

Սույնով հավաստվում է, որ կցված տեքստը Հայաստանի Հանրապետության և Ասիական զարգացման բանկի միջև «Սեյսմիկ անվտանգության բարելավման ծրագիր (լրացուցիչ ֆինանսավորում)» վարկային համաձայնագրի՝ Հայաստանի Հանրապետության արտաքին գործերի նախարարության միջազգային պայմանագրերի պահոցում (դեպոզիտում) պահվող բնօրինակի նույնական պատճենն է:

**Հայաստանի Հանրապետության
արտաքին գործերի նախարարության
միջազգային պայմանագրերի և
իրավունքի վարչության պետ՝**



Նելլի Սարոյան

LOAN NUMBER 4351-ARM
(Additional Financing to Loan No. 3284-ARM[SF])

LOAN AGREEMENT
(Ordinary Operations)
(Seismic Safety Improvement Program (Additional Financing))

between

REPUBLIC OF ARMENIA

and

ASIAN DEVELOPMENT BANK

DATED 27 NOVEMBER 2023

ARM 49078

**LOAN AGREEMENT
(Ordinary Operations)**

LOAN AGREEMENT dated 27 November 2023 between REPUBLIC OF ARMENIA ("Borrower") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) by a loan agreement dated 19 October 2015 between the Borrower and ADB ("the Original Loan Agreement"), ADB has agreed to make a loan to the Borrower from ADB's Special Funds resources amounts in various currencies equivalent to sixty-three million two hundred fifty-nine thousand Special Drawing Rights (SDR63,259,000) for the purposes of the Program described in Schedule 1 to the Original Loan Agreement;

(B) the Borrower has applied to ADB for an additional loan for the purposes of the Program described in Schedule 1 to the Original Loan Agreement;

(C) the Program will be carried out by the Borrower's Ministry of Territorial Administration and Infrastructure as executing agency and the Armenian Territorial Development Fund ("ATDF") as implementing agency, and for this purpose the Borrower will make available to ATDF the proceeds of the loan provided for herein upon terms and conditions mutually satisfactory to ADB and the Borrower; and

(D) ADB has agreed to make a loan to the Borrower from ADB's ordinary capital resources upon the terms and conditions set forth herein;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Loan Regulations; Definitions

Section 1.01. All the provisions of ADB's Ordinary Operations Loan Regulations, dated 1 January 2022 ("Loan Regulations"), are hereby made applicable to this Loan Agreement with the same force and effect as if they were fully set forth herein, subject, however, to the following modifications:

- (a) Section 2.01(qq) is deleted and the following is substituted therefor:

The term "Program" means the program for which ADB has agreed to make the Loan, as described in the Loan Agreement and as such description may be amended from time to time by agreement between ADB and the Borrower.

- (b) The term "Project" wherever it appears in the Loan Regulations shall be substituted by the term "Program".

- (c) Section 2.01(ss) is deleted and the following is substituted therefor:

The term "Program Executing Agency" means the entity or entities responsible for the carrying out of the Program as specified in the Loan Agreement.

- (d) The term "Project Executing Agency" wherever it appears in the Loan Regulations shall be substituted by the term "Program Executing Agency".

Section 1.02. Wherever used in this Loan Agreement, the several terms defined in the Loan Regulations have the respective meanings therein set forth unless modified herein or the context otherwise requires. Additional terms used in this Loan Agreement have the following meanings:

- (a) "Anticorruption Guidelines" means ADB's Guidelines to Prevent or Mitigate Fraud, Corruption and Other Prohibited Activities in Results-Based Lending for Programs as set forth in Appendix 4 of the PID;
- (b) "Deposit Account" means the account referred to in paragraph 2 of Schedule 2 to this Loan Agreement;
- (c) "DLI" means each disbursement-linked indicator as set forth in the DLI Matrix;
- (d) "DLI Matrix" means the DLI matrix for the Program as set forth in Attachment 2 of Schedule 2 to this Loan Agreement, as updated from time to time by the Borrower and ADB;
- (e) "DLI Verification Protocol" means the protocol for verifying the Borrower's achievement of each DLI, as set forth in the PID;
- (f) "Eligible Expenditures" means the eligible expenditures referred to in paragraph 2 of Schedule 3 to this Loan Agreement;
- (g) "Environmental Safeguards" means the objectives and policy principles set forth in Chapter V of the SPS;
- (h) "Fiscal Year" means the fiscal year of the Borrower, which runs from 1 January to 31 December of each year;
- (i) "High-Value Contracts" means (i) procurement of works, turnkey and supply and installation contracts that cost \$25 million equivalent or more per contract; (ii) procurement of goods contracts that cost \$15 million equivalent or more per contract; (iii) information technology or nonconsulting services contracts that cost \$10 million equivalent or more per contract; and (iv) consulting services contracts that cost \$7.5 million equivalent or more per contract;
- (j) "Implementing Agreement" means an implementing agreement between the Borrower and the Program Executing Agency for purposes of the Program implementation;

- (k) "Indigenous Peoples Safeguards" means the objectives and policy principles set forth in Chapter V of the SPS;
- (l) "Involuntary Resettlement Safeguards" means the objectives and policy principles set forth in Chapter V of the SPS;
- (m) "Loan Disbursement Handbook" means ADB's Loan Disbursement Handbook (2022, as amended from time to time);
- (n) "MSK" means Medvedev–Sponheuer–Karnik scale, a macro seismic intensity scale for evaluating the severity of ground shaking on the basis of observed effects in an area of the earthquake occurrence;
- (o) "MTAI" means the Borrower's Ministry of Territorial Administration and Infrastructure, or any successor thereto acceptable to ADB;
- (p) "PID" means the program implementation document for the Program dated 7 August 2023, as updated from time to time by the Borrower and ADB;
- (q) "Program Action Plan" means the action plan for the Program dated 7 August 2023, as updated from time to time by the Borrower and ADB;
- (r) "Program Actions" means the actions set out in the Program Action Plan;
- (s) "Program Completion Date" means 30 September 2027, or such other date as the Borrower and ADB may agree;
- (t) "Program Executing Agency" for the purposes of, and within the meaning of, the Loan Regulations means MTAI or any successor thereto acceptable to ADB, which is responsible for the carrying out of the Program;
- (u) "PSSA" means the program safeguard system assessment for the Program, including any update thereto, prepared and submitted by the Borrower and cleared by ADB;
- (v) "SSRP" means the School Strengthening and Renovation Program-approved by the Borrower through the resolution of the government of the Republic of Armenia N797-N dated 23 July 2015, as updated from time to time in accordance with the Borrower's applicable rules and procedures;
- (w) "SPS" means ADB's Safeguard Policy Statement (2009); and
- (x) "Table" means the table on the allocation and withdrawal of Loan proceeds set forth in Attachment 1 of Schedule 2 to this Loan Agreement.

ARTICLE II

The Loan

Section 2.01. (a) ADB agrees to lend to the Borrower from ADB's ordinary capital resources an amount of sixty-six million one hundred thousand Euros (€66,100,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.06 of this Loan Agreement.

(b) The Loan has a principal repayment period of 7 years, and a grace period as defined in subsection (c) hereinafter.

(c) The term "grace period" as used in subsection (b) hereinabove means the period prior to the first Principal Payment Date in accordance with the amortization schedule set forth in Schedule 1 to this Loan Agreement.

Section 2.02. The Borrower shall pay to ADB interest on the principal amount of the Loan withdrawn and outstanding from time to time at a rate for each Interest Period equal to the sum of:

- (a) Euribor;
- (b) 0.60% as provided by Section 3.02 of the Loan Regulations less a credit of 0.10% as provided by Section 3.03 of the Loan Regulations; and
- (c) a maturity premium of 0.30% as provided by Section 3.03 of the Loan Regulations.

Section 2.03. The Borrower shall pay a commitment charge of 0.15% per annum. Such charge shall accrue on the full amount of the Loan (less amounts withdrawn from time to time), commencing 60 days after the date of this Loan Agreement.

Section 2.04. Interest and other charges on the Loan shall be payable semiannually on 15 January and 15 July in each year.

Section 2.05. The Borrower shall repay the principal amount of the Loan withdrawn from the Loan Account in accordance with the provisions of Schedule 1 to this Loan Agreement.

Section 2.06. (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, whether withdrawn and outstanding 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 withdrawn and outstanding from a Floating Rate to a Fixed Rate, or vice versa; and

- (iii) the setting of limits on the Floating 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 said Floating Rate.

(b) Any conversion requested pursuant to subsection (a) hereinabove that is accepted by ADB shall be considered a "Conversion", as defined in Section 2.01(e) of the Loan Regulations, and shall be effected in accordance with the provisions of Article V of the Loan Regulations and the Conversion Guidelines.

ARTICLE III

Use of Proceeds of the Loan

Section 3.01. The Borrower shall make the proceeds of the Loan available to the Program Executing Agency upon terms and conditions mutually agreeable to ADB and the Borrower and shall cause the Program Executing Agency to apply such proceeds to the financing of expenditures of the Program in accordance with the provisions of this Loan Agreement.

Section 3.02. The proceeds of the Loan shall be allocated and withdrawn in accordance with the provisions of Schedule 2 to this Loan Agreement, as such Schedule may be amended from time to time by agreement between the Borrower and ADB.

Section 3.03. The Loan Closing Date for the purposes of Section 9.02 of the Loan Regulations shall be 30 September 2027 or such other date as may from time to time be agreed between the Borrower and ADB.

ARTICLE IV

Particular Covenants

Section 4.01. In the carrying out of the Program, the Borrower shall perform, or cause to be performed, all obligations set forth in Schedule 3 to this Loan Agreement.

Section 4.02. (a) The Borrower shall (i) maintain separate accounts and records for the Program; (ii) prepare annual financial statements for the Program in accordance with financial reporting standards acceptable to ADB; (iii) have such financial statements audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with auditing standards acceptable to ADB; (iv) as part of each such audit, have the auditors prepare a report, which includes the auditors' opinion(s) on the financial statements and the use of the Loan proceeds, and a management letter (which sets out the deficiencies in the internal control of the Program that were identified in the course of the audit, if any); and (v) furnish to ADB, no later than 6 months after the end of each related Fiscal Year, copies of such audited financial statements, audit report and management

letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.

(b) ADB shall disclose the annual audited financial statements for the Program and the opinion of the auditors on the financial statements within 14 days of the date of ADB's confirmation of their acceptability by posting them on ADB's website.

(c) In addition to annual audited financial statements referred to in subsection (a) hereinabove, the Borrower shall cause the Program Executing Agency to (i) provide its annual financial statements prepared in accordance with financing reporting standards acceptable to ADB; (ii) have its financial statements audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with auditing standards acceptable to ADB; and (iii) furnish to ADB, no later than 1 month after approval by the relevant authority and 12 months from the end of each fiscal year, whichever is earlier, copies of such audited financial statements in the English language and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.

(d) The Borrower shall enable ADB, upon ADB's request, to discuss the financial statements for the Program and the Borrower's financial affairs where they relate to the Program with the auditors appointed pursuant to subsection (a)(iii) hereinabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This is provided that such discussions shall be conducted only in the presence of an authorized officer of the Borrower, unless the Borrower shall otherwise agree.

Section 4.03. As part of the information and reports referred to in Sections 7.01 and 7.04 of the Loan Regulations, the Borrower shall furnish, or cause to be furnished, to ADB (a) semiannual reports on the implementation of the Program, including the accomplishment of the DLIs, the carrying out of the Program Actions and the Eligible Expenditures; and (b) as ADB shall reasonably request, additional information in connection with the reports described in subsection (a) hereinabove and other information on Program implementation.

Section 4.04. The Borrower shall enable ADB's representatives to inspect the Program and any relevant records and documents.

Section 4.05. (a) The Borrower shall exercise its rights under the Implementing Agreement in such a manner as to protect the interests of the Borrower and ADB and to accomplish the purposes of the Loan.

(b) No rights or obligations under the Implementing Agreement shall be assigned, amended, abrogated or waived without prior notice to ADB.

ARTICLE V**Effectiveness**

Section 5.03. A date 90 days after the date of this Loan Agreement is specified for the effectiveness of this Loan Agreement for the purposes of Section 10.04 of the Loan Regulations.

ARTICLE VI**Miscellaneous**

Section 6.01. The Minister of Finance of the Borrower is designated as representative of the Borrower for the purposes of Section 12.02 of the Loan Regulations.

Section 6.02. The following addresses are specified for the purposes of Section 12.01 of the Loan Regulations:

For the Borrower

Ministry of Finance
1 Melik-Adamyan Street
Yerevan 0010, Armenia

Facsimile Number:

(374 11) 800-132

For ADB

Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila
Philippines

Facsimile Numbers:

(632) 8636-2444
(632) 8636-2484.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Loan Agreement to be signed in their respective names as of the day and year first above written and to be delivered at the principal office of ADB.

REPUBLIC OF ARMENIA

By



VAHE HOVHANNISYAN
Minister of Finance

ASIAN DEVELOPMENT BANK

By



DONALD LAMBERT
Country Director
Armenia Resident Mission

SCHEDULE 1

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 shall 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 ADB by multiplying (a) the total principal amount of the Loan withdrawn and outstanding as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayment 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>Payment Due</u>	<u>Installment Share</u> (Expressed as a %)
15 January 2039	7.142857
15 July 2039	7.142857
15 January 2040	7.142857
15 July 2040	7.142857
15 January 2041	7.142857
15 July 2041	7.142857
15 January 2042	7.142857
15 July 2042	7.142857
15 January 2043	7.142857
15 July 2043	7.142857
15 January 2044	7.142857
15 July 2044	7.142857
15 January 2045	7.142857
15 July 2045	7.142859
Total	100.000000

2. If the proceeds of the Loan shall not 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 as follows:

- (a) to the extent that any proceeds of the Loan shall have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the amount withdrawn and outstanding as of such date in accordance with paragraph 1 of this Schedule; and
- (b) any withdrawal made 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 ADB by multiplying the amount of each such withdrawal by a fraction, the numerator of which shall be the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (the Original Installment Share) and the

denominator of which shall be the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such repayment amounts to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. Withdrawals made within 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.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the withdrawn principal amount of the Loan to an Approved Currency, the amount so converted in said Approved Currency that shall be repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by ADB by multiplying such amount in its currency of denomination immediately prior to said Conversion by either: (a) the exchange rate that reflects the amounts of principal in said Approved Currency payable by ADB under the Currency Hedge Transaction relating to said Conversion; or (b) if ADB so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the principal amount of the Loan withdrawn and outstanding from time to time shall be 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.

SCHEDULE 2

Allocation and Withdrawal of Loan Proceeds

General

1. Except as set out in this Schedule or as ADB may otherwise agree, the Loan proceeds shall be disbursed in accordance with the Loan Disbursement Handbook.

Deposit Account

2. Prior to submitting the first application to ADB for withdrawal from the Loan Account, the Borrower shall nominate a bank account in the name of the Program Executing Agency designated for the Program with the State Treasury (the "Deposit Account"), into which the proceeds of the Loan shall be deposited through the Borrower's Single Treasury Account at the Central Bank of Armenia (the details of which will be duly notified by the Borrower to ADB in a withdrawal request). For the avoidance of doubt, all the withdrawals from the Loan Account shall be deposited into the Deposit Account. The Deposit Account shall be managed and liquidated in accordance with terms and conditions satisfactory to ADB.

3. The Borrower shall maintain separate records in respect of the Deposit Account in accordance with accounting principles acceptable to ADB. Upon ADB's request, the Borrower shall have the financial statements for the Deposit Account audited by independent auditors, whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with international standards for auditing or the national equivalent acceptable to ADB. Promptly after their preparation but in any event not later than 6 months after the date of ADB's request, copies of such audited financial statements and the opinion of the auditors on the financial statements, in the English language, shall be furnished to ADB.

Basis for Withdrawal from the Loan Account

4. (a) The Table sets out the Loan amounts allocated for withdrawal in respect of a DLI upon the Borrower's achievement of the corresponding DLI targets as set out in the DLI Matrix. The years set out in the Table are indicative. They do not restrict withdrawal on account of any DLI targets achieved whether ahead of, or later than, the indicated year, provided that such DLI targets are achieved on or before the Program Completion Date.

(b) ADB may, by notice to the Borrower, reallocate the Loan amounts set out in the Table within the same DLI or from one DLI to any other DLI.

5. Except as otherwise agreed by ADB, the Borrower shall not make more than one application for withdrawal from the Loan Account in each quarter of a Fiscal Year.

6. Prior to submitting any application for withdrawal from the Loan Account in respect of a DLI, the Borrower shall submit to ADB in accordance with the DLI Verification Protocol satisfactory evidence showing that: (a) such DLI has been fully achieved; or (b) for a DLI for which partial disbursement is allowed (as specified in the DLI Matrix), such DLI has been achieved to the extent required for partial disbursement under the DLI Verification Protocol. Upon ADB's confirmation that the DLI has been achieved in full or in part, the Borrower may submit to ADB an application for withdrawal of the corresponding Loan amount for such DLI.

Interest Charge

7. The amount allocated to "Interest Charge" in the Table is for financing interest charge on the Loan during the implementation period of the Program. ADB shall be entitled to withdraw from the Loan Account and pay to itself, on behalf of the Borrower, the amounts required to meet payments, when due, of such interest charge.

Advance Financing

8. Prior to the achievement of the DLIs, the Borrower may withdraw from the Loan Account an advance financing amount for the purposes of meeting the Program's financing requirements and supporting the achievement of such DLIs, provided that the outstanding advance financing amount shall not, at any time, exceed 25% of the Loan amount. ADB shall deduct the outstanding advance financing amount, or any portion thereof, from the Loan proceeds to be disbursed upon achievement of the DLIs.

Reconciliation

9. If any DLI has not been achieved by the Program Completion Date, the Borrower shall, within 6 months of the Program Completion Date, provide a refund to ADB for any outstanding advance financing amount or part thereof for such DLI.

10. If the total Eligible Expenditures amount is less than the Loan amount withdrawn by the Borrower, the Borrower shall provide a refund to ADB for an amount equal to the extent of the shortfall within 6 months after the Program Completion Date.

TABLE

ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS (€)					
Disbursement- Linked Indicators (DLI)	Total ADB Financing Allocation	2024	2025	2026	2027
DLI 1. Coverage increase	21,400,000	700,000	4,700,000	8,900,000	7 100,000
DLI 2. School construction	37,200,000	3,200,000	14,500,000	10,800,000	8,700,000
DLI 3. Campaigns	2,800,000	200,000	1,100,000	800,000	700,000
Subtotal	61,400,000	4,100,000	20,300,000	20,500,000	16,500,000
Interest Charge	4,700,000				
TOTAL	66,100,000				

DLI MATRIX

Disbursement-Linked Indicators (DLI)	Baseline and Year	Status as of March 2023	2023–2024	2024 –2025	2025–2026	2026 – 2027
DLI 1: By 2027, the percentage of male and female students studying in school buildings meeting the safety standards for MSK-IX scale earthquake increased by 5.3 percentage points	2014: 13.4% (female = 6.5%, male = 6.9%) of students studying in school buildings meeting the existing government seismic safety standards	The percentage of school students studying in school buildings meeting the existing government seismic safety standards for MSK-IX scale earthquake increased by 1.8 percentage points from baseline.	The percentage of school students studying in school buildings meeting the safety standards for MSK-IX scale increased by at least 2.0 percentage points from the baseline.	The percentage of school students studying in school buildings meeting the safety standards for MSK-IX scale increased by at least 2.6 percentage points from the baseline (partial disbursement allowed)	The percentage of school students studying in school buildings meeting the safety standards for MSK-IX scale increased by at least 4.5 percentage points from the baseline (partial disbursement allowed)	The percentage of school students studying in school buildings meeting the safety standards for MSK-IX scale increased by at least 5.3 percentage points from the baseline (partial disbursement allowed)
DLI 2: 46 schools with school buildings meet the safety standards for MSK-IX scale earthquake.	Zero schools under this RBL program meeting the safety standards for MSK-IX scale earthquake	10 schools with school buildings meet the safety standards for MSK-IX scale earthquake.	At least 15 schools with school buildings meet the safety standards for MSK-IX scale earthquake. (partial disbursement allowed)	At least 24 schools with school buildings meet the safety standards for MSK-IX scale earthquake. (partial disbursement allowed)	At least 40 schools with school buildings meet the safety standards for MSK-IX scale earthquake. (partial disbursement allowed)	At least 46 schools with school buildings meet the safety standards for MSK-IX scale earthquake. (partial disbursement allowed)

Disbursement-Linked Indicators (DLI)	Baseline and Year	Status as of March 2023	2023–2024	2024 –2025	2025–2026	2026 – 2027
DLI 3: 46 communities reached by public awareness campaigns (with at least 50% female participation) in the onsite meetings on seismic risk and response in accordance with seismic emergency response plans	Zero communities reached by public awareness campaigns under this program	8 communities reached by public awareness campaigns (with at least 50% female participation) in the onsite meetings on seismic risk and response in accordance with seismic emergency response plans	At least 15 communities reached by public awareness campaigns (with at least 50% female participation) in the onsite meetings on seismic risk and response in accordance with the seismic emergency response plans (partial disbursement allowed)	At least 24 communities reached by public awareness campaigns (with at least 50% female participation) in the onsite meetings on seismic risk and response in accordance with seismic emergency response plans (partial disbursement allowed)	At least 40 communities reached by public awareness campaigns (with at least 50% female participation) in the onsite meetings on seismic risk and response in accordance with seismic emergency response plans (partial disbursement allowed)	At least 46 communities reached by public awareness campaigns (with at least 50% female participation) in the onsite meetings on seismic risk and response in accordance with seismic emergency response plans (partial disbursement allowed)
DLI 4: 4a. Updated and consolidated SSRP, using the prioritization criteria developed with UNICEF support approved by 2015 (Prior Result)	No SSRP as specified	Completed. SSRP updated as needed since 2016.				Updated and consolidated SSRP, using the prioritization criteria developed with UNICEF support approved, and updated as needed
4b. Guidelines in line with international best practices for school seismic strengthening and retrofitting approved by 2016	No guidelines as specified	Completed				Guidelines in line with international best practices for school seismic strengthening and retrofitting approved and completed

Disbursement-Linked Indicators (DLI)	Baseline and Year	Status as of March 2023	2023–2024	2024 –2025	2025–2026	2026 – 2027
4c. Updated building code for school buildings harmonized with international standards and approved by 2016	No updated building code as specified	Completed				Updated building codes for school buildings harmonized with international standards and approved
4d. National seismic hazard probabilistic map updated based on the seismic risk assessment and approved by 2018	No map as specified	Completed				National seismic hazard probabilistic map updated based on the seismic risk assessment and approved.
DLI 5: 5a. At least 11 additional staff recruited and deployed in ATDF by 2015 (Prior Result)	Zero staff recruited under this RBL program	Completed				11 additional staff recruited and deployed in ATDF.
5b. Template bidding documents are prepared in accordance with internationally accepted procurement procedures	No template bidding documents as specified	Completed				Template bidding documents are prepared in accordance with internationally accepted procurement procedures
5c. Program monitoring and evaluation system with social and gender indicators in place by 2016	No system as specified	Completed				Program monitoring and evaluation system with social and gender indicators in place

Disbursement-Linked Indicators (DLI)	Baseline and Year	Status as of March 2023	2023–2024	2024 –2025	2025–2026	2026 – 2027
5d. ATDF's operations manual is updated and adopted for the Program by 2016	No updated manual as specified	Completed				ATDF's operations manual is updated and adopted for the Program
5e. 30 government officials, with at least 40% women, involved in program management, implementation, and monitoring, are trained and licensed, as necessary, by 2018	Zero trained and licensed as specified	Completed				34 government officials, with at least 40% women, involved in program management, implementation, and monitoring, are trained and licensed,

SCHEDULE 3

Execution of Program

Implementation Arrangements

1. The Borrower and the Program Executing Agency shall ensure that the Program is implemented in accordance with the detailed arrangements set forth in the PID. Any subsequent change to the PID shall become effective only after approval of such change by the Borrower and ADB. In the event of any discrepancy between the PID and this Loan Agreement, the provisions of this Loan Agreement shall prevail.
2. The Borrower shall ensure that the aggregate amount of Eligible Expenditures under the Program is equal to or exceeds the Loan proceeds withdrawn by the Borrower for the Program. Such Eligible Expenditures are part of the expenditures incurred under SSRP, but they exclude any expenditures for (a) procurement of works, goods and services from countries which are not members of ADB; (b) procurement of works, goods and services from persons or entities debarred or suspended by ADB; (c) procurement involving High-Value Contracts; (d) any activities which are classified as category A for environmental impact under the SPS; (e) any activities assessed as likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on environment and/or affected people; and (f) any activities which are prohibited investment activities provided in Appendix 5 of the SPS.
3. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that grievances if any from stakeholders, relating to the Program implementation or use of funds are addressed effectively and efficiently.
4. The Borrower shall ensure that the Program Executing Agency complies with all the requirements and obligations in its part as included in this Loan Agreement to meet the objectives of the Program in a timely and efficient manner.

DLI Compliance and Program Dialogue

5. The Borrower shall ensure that all DLIs achieved under the Program continue to be complied with for the duration of SSRP.
6. The Borrower shall keep ADB informed of discussions with other multilateral or bilateral aid agencies that may have implications for the implementation of SSRP and the Program and shall provide ADB with an opportunity to comment on any resulting proposals. The Borrower shall give due consideration to ADB's views before finalizing and implementing any such proposal.

Budget Allocation

7. The Borrower and the Program Executing Agency shall ensure that all policies, processes, and procedures are in place for adequate and timely budget allocation for the Program consistent with the resource requirements of the Program.
8. The Borrower and the Program Executing Agency shall take steps to ensure effective implementation of the system for annual budget allocation for operations and maintenance of the schools and shall ensure that sufficient funds are available for operation and

maintenance of the schools strengthened or reconstructed under the Program for the lifetime of those schools in accordance with sound operational and maintenance practices, including with respect to continued seismic resilience of such schools.

Technical Requirements

9. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that all Program Actions in the area of technical requirements are implemented in a timely and efficient manner.

Financial Management

10. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that all Program Actions in the area of financial management are implemented in a timely and efficient manner.

Procurement

11. The Borrower shall ensure that each contract under the Program is awarded on the basis of the Program's procurement system, having due regard for principles of competition, economy and efficiency, transparency, and fairness and equal opportunity.

12. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that all Program Actions in the area of procurement are implemented in a timely and efficient manner.

Environmental and Social Safeguards

13. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that all Program Actions in the area of environmental and social safeguards are implemented in a timely and efficient manner.

14. (a) The Borrower shall ensure, or cause the Program Executing Agency to ensure, that no construction or rehabilitation works under the Program involve significant adverse environmental impacts that may be classified as category A under the SPS. Prior to commencing any construction or rehabilitation works under the Program, the Borrower shall conduct, or cause the Program Executing Agency to conduct, a screening to ensure that any works that may be classified as category A for environment impacts within the meaning of SPS are excluded from the Program.

(b) The Borrower shall ensure, or cause the Program Executing Agency to ensure, that the preparation, design, construction, implementation, operation and decommissioning of all activities under the Program comply with (i) all applicable laws, regulations and guidelines of the Borrower relating to environment, health and safety; (ii) the Environmental Safeguards; and (iii) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.

15. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that the Program does not involve any resettlement risks or impacts within the meaning of the SPS. If due to unforeseen circumstances, the Program involves any such impacts, the Borrower

shall ensure that the Program complies with (a) all applicable laws and regulations of the Borrower relating to resettlement; (b) Involuntary Resettlement Safeguards; and (c) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.

16. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that the Program does not involve any indigenous people risks or impacts within the meaning of the SPS. If due to unforeseen circumstances, the Program involves any such impacts, the Borrower shall ensure that the Program complies with (a) all applicable laws and regulations of the Borrower relating to indigenous peoples; (b) Indigenous Peoples Safeguards; and (c) all measures and requirements, including monitoring requirements set forth in the Program Action Plan.

Gender and Social Equality

17. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that all Program Actions in the area of gender and social equality are implemented in a timely and efficient manner.

Monitoring and Evaluation

18. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that all Program Actions in the area of monitoring and evaluation are implemented in a timely and efficient manner.

Governance and Anticorruption

19. The Borrower shall ensure, or cause the Program Executing Agency to ensure, that the Program complies with the Anticorruption Guidelines and that all appropriate and timely measures are taken to prevent, detect and respond to allegations of fraud, corruption or any other prohibited activities relating to the Program in accordance with the Anticorruption Guidelines.

20. The Borrower shall, or cause the Program Executing Agency to, (a) promptly inform ADB of any allegations of fraud, corruption or any other prohibited activities relating to the Program; and (b) cooperate fully with any investigation by ADB on such allegations and extend all necessary assistance, including providing access to all relevant records, for satisfactory completion of such investigation.

21. Within 90 days of the Effective Date, the Borrower shall, or cause the Program Executing Agency to, update its public website to (a) provide information on progress of the Program; (b) post the annual audited financial statements for the Program, as such financial statements become available; and (c) disseminate other relevant information on Program implementation.