

Public Disclosure Authorized

OFFICIAL DOCUMENTS

CREDIT NUMBER 5842-BD

Financing Agreement

(Bangladesh Regional Waterway Transport Project I)

between

PEOPLE'S REPUBLIC OF BANGLADESH

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *DECEMBER 21*, 2016

FINANCING AGREEMENT

AGREEMENT dated *DECEMBER 21*, 2016, entered into between PEOPLE'S REPUBLIC OF BANGLADESH ("Recipient") and 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 or in the Appendix to this Agreement.

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 two hundred fifty four million Special Drawing Rights (SDR 254,000,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing 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 Financing 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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 June 15 and December 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 Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the Program. 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: 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 Additional Event of Acceleration consists of the following: 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: 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: the Subsidiary Agreement has been duly authorized or ratified 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.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Recipient's Representative is the Senior Secretary, Secretary or the Additional Secretary, or any Joint Secretary, Joint Chief, Deputy Secretary, Deputy Chief, Senior Assistant Secretary, Senior Assistant Chief, Assistant Secretary or Assistant Chief of the Economic Relations Division of the Ministry of Finance.

- 6.02. The Recipient's Address is:

Economic Relations Division
Ministry of Finance
Sher-e-Bangla Nagar
Government of the People's Republic of Bangladesh
Dhaka 1207
Bangladesh

Facsimile: 880 2 9180671

- 6.03. The Association's Address is:

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

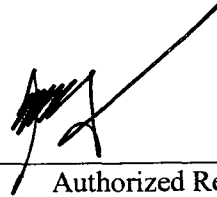
Telex: Facsimile:

248423 (MCI) 1-202-477-6391

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

PEOPLE'S REPUBLIC OF BANGLADESH

By



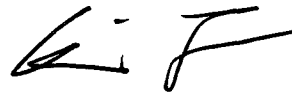
Authorized Representative

Name: MOHAMMAD MEJBAHUDDIN

Title: SENIOR SECRETARY

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: QIMIAO FAN

Title: COUNTRY DIRECTOR

SCHEDULE 1

Project Description

The objective of the Project is to improve inland water transport efficiency and safety for passengers and cargo along the Chittagong-Dhaka-Ashuganj Regional Corridor and to enhance sector sustainability.

The Project consists of the following parts:

Part 1: Improved Inland Waterway Navigation

- A. Navigation Improvement Works: Carrying out of inland waterway navigation improvement works to guarantee depths and widths of navigation channels on Selected River Routes, including: (i) the carrying out of bathymetric and other surveys to determine the extent and types of required dredging, river training and environmental protection works; (ii) the provision and maintenance of visual navigation aids for day and night navigation; and (iii) the carrying out of limited and selected performance-based dredging.
- B. Storm Shelters: Construction of six (6) vessel storm shelters within remote cyclone areas, including the provision of mooring buoys to ensure vessel safety.
- C. Design, Supervision, Safeguards Services, and Other Activities relating to Navigation Improvement. (a) provision of supervision and performance monitoring consulting services for the works carried out under Parts 1.A and 1.B of the Project; (b) carrying out of land assessments to identify suitable land for the activities under Part 1.A and 1.B of the Project, including the allocation and acquisition of land and the provision of resettlement and rehabilitation compensations to Displaced Persons; and (c) carrying out environmental mitigation measures under Part 1 of the Project in accordance with the Environmental Management Plan, including supervision and management of the Dredged Material Disposal Plan and for biodiversity conservation activities.

Part 2: Improved Services at Priority Inland Waterway Terminals and Landing Ghats/Stations

- A. Improvement and Development of Selected Cargo Terminals: (a) development of one (1) new cargo terminal and associated access infrastructure on the Buriganga river adjacent to the existing Pangaon container terminal; and (b) rehabilitation and modernization of one (1) existing cargo terminal at Ashuganj, including: (i) the carrying out of river erosion prevention activities; (ii) the replacement of pontoons, gangways and other dilapidated marine structures; and (iii) the extension of berthing space.

- B. Improvement and Development of Selected Priority Passenger Terminals: (a) construction of two (2) new passenger terminals: one (1) at Shashanghat, Dhaka, and one (1) at Madrashaghat, Chandpur; (b) rehabilitation of one (1) passenger terminal at Narayanganj; and (c) extension of one (1) existing passenger terminal at Barisal.
- C. Rehabilitation Works or New Construction of Up To Fourteen (14) Existing Landing Stations/Launch Ghats: Construction and/or rehabilitation of up to fourteen (14) landing stations/launch ghats located in the Meghna River.
- D. Design, Supervision, Safeguards Services, and Other Activities relating to River Port Terminals and Landing Stations: (a) provision of supervision and performance monitoring consulting services for the works carried out under Parts 2.A, 2.B and 2.C of the Project; (b) carrying out of land assessments to identify suitable land for the activities to be carried out under Part 2.A, 2.B and 2.C of the Project, including the allocation and acquisition of land and the provision of resettlement and rehabilitation compensations to Displaced Persons; and (c) carrying out environmental mitigation measures under Part 2 of the Project in accordance with the Environmental Management Framework, and site-specific Environmental Management Plans to be developed.

Part 3: Institutional Capacity Development and Sector Sustainability

- A. Revenue and Institutional Sustainability: Supporting the development of river information systems to improve data collection for the planning, maintenance and development of inland water transport, including the: (a) collection and dissemination of hydrographic data and electronic nautical charts; (b) provision of an aid-to-navigation monitoring system; (c) provision of vessel and terminal maintenance plans; and (d) provision of a traffic monitoring system for passengers and cargo.
- B. Improved Human Resources Capacity For Managing the Inland Water Transport Sector: Supporting the upgrade and modernization of the Deck and Engine Personnel Training Centre into a regional inland water transport training institute, including through the upgrading of facilities, reforms to its governance structure and curricula, and the provision of training and study tours.
- C. Continuous Sector Development: Supporting the provision of technical assistance and the carrying out of preparation and feasibility studies, surveys, designs, and environmental and social safeguards assessments for the future development of the Recipient's inland water transport sector.
- D. Project Implementation Unit Capacity Support: Provision of support for the Project Implementation Unit, including the provision of equipment, systems and consulting services.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient, through the Ministry of Shipping, shall establish by no later than one (1) month after the Effective Date and thereafter maintain throughout the Project implementation period, a Project Steering Committee (“PSC”), with a mandate, composition and resources satisfactory to the Association, chaired by the Secretary of the Ministry of Shipping and comprising representatives of the Ministry of Finance, the Ministry of Planning and the Project Implementing Entity. The PSC shall be responsible for, *inter alia*: (a) providing overall guidance for Project implementation; (b) monitoring and reviewing the progress of Project implementation; and (c) making procurement decisions regarding high-value contracts as specified in the Procurement Plan.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity, under terms and conditions acceptable to the Association (“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 Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions. In the event of any conflict between the provisions of the Subsidiary Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Anti-Corruption

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.
2. Without limitation on the provisions of paragraph 1 of this Part C, the Recipient shall: (a) ensure that the Project is carried out in accordance with the Governance and Accountability Action Plan; and (b) without limitation on its other reporting obligations under this Agreement, cause the Project Implementing Entity to prepare quarterly reports and furnish the same to the Association, as part of the Project Reports, on the status of implementation of the Governance and Accountability Action Plan.

D. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provision of the Safeguard Instruments and the requirements of the Grievance Redress Mechanism.
2. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, any provisions of the Safeguard Instruments, unless the Association has provided its prior approval thereof in writing, and the Recipient has complied, or caused the Project Implementing Entity, as applicable, to comply with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.
3. In the event of any conflict between the provisions of the Safeguard Instruments, and the provisions of this Agreement or the Project Agreement, the provisions of this Agreement or the Project Agreement, as applicable, shall prevail.
4. The Recipient shall take all actions necessary on its part: (a) to coordinate with the Project Implementing Entity in the event that the acquisition of land and/or resettlement and/or related activities resulting in Displaced Persons is needed for purposes of the Project and to enable the Project Implementing Entity to complete such acquisition of land and obtain all rights to use related thereto, required for the carrying out of the Project, in each case in accordance with the requirements of the RPF and each Resettlement Action Plan, including those related to consultation, compensation and assistance, and to comply with, the provisions of this Section D and Section D of the Schedule to the Project Agreement.

E. Expenditures to be Exclusively Financed with Counterpart Funds

The Recipient shall: (a) ensure that the following expenditures are financed exclusively out of its own resources or the Project Implementing Entity's resources and not out of the proceeds of the Financing; and (b) provide, promptly as needed, the resources needed for this purpose: (i) all costs associated with land and land use rights required for the purposes of the Project; (ii) all resettlement and rehabilitation compensation and other assistance to Displaced Persons, in each case in accordance with the Resettlement Policy Framework and each Resettlement Action Plan; (iii) Incremental Operating Costs; and (iv) motor vehicles.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall cause the Project Implementing Entity to monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators

acceptable to the Association. Each Project Report shall cover the period of one (1) calendar quarter, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

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 cause the Project Implementing Entity to 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, and shall cause the Project Implementing Entity to, 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 (1) fiscal year of the Project Implementing Entity. 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 Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing 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 Financing 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, following the procedures of the Procurement Laws subject to the additional provisions set forth in paragraph 3 below; (b) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Association; (c) Direct Contracting; and (d) Shopping.
3. **National Competitive Bidding Procedures.** The following provisions apply for the contracting of goods, works and non-consulting services under National Competitive Bidding, using bidding documents acceptable to the Association:
 - (a) post bidding negotiations shall not be allowed with the lowest evaluated or any other bidder;
 - (b) bids should be submitted and opened in public in one (1) location immediately after the deadline for submission;
 - (c) lottery in award of contracts shall not be allowed;
 - (d) bidders' qualification/experience requirement shall be mandatory;
 - (e) bids shall not be invited on the basis of percentage above or below the estimated cost and contract award shall be based on the lowest evaluated bid price of compliant bid from eligible and qualified bidder; and
 - (f) single stage two (2) envelope procurement system shall not be allowed.

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 methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the

Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; and (f) Single-source procedures for the 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 Financing

A. General

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

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
(1) Works	201,100,000	100% exclusive of taxes
(2) Goods (excluding motor vehicles) and non-consulting services	15,250,000	100% exclusive of taxes
(3) Consultant's services	15,500,000	100% exclusive of taxes
(4) Training	500,000	100% exclusive of taxes
(5) Taxes	2,100,000	100%

(6) Unallocated for contingency	19,550,000	100%
TOTAL AMOUNT	254,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.
2. The Closing Date is June 30, 2024.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each June 15 and December 15, commencing December 15, 2022 to and including June 15, 2054	1.5625%

* 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

Section I. Definitions

1. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011.
2. “Bangladesh Inland Water Transport Authority” and the acronym “BIWTA” means the authority established and operating under the Project Implementing Entity’s Legislation, which is responsible for the development, maintenance and control of inland water transport and of certain inland navigable waterways in the Recipient’s territory; or any successor thereto.
3. “BIWTA Dredging Plan” means the Project Implementing Entity’s five year ongoing dredging program which is being implemented along the Chittagong-Dhaka-Ashuganj regional corridor and consists of the following three sub-programs: (a) Dredging on 12 Important River Routes approved in October 2011; (b) Dredging of 53 River Routes in Inland Waterways (1st Phase: 24 River Routes) approved in September 2012; and (c) Dredging of 53 River Routes in Inland Waterways (2nd Phase: 29 River Routes); as said plan may be revised from time to time.
4. “Category” means a category set forth in the table in Section IV.B of Schedule 2 to this Agreement.
5. “Chittagong-Dhaka-Ashuganj Regional Corridor” means inland water routes of approximately 900 kilometers between Dhaka and Chittagong (including branch routes to Ashuganj, Narayanganj and Barisal), which is used for domestic and regional trade.
6. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
7. “Contaminated Materials” means any materials that, due to their nature, concentration and/or amount can directly or indirectly pollute and/or harm the environment and or endanger the environment and/or the health or life of living creatures as defined in the EMP.
8. “Deck and Engine Personnel Training Centre” means the training center managed and operated by BIWTA, located at Sonakanda, Narayanganj, which provides specialized technical inland water training courses for deck and engine personnel.

9. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons; and a “Displaced Person” means any of such Displaced Persons.
10. “Dredged Materials” means materials dredged from the Selected River Routes and ferry crossings under Part 1 of the Project and/or the materials dredged from or to be deposited for the works at the terminals and landing stations identified in Schedule 1 of Part 2 of the Project.
11. “Dredged Material Disposal Plan” means the dredged material disposal plan which forms part of both the RPF of the Project and the EMP for Part 1 of the Project, setting out the procedures and requirements for disposing dredged materials required for carrying out activities the Project, including, *inter alia*: (a) the list of criteria and requirements for disposing Dredged Materials, either in-river or on land; (b) the criteria for selecting land for disposing Dredged Materials on-land; and (c) specific requirements for disposing Contaminated Materials (where applicable and as further elaborated in the EMP), as said plan may be revised from time to time with the prior written agreement of the Association.
12. “Dredging Depth” means the equivalent to the least available depth or nominal depth defined by the Recipient for the route class plus the additional depth necessary to achieve and maintain the least available depth or nominal depth for the channel width defined for the route class on a year-round ongoing basis.
13. “Environmental Management Framework” and the acronym “EMF” means the Project Implementing Entity’s environmental management framework for Parts 2 and 3 of the Project, dated February 2016 and duly disclosed at the Project Implementing Entity’s website, acceptable to the Association, setting out the policies and procedures for the assessment of environmental impacts of, and for the preparation of additional environmental management plans as may be required for, activities under Parts 2 and 3 of the Project, as said framework may be revised from time to time with the prior written agreement of the Association; and such term includes all schedules and annexes supplemental to said framework.
14. “Environmental Management Plan” and the acronym “EMP” means each of: (a) the Project Implementing Entity’s environmental management plan covering activities under Part 1 of the Project as well as management of cumulative impacts associated with the overall project, included as Chapter 10 of the ESIA, dated April 2016 and duly disclosed at the Project Implementing Entity’s website, acceptable to the Association covering all Selected River Routes and vessel shelters, and

setting out mitigation, enhancement, monitoring and institutional measures, including, *inter alia*, responsibilities, required capacity, and specific environmental, social, health and safety requisites, which are required to: (i) avoid, reduce to acceptable levels, and/or mitigate identified potential adverse environmental, health and safety impacts and risks of activities to be implemented under Part 1 of the Project as well as cumulative impacts related to the overall project; (ii) offset or compensate for any unavoidable residual impacts to biodiversity and natural habitats from Part 1 of the project; (iii) enhance any positive impacts thereof; and (iv) ensure compliance with the Recipient's and the Project Implementing Entity's statutory environmental requirements as well as applicable World Bank Safeguard Policies; as said plan may be revised from time to time with the prior written agreement of the Association; and (b) each additional environmental management plan for Parts 2 and 3 of the Project required to be prepared pursuant to Section D.2 of the Schedule to the Project Agreement, in accordance with the provisions of the EMF, each such plan in form and substance satisfactory to the Association; as such plans may be revised, updated or supplemented from time to time with the prior written concurrence of the Association.

15. "Environmental and Social Impact Assessment" and the acronym "ESIA" means the Project Implementing Entity's environmental and social assessment of potential impacts related to Part 1 of the Project as well as potential cumulative impacts associated with the overall Project, dated April 2016 and duly disclosed at the Project Implementing Entity's website, acceptable to the Association, and including the EMP for Part 1 of the Project among other instruments and requirements to avoid, minimize and mitigate identified impacts, as said report may be revised from time to time with the prior written agreement of the Association; and such term includes any schedules or annexes to such report.
16. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010.
17. "Governance and Accountability Action Plan" means the plan agreed between the Association and the Recipient, dated May 5, 2016, setting out the actions and measures to be taken by the Recipient and the Project Implementing Entity to ensure integrity, transparency and accountability in the implementation of the Project and the use of the proceeds of the Financing; as said plan may be revised from time to time with the prior written agreement of the Association.
18. "Grievance Redress Mechanism" means the system to be established and implemented by the Project Implementing Entity under the Project, which shall meet the requirements set forth in the EMP, EMP and RPF and be acceptable to the Association, be designed to track complaints regarding the Project, guide resolution of such complaints, and track and publicize resolution of such complaints, as such system may be updated from time to time by prior written

agreement between the Recipient, the Project Implementing Entity and the Association.

19. “Incremental Operating Costs” means the reasonable costs required for the day-to-day coordination, administration and supervision of Project activities to be financed by the Recipient, including leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises, fuel, office supplies, utilities, consumables, communication expenses, translation, printing, photocopying and postal expenses, bank charges, advertising expenses, insurance, Project-related meeting expenses, Project-related travel, per diem, allowances and honorarium of officials of the Recipient’s civil service and/or other sitting allowances and honorarium of any other nature.
20. “Ministry of Shipping” means the Recipient’s Ministry of Shipping; or any successor thereto.
21. “Performance-Based Contract” means the performance-based contract to be procured in accordance with the provisions of Section III of Schedule 2 to this Agreement, under terms and conditions acceptable to the Association, by which qualified contractors and/or firms agree to: (a) maintain, at minimum depth and channel width as specified in the contract, one or more Selected River Routes, and (b) provide and maintain an aid to navigation system along that route(s); and “Performance Based Contracts” means two (2) or more of these contracts.
22. “Procurement Laws” means, collectively, the Recipient’s Procurement Act 2006 (Act No. 24 of 2006), Public Procurement Rules 2008 (as amended in August 2009) and Public Procurement Act (1st Amendment) 2009.
23. “Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
24. “Procurement Plan” means the Project Implementing Entity’s procurement plan for the Project, dated May 4, 2016, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
25. “Project Agreement” means the agreement entered into between the Association and the Project Implementing Entity of the same date of this Agreement for purposes of carrying out the implementation of the Project.
26. “Project Implementation Committee” and the acronym “PIC” means the committee referred to in Section I.A.1 of the Schedule to the Project Agreement,

to be established by the Project Implementing Entity and responsible for the monitoring and supervision of Project implementation.

27. “Project Implementation Unit” and the acronym “PIU” means the unit referred to in Section I.A.2 of the Schedule to the Project Agreement, to be established by the Project Implementing Entity and responsible for the overall implementation of the Project.
28. “Project Implementing Entity” means the Bangladesh Inland Water Transport Authority.
29. “Project Implementing Entity’s Legislation” means the Recipient’s Inland Water Transport Authority Ordinance 1958 (East Pakistan Ordinance No. LXXV of 1958), as amended to the date of this Agreement.
30. “Project Operations Manual” means the manual referred to in Section I.C of the Schedule to the Project Agreement, acceptable to the Association, which shall include budgeting, accounting, auditing, disbursement and financial management, procurement, environmental and social management, monitoring, evaluation, reporting and communication aspects of the Project, and such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the carrying out of the Project, as the same may be amended from time to time with the prior written agreement of the Recipient and the Association; and such term includes any schedules or annexes to such manual.
31. “Project Steering Committee” and the acronym “PSC” means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.
32. “Proposal Evaluation Committee” means the committee referred to in Section I.A.3 of the Schedule to the Project Agreement.
33. “Resettlement Action Plan” means each of the Project Implementing Entity’s resettlement action plans to be prepared under the RPF, as applicable, each such plan in form and substance satisfactory to the Association, and containing, a program of actions, measures and policies for compensation and resettlement of Displaced Persons, including the magnitude of displacement, compensation and resettlement arrangements, budget and cost estimates, and sources of funding, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with its terms; as each plan may be amended from time to time with prior written consent of the Association; and “RAPs” means, collectively, all such plans.
34. “Resettlement Policy Framework” and the acronym “RPF” means, the Project Implementing Entity’s resettlement policy framework for the Project, dated February 2016, and disclosed at the Project Implementing Entity’s website,

acceptable to the Association, setting out the policies and procedures for the acquisition of land and other assets, compensation, resettlement and rehabilitation of Displaced Persons, and for the preparation of Resettlement Action Plans as may be required for Project activities, as said frameworks may be revised from time to time with the prior written agreement of the Association; and such term includes all schedules and annexes supplemental to said framework.

35. “Safeguards Instruments” means, collectively, the Environmental and Social Impact Assessment, Environmental Management Framework, Environmental Management Plans, Resettlement Policy Framework, Resettlement Action Plans, Dredged Materials Disposal Plan, and any additional or revised safeguards instruments required to be prepared pursuant to the provisions of the Environmental Management Plan, Environmental Management Framework or Resettlement Policy Framework.
36. “Selected River Routes” means the list of river routes which fall within the BIWTA’s Dredging Plan on which inland waterway navigation improvement activities (including dredging works) may be carried out under the Project; such list consists of the following rivers and routes:

Route No.	River name	From/To	Route class	Channel width m (no slope)	Dredging Depth m
1 & 2	Buriganga, Dhaleshwari and Meghna	Dhaka (Zinzira River Ghat)/Munshiganj	1	76	-4.3
2 (South of Chandpur)	Meghna	Munshiganj/Chittagong	1	76	-4.3
3 & 4	Shitalakshya and Meghna	Munshiganj/Gorashal	1	76	-4.3
5	Meghna	Munshiganj/Ashuganj	1	76	-4.3
6	Meghna	Nabinagar Loop	1	76	-4.3
14	Meghna and distributaries	Approach via Hijla upto Barisal	1	76	-4.3
18	Bishkhali	Barisal/Jhalokati	2	76	-2.8
19	Meghna	Chandpur/Shariatpur	2	76	-2.8
20	Meghna	Lakshmipur/Bhola	2	76	-2.8
21	Tentulia	Bheduria/Laharhat	2	76	-2.8
22	Meghna	Boddarhat/Daulatkhan	2	76	-2.8

Route No.	River name	From/To	Route class	Channel width m (no slope)	Dredging Depth m
7&8	Meghna	Narsingdi Northen and Southern Approaches	2	76	-2.8
12	Chandpur	Chandpur/R-140 Bridge	2	76	-2.8
13	Meghna and Arial Khan	Approach from Alubazar North of Batamara up-to Athazar	2	76	-2.8
13a	Meghna	Looping Route inside Char Hijla	2	76	-2.8
9	Meghna	Bancharampur Homna Loop	3	30	-2.1
10	Meghna	Homna/Daukandi	3	30	-2.1
15 & 16	Meghna, Tentulia	Mehendiganj/Bheduria	3	30	-2.1
17	Tentulia	Bheduria/Route 14 (North of Athazar)	3	30	-2.1

as said list may be revised from time to time with the prior written agreement of the Association; and “Selected River Route” means one of the river routes listed in the above table.

37. “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 Financing available to the Project Implementing Entity.
38. “Training” means the reasonable costs required for the participation of personnel involved in training activities, workshops and study tours under the Project which have been approved by the Association in writing on annual basis, including: (a) travel, hotel, and subsistence costs for training, workshop and study tour participants provided that such allowances are paid directly to the eligible recipient using the banking system; and (b) costs associated with rental of training and workshop facilities, preparation and reproduction of training and workshop materials, costs of academic degree studies, costs directly related to training course, workshop or study tour preparation and implementation; but excluding salaries of civil servants and sitting and workshop allowances, cash per diem, fuel, and honorarium of any other nature.