

Public Disclosure Authorized

CONFORMED COPY

LOAN NUMBER 7647-ME

Loan Agreement

(Land Administration and Management Project)

between

MONTENEGRO

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated December 30, 2008

Public Disclosure Authorized

LOAN NUMBER 7647-ME

LOAN AGREEMENT

Agreement dated December 30, 2008, between MONTENEGRO (“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.

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 eleven million Euros (EUR 11,000,000), 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 LIBOR 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 Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (d) of the General Conditions.

- 2.05. The Payment Dates are April 1 and October 1 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 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 4.05 (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 objectives of the Project. To this end, the Borrower shall carry out Part A of the Project through READ and Parts B and C of the Project through MED 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, namely that the Borrower has amended, suspended, abrogated, repealed or waived the legislation governing real estate administration, planning or business permitting in such a way that, in the opinion of the Bank, it materially and adversely affects the ability of the Borrower to perform any of its obligations under this Agreement and to achieve the objectives of the Project.
- 4.02. The Additional Event of Acceleration consists of the following, namely that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V - EFFECTIVENESS; TERMINATION

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the date of this 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
Stanka Dragojevicica 2
81000 Podgorica
Montenegro

Facsimile:

382 81 224 450

- 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 Podgorica, Montenegro, as of the day and year first above written.

MONTENEGRO

By /s/ Igor Luksic

Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Jan-Peter Olters

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to improve the efficiency of the Borrower's permitting and property registration system.

The Project consists of the following parts:

Part A. Real Estate Administration

Carrying out works and provision of goods, consultants' services and training for:

1. Designing new and/or renovating READ's building facilities in Podgorica and across the country, and improving READ's registration services.
2. Developing READ's information systems and implementing a Geoportal for public access.
3. Strengthening READ's capacity to produce basic maps and develop the cadastral index layer for selected sites in the mountainous areas.
4. Completing the real estate cadastre (REC).

Part B. Improving Planning and Permitting

Provision of goods, consultants' services and training (including study tours) for improving the planning and permitting processes and strengthening the capacity of MED and the municipalities to support said processes, including:

1. Support to MED in reviewing, completing and implementing the legal and regulatory framework for planning and monitoring local plans.
2. Support to municipalities in improving the planning processes and completion of plans.
3. Improving the construction permitting and inspection system.
4. Support to MED in improving other business environment related aspects.

Part C. Support for Project Management

Support to the PCU and the TSU in the implementation of the Project, through the carrying out of works, the provision of goods, consultants' services and training, the carrying out of audits required under the Project and the financing of Operating Costs.

SCHEDULE 2**Project Execution****Section I. Implementation Arrangements****A. Institutional Arrangements**

1. The Borrower shall, throughout the duration of the Project, maintain the Project Steering Committee with a composition and terms of reference acceptable to the Bank. The Project Steering Committee, which shall meet at least on a quarterly basis, shall be responsible for making decisions on issues relating to Project implementation and approving Annual Work Plans and Project Reports.

2. The Borrower shall, within two (2) months from the Effectiveness Date, establish and thereafter maintain, throughout the duration of the Project, the Project Coordination Unit. The PCU shall be responsible for overall implementation, coordination, monitoring and evaluation of the Project, including providing guidance on ICT- related activities and procurement under the Project, and coordinating activities benefiting municipalities. To this end, the Borrower shall maintain, adequately fund and staff the PCU with qualifications and terms of reference acceptable to the Bank. The PCU shall comprise experts to assist MED in the implementation of Part B of the Project, to establish, within MED, sustainable capacity in urban planning, permitting and inspection, and to coordinate activities with municipalities. READ and MED shall each appoint a coordinator in charge of, respectively, Parts A and B of the Project.

3. TSU shall be responsible for procurement and financial management of the Project under arrangements satisfactory to the Bank, in accordance with the provisions of this Agreement, the Operational Manual and the Procurement Plan and, to this end, the Borrower shall maintain, adequately fund and staff the TSU with qualifications and terms of reference acceptable to the Bank.

B. Implementation Covenants

1. The Borrower shall, by November 30 in each calendar year throughout the duration of the Project, submit to the Bank an Annual Work Plan, in form and substance satisfactory to the Bank, including a procurement plan and a training plan for the subsequent calendar year.

2. The Borrower shall, within six (6) months from the Effectiveness Date, adopt the Operational Manual in form and substance satisfactory to the Bank. The Borrower shall carry out the Project in accordance with the Operational Manual, and shall not amend, suspend, abrogate, repeal or waive any provision of said Manual without prior written approval of the Bank.

C Anti-Corruption

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

D. Safeguards.

1. The Borrower shall carry out the Project in accordance with the Environmental Assessment, and shall not amend, suspend, abrogate, repeal or waive any provision of said Assessment without prior written approval of the Bank.

2. The Borrower shall ensure that no works under Part A.1 of the Project involve land acquisition or resettlement of population.

3. For purposes of Part B of the Project and prior to initiating any activity in relation to the preparation of any spatial or urban plan in a municipality which has approved its participation in the Project and where the Project will be supporting the preparation of said plan, the Borrower shall enter into an agreement, in form and substance satisfactory to the Bank, with said municipality. Each such agreement shall provide, *inter alia*:

(a) the co-financing provided by the municipality concerned;

(b) the requirement for said municipality to designate a person responsible for coordinating with the PCU;

(c) that no structure constructed prior to January 1, 2008 will be demolished involuntarily until a spatial or urban plan, as the case may be, has been finalized through a consultative process in accordance with guidelines agreed upon among the municipality, the Borrower and the Bank; and

(d) that the Borrower, the municipality concerned and the PCU shall review and, where necessary, formulate proposals to improve existing municipal procedures and practices regarding involuntary demolitions, with the aim of ensuring that such procedures and practices are consistent with Agreed Principles of Due Process, satisfactory to the Bank.

4. The Borrower shall ensure that the moratorium on involuntary demolition referred to in the preceding sub-paragraph 3(c) shall apply as well to any central government agency that may have powers to demolish buildings in said municipality.

5. For purposes of Part A.1 of the Project and prior to the commencement of works for each proposed site, the Borrower shall submit to the Bank for its approval: (a) the proposed site for said works and the related site-specific environmental management plan and checklist, said site-specific plan and checklist to be in form and substance

satisfactory to the Bank; and (b) the proposed contract for said works to ensure that the provisions of said site-specific plan and checklist are adequately included in said contract.

Section II. Project Monitoring Reporting and 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 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 six (6) months after the Closing Date.

B. Financial Management, Financial Reports and Audits

1. The Borrower, through TSU, 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 quarter, interim unaudited financial reports for the Project covering the quarter, 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 was made. 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 Method
(a) Shopping
(b) National Competitive Bidding - with the modifications set forth in paragraph 3 below
(c) Direct Contracting

3. **Modifications to the Borrower’s National Competitive Bidding Procedures:**

- (i) **Eligibility:** foreign bidders shall not be precluded from bidding, and no preference of any kind shall be given to national bidders.
- (ii) **Procedures:** “Open procedures” shall be followed in all cases. Invitations to bid shall be advertised in at least one widely circulated national daily newspaper, allowing a minimum of thirty (30) days for the preparation and submission of bids.
- (iii) **Pre-qualification:** when pre-qualification shall be required for large or complex works, invitations to pre-qualify for bidding shall be advertised

in 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.

- (iv) **Participation by government-owned enterprises:** government-owned enterprises in Montenegro shall be eligible to participate in bidding only if they can establish that they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the government. Such enterprises shall be subject to the same bid and performance security requirements as other bidders.
- (v) **Bidding documents:** procuring entities shall use the appropriate standard bidding documents for the procurement of works which shall contain draft contract and conditions of contract, satisfactory to the Bank.
- (vi) **Submission of bids:** bidders may, at their option, deliver bids either in person, by courier service, or by mail at any time prior to the deadline set the submission of bids.
- (vii) **Bid opening and bid evaluation:** bids shall be opened in public and, if two envelopes are submitted for technical and price components, both shall be opened simultaneously. The time for the bid opening shall be the same as for the deadline for receipt of bids or immediately thereafter, and shall be announced, together with the place for bid opening, in the solicitation documents. Evaluation of bids shall be made in strict adherence to the monetarily quantifiable criteria declared in the bidding documents. Extension of bid validity shall be allowed once only for not more than thirty (30) days. No further extensions should be requested without the prior approval of the Bank. Contracts shall be awarded to qualified bidders having submitted the lowest evaluated substantially responsive bid. Negotiations shall not be allowed with the lowest evaluated bidder or any other bidder.
- (viii) **Price adjustment:** civil works contracts of long duration (e.g. more than eighteen (18) months) shall contain an appropriate price adjustment clause.
- (ix) **Rejection of bids:** all bids shall not be rejected and new bids solicited without the Bank's prior concurrence.
- (x) **Contracts:** all contracts shall be in writing, signed and stamped by authorized signatories of the purchaser and the supplier, and shall contain identical terms and conditions of contract to those included in the tender documents.

- (xi) **Securities:** bid securities shall not exceed two percent (2%) of the estimated cost of the contract; performance securities shall not exceed 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 be acceptable to 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.

Procurement Method
(a) Selection Based on Consultants Qualifications
(b) Selection of Individual Consultants
(c) Single Source Selection
(d) Selection under a Fixed Budget
(e) Least-Cost 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 Article II of the General Conditions, 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 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 Euros)	Percentage of Expenditures to be financed
(1) Goods, works, consultants’ services and training	10,972,500	50%
(2) Front-end Fee	27,500	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(3) Premia for Interest Rate Caps and Interest Rate Collars	0	Amount payable pursuant to Section 2.07(c) of this Agreement in accordance with Section 4.05(c) of the General Conditions
TOTAL AMOUNT	<u>11,000,000</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 April 30, 2014.

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)
October 1, 2013	12%
April 1, 2014	11.5%
October 1, 2014	11%
April 1, 2015	10.5%
October 1, 2015	10.5%
April 1, 2016	10%
October 1, 2016	9.5%
April 1, 2017	9%
October 1, 2017	8.5%
April 1, 2018	7.5%

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 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.

APPENDIX**Definitions**

1. “Agreed Principles of Due Process” means the agreed principles of due process referred to in paragraph D.3 (d), Section I of Schedule II to this Agreement, which shall include, *inter alia*: (a) clear standards and criteria for the use of demolitions; (b) clearly defined, transparent and fair procedures by which a decision to demolish is made; (c) sufficient advance notice and a fair opportunity to challenge a decision prior to demolition; and (d) the information of citizens on their rights and remedies in relation to said procedures and practices.
2. “Annual Work Plans” means the annual work plans referred to in Section I, B.1 of Schedule 2 to this Agreement.
3. “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.
4. “Category” means a category set forth in the table in Part A.2, Section IV of Schedule 4 to this Agreement.
5. “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.
6. “Environmental Assessment” means the assessment dated February 28, 2008, prepared and adopted by the Borrower and satisfactory to the Bank, consisting of the set of mitigation, monitoring, and institutional measures required for the Project and to be taken to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, as well as actions needed to implement said measures, including the measures and information required for the preparation of site-specific environmental management plans and checklists referred to in paragraph D.5, Section I of Schedule 2 to this Agreement.
7. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated July 1, 2005 (as amended through February 12, 2008).
8. “Ministry of Economic Development” or “MED” means the Borrower’s Ministry of Economic Development and includes any successor thereto.
9. “Ministry of Finance” or “MOF” means the Borrower’s Ministry of Finance and includes any successor thereto.

10. “Operating Costs” means the incremental expenses incurred by the PCU and TSU on account of the Project implementation, including the purchase and maintenance of a vehicle (including fuel costs), costs of office rental, translation, communication, printing and publications, supplies, local travel costs and field trip expenses (including per diems), and salaries paid to staff hired for purposes of the Project, other than civil servants’ salaries.
11. “Operational Manual” means the manual describing procedures for implementation of the Project, to be adopted by the Borrower in accordance with paragraph B.2, Section I of Schedule 2 to this Agreement and satisfactory to the Bank, and including, *inter alia*: (a) procedures governing staffing, procurement, accounting, financial management, including adequate measures for procurement and forensic audits, and monitoring and evaluation arrangements; and (b) the financial management manual.
12. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October 2006.
13. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated July 29, 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.
14. “Project Coordination Unit” or “PCU” means the Borrower’s project coordination unit to be established and maintained within MED in accordance with paragraph A.2, Section I of Schedule 2 to this Agreement.
15. “Project Steering Committee” means the Project steering committee established pursuant to the Borrower’s decision dated June 12, 2008, and maintained by the Borrower in accordance with paragraph A.1, Section I of Schedule 2 to this Agreement, and comprising representatives of MOF, MED, READ and the Union of municipalities.
16. “READ” means the Borrower’s real estate administration department within MOF, and includes any successor thereto.
17. “TSU” means the Technical Services Unit within the Borrower’s Ministry of Finance.