940,000
On March 15, 2016	5,080,000
On September 15, 2016	5,230,000
On March 15, 2017	5,380,000
On September 15, 2017	5,535,000
On March 15, 2018	5,695,000
On September 15, 2018	5,860,000
On March 15, 2019	6,025,000
On September 15, 2019	6,200,000
On March 15, 2020	6,380,000
On September 15, 2020	6,560,000
On March 15, 2021	6,750,000
On September 21, 2021	6,945,000
On March 15, 2022	7,145,000
On September 15, 2022	7,350,000
On March 15, 2023	7,565,000
On September 15, 2023	7,780,000
On March 15, 2024	8,005,000
On September 15, 2024	8,235,000
On March 15, 2025	8,475,000
On September 15, 2025	8,715,000
On March 15, 2026	8,970,000
On September 15, 2026	9,225,000
On March 15, 2027	9,490,000
On September 15, 2027	9,770,000
TOTAL	200,000,000

* The figures in this column represent the amount in Dollars to be repaid, except as provided in Section 3.10 of the General Conditions.

APPENDIX**Definitions**

1. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
2. “Commission for Energy Sector Reform and Development” or “CESRD” means the Borrower’s Commission for Energy Sector Reform and Development established pursuant to the Decree of the Cabinet of Ministers No. 1091, dated August 25, 2004 and responsible for coordinating and supervising the implementation of the conceptual plan for legal and technical harmonization of the Borrower’s energy sector with the European Union Internal Energy Market, including the overall monitoring of the investment projects and technical assistance under the Project; or its legal successor thereof.
3. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004, as updated on October 2006.
4. “Energomarket” means the State Enterprise “Energorinok” established pursuant to the Decree No. 755 of the Cabinet of Ministers of Ukraine, dated May 5, 2000.
5. “Energy Program” means the Borrower’s program for energy sector reform and development based on the Comprehensive Action Plan for Financial Stabilization of Energy Sector Enterprise adopted by the Decree of the Cabinet of Ministers No. 167 dated May 28, 2005; and the Action Plan for Energy Sector Reform and Development adopted by the Edict of the Cabinet of Ministers No. 408-p dated June 13, 2007.
6. “Energy Program Coordination Unit” or “EPCU” means the Borrower’s Energy Program Coordination Unit established by the Ministry of Fuel and Energy and responsible for: (a) preparing and updating a conceptual plan for legal and technical harmonization of the Borrower’s energy sector with the European Union Internal Energy Market; (b) developing a program of priority investments and technical assistance in the energy sector; or its legal successor thereof.
7. “Environmental Management Plan” or “EMP” means the Environmental Management Plan dated January 11, 2007 describing the environmental mitigation measures anticipated for investments under the Project and parties responsible for monitoring of construction and operational impacts.
8. “Financial Management Manual” means the manual prepared by the Project Implementing Entity and dated April 10, 2007, including fiduciary financial

management, reporting and auditing provisions for the implementation of the Project.

9. “Fiscal Year” means the period starting from January 1 to December 31.
10. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated July 1, 2005.
11. “Grid Code” means the code which sets out the principles and procedures governing the technical and operational relationship between the transmission operator and all parties connected to and using the transmission system, including planning and development of the transmission system, technical and operational conditions for connecting the network and power system operations rules.
12. “Land Acquisition Framework” means the framework document prepared by the Project Implementing Entity and dated January 11, 2007, describing the mitigation and compensation measures anticipated and consultation and information processes to be followed in the event of land acquisition for the purpose of Part B of the Project under terms satisfactory to the Bank.
13. “Ministry of Finance” or “MOF” means the Borrower’s Ministry of Finance, or its legal successor thereof.
14. “Ministry of Fuel and Energy” or “MFE” means the Borrower’s Ministry of Fuel and Energy, or its legal successor thereof.
15. “Ministry of Economy” or “MOE” means the Borrower’s Ministry of Economy, or its legal successor thereof.
16. “National Electricity Regulatory Commission” or “NERC” means the Borrower’s National Electricity Regulatory Commission of Ukraine established pursuant to the Decree of the President No. 738/94 dated December 8, 1994; or its legal successor thereof.
17. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004, as updated on October, 2006.
18. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated April 17, 2007 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.
19. “Project Implementing Entity” means the State Enterprise National Power Company Ukrenergo (“Ukrenergo”), established pursuant to the Decree No. 54

of the Ministry of Energy dated April 16, 1998 and Statutes dated February 27, 2007 registered at the State Administration of Schevchenko on March 3, 2007.

20. “Project Implementation Unit” or “PIU” means the Project implementation unit established within the Project Implementing Entity pursuant to the Order of the Director of the Project Implementing Entity No. 167, dated April 10, 2007; or its legal successor thereof.
21. “Project Implementing Entity’s Legislation” means the Commercial Code of Ukraine No. 436-IV, dated January 16, 2003 and the Law of Ukraine on Electricity Sector No. 575/97-VR dated October 16, 1997.
22. “Project Implementing Entity Monitoring and Evaluation Indicators” means the indicators referred to in Part B.1 of Section II of Schedule 2 to this Agreement.
23. “Subsidiary Agreement” means the agreement referred to in Part B of Section I of Schedule 2 to this Agreement pursuant to which the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity.
24. “Wholesale Electricity Market” means organizational, legal and regulatory principles governing the wholesale of electric power as defined in the Cabinet of Ministers Resolution No. 1789 dated November 16, 2002.