

Public Disclosure Authorized

**CONFORMED COPY**

---

---

**LOAN NUMBER 7410-HR**

# **Loan Agreement**

**(Trade and Transport Integration Project)**

**between**

**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT**

**and**

**PORT OF PLOCE AUTHORITY**

**Dated November 20, 2006**

---

---

## **LOAN NUMBER 7410-HR**

### **LOAN AGREEMENT**

Agreement dated November 20, 2006, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and PORT OF PLOCE AUTHORITY (the “Borrower”). 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 the Loan Agreement have the meanings ascribed to them in the General Conditions and in the Appendix to the 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-eight million eight hundred thousand Euro (EUR 58,800,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.08 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 Commitment Charge payable by the Borrower shall be equal to three-fourths of one percent ( $\frac{3}{4}$  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 (1.0%) 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 Fixed Spread, subject to any waiver of a portion of such interest as may be determined by the Bank from time to time; 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.

- 2.06. The Payment Dates are April 1 and October 1 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with the provisions of Schedule 3 to this Agreement.
- 2.08. (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 from a Variable Rate to a Fixed Rate, or vice versa; 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 4.04 (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 objectives of the Project. To this end, the Borrower shall carry out the Project in accordance with the provisions of Article V of the General Conditions.
- 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 - REMEDIES OF THE BANK**

- 4.01. The Additional Event of Suspension consists of the following:
- (a) A situation has arisen which shall make it improbable that the program, as described in the Letter of Development Policy, or a significant part of it, will be carried out.
- 4.02. The Additional Event of Acceleration consists of the following:
- (a) The event specified in paragraph (a) of Section 4.01 of this Agreement occurs.
- 4.03. The Co-financing Deadline for the effectiveness of the Co-financing Agreement is March 1, 2008.

#### **ARTICLE V - EFFECTIVENESS**

- 5.01. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of this Agreement.

#### **ARTICLE VI - REPRESENTATIVE; ADDRESSES**

- 6.01. The Borrower's Representative is the Executive Director.
- 6.02. The Borrower's Address is:

Port of Ploce Authority  
Trg Kralja Tomislava 21  
20340 Ploce  
Republic of Croatia

Facsimile:

+385 (0) 20 67 02 71

- 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 Ploce, Republic of Croatia, as of the day and year first above written.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By /s/ Anand Seth  
Authorized Representative

PORT OF PLOCE AUTHORITY

By /s/ Tamislav Batur  
Authorized Representative

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to develop trade along Corridor Vc by improving the capacity, efficiency and quality of services on the Southern end of Corridor Vc with particular focus on Port of Ploce and on coordination aspects of all corridor participants.

The Project consists of the following parts:

A. Port of Ploce Infrastructure Development

- (1) construction of the bulk cargo terminal;
- (2) construction of a container/multipurpose terminal; and
- (3) construction/rehabilitation of the road/rail/energy infrastructure within the port area and construction of the port entrance facility.

B. Trade and Transport Integration

Development and rollout of a modern electronic port community system which will facilitate integration of information flows along the Corridor Vc by defining document exchange interfaces based on international standards.

C. Project Implementation

- (1) training of the PIU staff on project management, procurement and financial management;
- (2) procurement and translation support;
- (3) external audits;
- (4) capacity building for the Borrower to implement its business plan;
- (5) technical consulting services; and
- (6) incremental operating costs.

## **SCHEDULE 2**

### **Project Execution**

#### **Section I. Institutional and Other Arrangements**

1. The Borrower shall maintain the PIU during execution of the Project, with adequate staffing and resources, and which shall be responsible for procurement, monitoring and reporting, disbursement and financial management, maintenance of Project accounts and preparation of Project reports and Financial Statements.

2. The Borrower shall:

(a) implement the Project in accordance with the Project Implementation Plan agreed upon between the Bank and the Borrower, as such plan may be amended from time to time upon the agreement between the Borrower and the Bank; and

(b) take all necessary measures to ensure that the Project is implemented in accordance with the Environmental Management Plan.

#### **Section II. Project Monitoring, Reporting, Evaluation**

##### **A. Project Reports**

1. The Borrower 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 the indicators agreed with the Bank. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Bank not later than one (1) 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 December 31, 2008.

##### **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 prepare and furnish to the Bank not later than forty-five (45) days after the end of each calendar semester, interim un-audited financial reports for the Project covering the semester, in form and substance satisfactory to the Bank.

3. The Borrower shall have its 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, commencing with the fiscal year in which the first withdrawal under the Project Preparation Advance was made, and shall be adequate to reflect the operations and financial condition of the Borrower and to register separately the operation, resources and expenditures of the Borrower related to the Project. 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 Schedule.

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 Schedule.

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.

<b><u>Procurement Methods</u></b>	
(a)	National Competitive Bidding (subject to additional provisions set forth in paragraph (a) of this Section)
(b)	Shopping
(c)	Direct Contracting



(a) **National Competitive Bidding.** Works estimated to cost less than EUR 4,000,000 equivalent per contract, and goods estimated to cost less than EUR 800,000 equivalent per contract, may be procured under contracts awarded on the basis of National Competitive Bidding and the following additional provisions set forth in (i) through (viii) of this paragraph. The Bank may, upon notice to the Borrower, increase the above threshold for goods to be procured on the basis of the National Competitive Bidding.

(i) Procedures

The public bidding method shall apply to all contracts. Invitations to bid shall be advertised in the Guarantor's Official Gazette (*Narodne Novine*) and in at least one (1) widely circulated national daily newspaper or at the Borrower's website, allowing a minimum of thirty (30) days for the preparation and submission of bids.

(ii) Assessment of Bidders' Qualifications

When pre-qualification shall be required for large or complex works contracts, invitations to pre-qualify for bidding shall be advertised in the Guarantor's Official Gazette and at least one (1) widely circulated national daily newspaper a minimum of thirty (30) days prior to the deadline for the submission of pre-qualification applications. Minimum experience, technical and financial requirements shall be explicitly stated in the pre-qualification documents, which shall be determined by a 'pass/fail' method, not through the use of a merit point system. Where pre-qualification is not used, the qualifications of the bidder who is recommended for award of contract shall be assessed by post-qualification, applying minimum experience, technical and financial requirements which shall be explicitly stated in the bidding documents.

(iii) Participation of Government-owned Enterprises

Government-owned enterprises located and operating on the Guarantor's territory shall be eligible to participate in bidding only if they can establish, to the Bank's satisfaction, that they are legally and financially autonomous, operate under commercial laws and are not a dependent agency of the Guarantor's Government. Said enterprises shall be subject to the same bid and performance security requirements as other bidders.

(iv) Bidding Documents

The Borrower shall use the appropriate standard bidding documents for the procurement of goods, works or services, as defined in paragraph 1.1

of the Guidelines, which shall contain draft contract and conditions of contract acceptable to the Bank.

(v) Bid Submission, Opening and Evaluation

- (1) Bids shall be submitted in a single envelope containing the bidder's qualification information, technical and price bids, which shall be opened simultaneously at the public bid opening.
- (2) Bids shall be opened in public, immediately after the deadline for submission of bids. The name of the bidder, the total amount of each bid and any discounts offered shall be read aloud and recorded in the minutes of the public bid opening.
- (3) The evaluation of bids shall be done in strict adherence to the monetarily quantifiable criteria specified in the bidding documents and a merit point system shall not be used.
- (4) Extension of bid validity shall be allowed once only for not more than thirty (30) days. No further extensions should be granted without the prior approval of the Bank.
- (6) Contracts shall be awarded to qualified bidders having submitted the lowest evaluated substantially responsive bid.
- (7) No preference shall apply under National Competitive Bidding.

(v) Price Adjustment

Works contracts of long duration (e.g. more than eighteen (18) months) shall contain an appropriate price adjustment clause.

(vii) Rejection of All Bids

- (1) All bids shall not be rejected and new bids solicited without the Bank's prior written concurrence.

- (2) When the number of bids received is less than two (2), re-bidding shall not be carried out without the Bank's prior concurrence.

(viii) Securities

Bid securities should not exceed two percent (2%) of the estimated cost of the contract; and performance securities - not more than ten percent (10%). No advance payments shall be made to contractors without a suitable advance payment security. The wording of all such securities shall be included into the bidding documents and shall be acceptable to the Bank.

(b) **Shopping.** Goods and equipment estimated to cost less than EUR 80,000 equivalent per contract, may be procured under contracts awarded on the basis of Shopping procedures in accordance with the provisions of paragraphs 3.1 and 3.5 of the Guidelines.

(c) **Direct Contracting.** Goods and works which the Bank agrees meet the requirements for Direct Contracting may be procured in accordance with the provisions of paragraph 3.6 of the Guidelines and such contracts shall be included in the Procurement Plan or its updates agreed with the Bank.

**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.

<b><u>Procurement Method</u></b>	
(a)	Consultant Qualifications
(b)	Fixed Budget Selection
(c)	Least Cost Selection
(d)	Individual Consultants
(e)	Single Source Selection
(f)	Quality-Based Selection

**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 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 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.

<b>Category</b>	<b>Amount of the Loan Allocated (Expressed in Euro)</b>	<b>Percentage of Expenditures to be Financed</b>
(1) Works	45,947,000	60%
(2) Goods and Consultants’ services	4,900,000	100%
(3) Refund of the Project Preparation Advance	1,620,000	Amount payable pursuant to Section 2.07 (a) of the General Conditions
(4) Interest and other charges on the Loan accrued on or before December 31, 2011	6,333,000	Amounts payable pursuant to Section 2.05 of this Agreement and in accordance with Section 2.07(c) of the General Conditions
(5) Interest Rate Cap or Collar Premium		Amounts payable pursuant to Section 2.08 (c) of this Agreement
<b>TOTAL AMOUNT</b>	<b><u>58,800,000</u></b>	

**B. Withdrawal Conditions; Withdrawal Period**

The Closing Date is December 31, 2011.

**Section V. Other Undertakings**

1. (a) Except as the Bank shall otherwise agree, the Borrower shall not incur any debt, unless the net revenues, net non-operating income and accumulated earnings of the Borrower for the fiscal year immediately preceding the date of such incurrence or for a later twelve-month period ended prior to the date of such incurrence, whichever is the greater, shall be at least 1.3 times the estimated maximum debt service requirements of the Borrower for any succeeding fiscal year on all debt of the Borrower, including the debt to be incurred.

(b) For the purposes of this Section:

(i) The term "debt" means any indebtedness of the Borrower maturing by its terms more than one (1) year after the date on which it is originally incurred.

(ii) 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.

(iii) The term "net revenues" means the difference between:

(A) the sum of revenues from all sources related to operations and subsidies provided by the Guarantor, adjusted to take account of the Borrower's fees and dues in effect at the time of the incurrence of debt even though they were not in effect during the twelve-month period to which such revenues relate and net non-operating income; and

(B) the sum of all expenses related to operations including administration, adequate maintenance, taxes and payments in lieu of taxes, but excluding provision for depreciation, other non-cash operating charges and interest and other charges on debt.

(iv) The term "net non-operating income" means the difference between:

(A) revenues from all sources other than those related to operations; and

- (B) expenses, including taxes and payments in lieu of taxes, incurred in the generation of revenues in (A) above.
- (v) The term “debt service requirements” means the aggregate amount of repayments (including sinking fund payments, if any) of, and interest and other charges on debt.
- (vi) Whenever for the purposes of this Section it shall be necessary to value, in terms of the currency of the Guarantor, debt payable in another currency, such valuation shall be made on the basis of the prevailing lawful rate of exchange at which such other currency is, at the time of such valuation, obtainable for the purposes of servicing such debt, or in the absence of such rate, on the basis of a rate of exchange acceptable to the Bank.

2. Not later than June 30, 2007, the Borrower shall submit to the Bank a draft negotiated concession agreement for the terminals to be constructed under Part A of the Project, with terms and conditions satisfactory to the Bank, which will include, without limitation:

(a) concession fees which would allow the Borrower, under conditions of efficient operation at reasonable levels of capacity utilization, to cover the costs of construction and operation of the new terminals under Part A of the Project, including depreciation of the new assets to be constructed under the Project, reasonable maintenance costs and an interest and other charges on the Loan and Co-financing; and

(b) an obligation of the concessionaire to secure, through letters of intent or other adequate contractual instruments, minimum bulk traffic commitments for the new bulk cargo terminal to be constructed under Part A of the Project which would allow for recovering the costs of construction and operation of the new terminal, in accordance with the cost recovery formula acceptable to the Bank.

3. The Borrower shall not issue tender documents for construction of a bulk handling facility under Part A.2 of the Project, unless it receives evidence from the concessionaire referred to in paragraph 2 of this Section that the concessionaire has secured, through letters of intent or other adequate contractual instruments, minimum bulk traffic commitments allowing for recovering the costs of construction and operation of the new bulk cargo terminal to be built under Part A of the Project; and such evidence has been reviewed by the Bank and found satisfactory.

### 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.

<u>Principal Payment Date</u>	<u>Installment Share (Expressed as a Percentage)</u>
On each April 1 and October 1  beginning April 1, 2012 through October 1, 2021	5%

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. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
2. “Co-financier” means European Bank for Reconstruction and Development (EBRD).
3. “Co-financing” means an amount of EUR 11,200,000 to be provided by the Co-financier to assist in financing the Project.
4. “Co-financing Agreement” means the agreement to be entered into between the Borrower and the Co-financier providing for the Co-financing.
5. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004.
6. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated July 1, 2005
7. “Procurement Guidelines” means the “Guidelines for Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004.
8. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated September 5, 2006 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.
9. “Project Preparation Advance” means the advance referred to in Section 2.07 (a) of the General Conditions, granted by the Bank to the Borrower pursuant to the letter agreement signed by the Bank and the Guarantor on September 3, 2005.
10. “PPA” means Port of Ploce Authority, a non-profit legal entity established pursuant to the Maritime Domain and Seaport Act, dated September 25, 2003 (*Narodne Novine*, 158/2003), as amended.
11. “Luka Ploce” means a joint-stock company registered in the commercial court of Dubrovnik on August 22, 2003 (No. Tf 03/66-4).
12. “PIU” means the Project Implementation Unit established within the Development Section of the PPA.

13. “Letter of Development Policy” means the letter dated October 17, 2006 from the Guarantor describing a program of actions, objectives and policies designed to support the achievement of Project’s objectives and declaring the Guarantor’s commitment to the execution of said program.
  
14. “EMP” means Environmental Management Plan adopted by the Borrower which sets forth agreed mitigation measures to be implemented and monitored under the project during construction and operation phases.