
LOAN NUMBER 3452-NEP(SF)

LOAN AGREEMENT
(Special Operations)
(Supporting School Sector Development Plan)

between

NEPAL

and

ASIAN DEVELOPMENT BANK

DATED 2 DECEMBER 2016

NEP 49424

**LOAN AGREEMENT
(Special Operations)**

LOAN AGREEMENT dated 2 December 2016 between NEPAL ("Borrower") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) the Borrower has applied to ADB for a loan for the purposes of the Program described in Schedule 1 to this Loan Agreement;

(B) the Program will be carried out by the Borrower's Ministry of Education ("MOE"), and for this purpose the Borrower will make available to MOE the proceeds of the Loan provided for herein upon terms and conditions satisfactory to ADB; and

(C) ADB has agreed to make a loan to the Borrower from ADB's Special Funds resources upon the terms and conditions set forth herein;

NOW THEREFORE the parties agree as follows:

ARTICLE I

Loan Regulations; Definitions

Section 1.01. All provisions of the Special Operations Loan Regulations of ADB, dated 1 January 2006 ("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(24) is deleted and the following is substituted therefor:

24. "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(26) is deleted and the following is substituted therefor:

26. "Program Executing Agency" means the entity 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 7 to ADB's policy on Piloting Results-Based Lending for Programs (2013);
- (b) "CGAS" means Computerized Government Accounting System;
- (c) "DEO" means District Education Office;
- (d) "Deposit Account" means the bank account into which all withdrawals from the Loan Account shall be deposited;
- (e) "DLI" means each disbursement-linked indicator as set forth in the DLI Matrix;
- (f) "DLI Matrix" means the DLI matrix for the Program as set forth in Attachment 2 of Schedule 3 to this Loan Agreement, as updated from time to time by the Borrower and ADB;
- (g) "DLI Verification Protocol" means the protocol for verifying the Borrower's achievement of each DLI, as set forth in the PID;
- (h) "e-GP" means electronic government procurement;
- (i) "Eligible Expenditures" means the eligible expenditures referred to in paragraph 2 of Schedule 4 to this Loan Agreement;
- (j) "EMIS" means education management information system;
- (k) "Environmental Safeguards" means the objectives and policy principles set forth in Chapter V, Appendix 1, and Appendix 4 (as applicable) of the SPS;
- (l) "Fiscal Year" means the fiscal year of the Borrower, which runs from 16 July to 15 July in each year;
- (m) "FM" means financial management;
- (n) "FMAP" means fiduciary management action plan;
- (o) "GER" means gross enrollment rate;
- (p) "High-Value Contracts" mean: (i) procurement of works, turnkey and supply and installation contracts that cost \$50 million equivalent or more per contract; (ii) procurement of goods contracts that cost \$30 million equivalent or more per contract; (iii) information technology or non-consulting services contracts that cost \$20 million equivalent

or more per contract; and/or (iv) consulting services contracts that cost \$15 million equivalent or more per contract;

- (q) "ICT" means information and communication technology;
- (r) "Indigenous Peoples Safeguards" means the objectives and policy principles set forth in Chapter V, Appendix 3, and Appendix 4 (as applicable) of the SPS;
- (s) "Involuntary Resettlement Safeguards" means the objectives and policy principles set forth in Chapter V, Appendix 2, and Appendix 4 (as applicable) of the SPS;
- (t) "Loan Disbursement Handbook" means ADB's Loan Disbursement Handbook (2015, as amended from time to time);
- (u) "PID" means the program implementation document for the Program dated 12 September 2016, as updated from time to time by the Borrower and ADB;
- (v) "PPA" means the Borrower's Public Procurement Act, 2063 (2007);
- (w) "PPR" means the Borrower's Public Procurement Regulations, 2064 (2008);
- (x) "Program Action Plan" means the action plan for the Program dated 12 September 2016, as updated from time to time by the Borrower and ADB;
- (y) "Program Actions" means the actions set out in the Program Action Plan;
- (z) "Program Completion Date" means the date set out in paragraph 3 of Schedule 1 to this Loan Agreement, or such other date as the Borrower and ADB may agree;
- (aa) "SPS" means ADB's Safeguard Policy Statement (2009);
- (bb) "SSDP" means the Borrower's School Sector Development Plan, which is supported by the Program; and
- (cc) "Table" means the table on the allocation and withdrawal of Loan proceeds set forth in Attachment 1 of Schedule 3 to this Loan Agreement.

ARTICLE II

The Loan

Section 2.01. ADB agrees to lend to the Borrower from ADB's Special Funds resources an amount in various currencies equivalent to eighty five million five hundred seven thousand Special Drawing Rights (SDR85,507,000).

Section 2.02. (a) The Borrower shall pay to ADB an interest charge at the rate of 1% per annum during the grace period, and 1.5% per annum thereafter, on the amount of the Loan withdrawn from the Loan Account and outstanding from time to time.

(b) The term "grace period" as used in subsection (a) hereinabove means the period prior to the first Principal Payment Date in accordance with the amortization schedule set forth in Schedule 2 to this Loan Agreement.

Section 2.03. The interest charge and any other charge on the Loan shall be payable semiannually on 15 April and 15 October in each year.

Section 2.04. The Borrower shall repay the principal amount of the Loan withdrawn from the Loan Account in accordance with the amortization schedule set forth in Schedule 2 to this Loan Agreement.

Section 2.05. The currency of repayment of the principal amount of the Loan and the currency of payment of the interest charge for the purposes of Sections 4.03(a) and 4.04 of the Loan Regulations shall be the Dollar.

ARTICLE III

Use of Proceeds of the Loan

Section 3.01. The Borrower shall apply the proceeds of the Loan to the financing of expenditures on 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 3 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 8.02 of the Loan Regulations shall be 31 May 2022 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 4 to this Loan Agreement.

Section 4.02. (a) The Borrower shall (i) maintain accounts and records for SSDP; (ii) prepare annual financial statements for SSDP 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 9 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 SSDP 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) The Borrower shall enable ADB, upon ADB's request, to discuss the financial statements for SSDP and the Borrower's financial affairs where they relate to SSDP 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 reports and information referred to in Section 6.05 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.

ARTICLE V

Effectiveness

Section 5.01. 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 9.04 of the Loan Regulations.

ARTICLE VI

Miscellaneous

Section 6.01. The Secretary, Ministry of Finance of the Borrower is designated as representative of the Borrower for the purposes of Section 11.02 of the Loan Regulations.

Section 6.02. The following addresses are specified for the purposes of Section 11.01 of the Loan Regulations:

For the Borrower

Secretary
Ministry of Finance
Singha Durbar
Kathmandu, Nepal

Facsimile Number:

+977 1 421-1665

For ADB


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

Facsimile Numbers:

(632) 636-2444
(632) 636-2449.


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.

NEPAL

By 

SHANTA RAJ SUBEDI
Secretary
Ministry of Finance

ASIAN DEVELOPMENT BANK

By 

KENICHI YOKOYAMA
Country Director
Nepal Resident Mission

SCHEDULE 1

Description of the Program

1. The objective of the Program is to support SSDP's implementation.
2. The Program shall comprise:

Part 1: Improving access to basic and secondary schools:

- (i) implementation of a revised pro-poor scholarships programs, with targeted interventions for girls in secondary science education;
- (ii) provision of separate individual subject teachers for mathematics, science and English in grades 6-8 and 9-12; and
- (iii) increase in the number of secondary schools offering science subjects.

Part 2: Improving quality of school education:

- (i) provision of activity-based teaching-learning materials in mathematics, science and English language and additional ICT and e-resources to introduce students to modern pedagogy;
- (ii) strengthening continuous professional development of subject teachers to use the activity-based teaching-learning materials in the classrooms;
- (iii) establishment of an autonomous National Examination Board; and
- (iv) reform and standardization of public examinations at the end of grade 8 and grade 10.

Part 3: Piloting model school program:

- (i) upgrading of existing large secondary schools into model schools on a pilot basis with a number of interventions, including provision of comprehensive quality inputs, to serve as demonstration sites for improving teaching and learning.

Part 4: Improving school system governance and management:

- (i) implementation of revised school grant system;
- (ii) rolling out of a web-based accounting system in all 75 districts; and
- (iii) upgrading the EMIS to a web-based system.

3. The Program is expected to be completed by 30 November 2021.

SCHEDULE 2**Amortization Schedule****(Supporting School Sector Development Plan)**

Date of Payment Due	Payment of Principal (expressed in Special Drawing Rights)*
15 April 2025	1,781,396
15 October 2025	1,781,396
15 April 2026	1,781,396
15 October 2026	1,781,396
15 April 2027	1,781,396
15 October 2027	1,781,396
15 April 2028	1,781,396
15 October 2028	1,781,396
15 April 2029	1,781,396
15 October 2029	1,781,396
15 April 2030	1,781,396
15 October 2030	1,781,396
15 April 2031	1,781,396
15 October 2031	1,781,396
15 April 2032	1,781,396
15 October 2032	1,781,396
15 April 2033	1,781,396
15 October 2033	1,781,396
15 April 2034	1,781,396
15 October 2034	1,781,396
15 April 2035	1,781,396
15 October 2035	1,781,396
15 April 2036	1,781,396
15 October 2036	1,781,396
15 April 2037	1,781,396
15 October 2037	1,781,396
15 April 2038	1,781,396
15 October 2038	1,781,396
15 April 2039	1,781,396
15 October 2039	1,781,396
15 April 2040	1,781,396
15 October 2040	1,781,396
15 April 2041	1,781,396
15 October 2041	1,781,396
15 April 2042	1,781,396
15 October 2042	1,781,396
15 April 2043	1,781,396
15 October 2043	1,781,396
15 April 2044	1,781,396
15 October 2044	1,781,396
15 April 2045	1,781,396
15 October 2045	1,781,396

Date of Payment Due	Payment of Principal (expressed in Special Drawing Rights)*
15 April 2046	1,781,396
15 October 2046	1,781,396
15 April 2047	1,781,396
15 October 2047	1,781,396
15 April 2048	1,781,396
15 October 2048	<u>1,781,388</u>
TOTAL	85,507,000

* The arrangements for payment are subject to the provisions of Sections 3.04 and 4.03 of the Loan Regulations.

SCHEDULE 3**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 the Deposit Account into which all withdrawals from the Loan Account shall be deposited.

3. The Borrower shall maintain separate records in respect of the Deposit Account in accordance with accounting principles acceptable 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, in consultation with the Borrower, reallocate the Loan amounts set out in the Table within the same DLI or from one DLI to any other DLI.

5. 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.

Financing for Prior Results

6. The Borrower may withdraw from the Loan Account for DLIs achieved prior to the Effective Date but not earlier than 12 months before the date of this Loan Agreement, provided that the aggregate of such withdrawals for prior results shall not exceed 20% of the Loan amount.

Reconciliation

7. If the total Eligible Expenditures amount to 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 of the Program Completion Date.

TABLE

Allocation and Withdrawal of Loan Proceeds (Supporting School Sector Development Plan) (\$ million)							
Disbursement- Linked Indicators (DLI)	Total ADB Financing Allocation	Financing for Prior Results	2017	2018	2019	2020	2021
DLI 1	18		3	7		4	4
DLI 2	17		3		(i) 4 (ii) 3	3	(i) 2 (ii) 2
DLI 3	11			6	3		2
DLI 4	7		3		2		2
DLI 5	28	5	3	6	(i) 5 (ii) 4	3	2
DLI 6	27	(i) 5 (ii) 5	(i) 1.5 (ii) 1.5	4	(i) 2 (ii) 3	(i) 1.5 (ii) 1.5	(i) 1 (ii) 1
DLI 7	12			3	2	(i) 3 (ii) 2	2
Total	120	15	15	26	28	18	18

DLI MATRIX

(Supporting School Sector Development Plan)

Disbursement-Linked Indicators	Baseline Value and Year	Target Values							
		Prior Results	Year 1	Year 2	Year 3	Year 4	Year 5		
Outcome: Equitable access to quality secondary education enhanced									
DLI 1 Increased access and participation of girls and boys in secondary education	GER for secondary education in 2015: Girls: 56.6% Boys: 56.8%.		A revised pro-poor scholarship scheme developed that includes targeted interventions for increasing girls' participation in science subjects in grades 11 and 12.	Revised pro-poor scholarship scheme implemented in 15 districts, with targeted interventions for increasing girls' participation in science subjects in grades 11 and 12 (partial disbursement allowed).		5.0% increase in GER for secondary education over the baseline Girls: 61.6 Boys: 61.8 (partial disbursement allowed).	7.0% increase in GER for secondary education over the baseline Girls: 63.6 Boys: 63.8 (partial disbursement allowed).		
Output 1: Access to basic and secondary schools improved									
DLI 2 Improved deployment of trained subject teachers for mathematics, science and English in basic schools and secondary schools	Provision of full complement of mathematics, science and English subjects teachers is a new initiative, and new subject-wise training modules for teachers are to be developed.		Teacher Rationalization and Deployment Plan, particularly to ensure the availability of subject teachers in basic and secondary schools, approved.		(i) 1,000 basic secondary schools have full complement of mathematics, science and English subject teachers (partial disbursement allowed). (ii) 4,500 subject teachers for mathematics, science and English trained in new subject-wise training (partial)	2,000 basic secondary schools have full complement of mathematics, science and English subject teachers (partial disbursement allowed).	(i) 3,000 basic secondary schools have full complement of mathematics, science and English subject teachers. (partial disbursement allowed). (ii) 13,500 subject teachers for mathematics, science and English trained in new subject wise training		

Disbursement-Linked Indicators	Baseline Value and Year	Target Values				
		Prior Results	Year 1	Year 2	Year 3	Year 4
Output 2: Quality of school education improved						
DLI 3 Activity-based mathematics, science, and English language materials to improve teaching and learning provided	New package of activity-based kits to be developed.		A package of activity-based kits for mathematics, science and English language developed for grades 6–8.	1,000 basic schools provided with activity-based kits for mathematics, science and English language (partial disbursement allowed).		3,000 basic schools provided with activity-based kits for mathematics, science and English language benefiting 60,000 students of which at least 50.0% are girls (partial disbursement allowed).
DLI 4 Examination system reforms undertaken to improve teaching and learning	Examinations are not adequately standardized across districts and from year to year.		National Examination Board made operational.	All students appearing for the grade 8 examinations (at least 45.0% girls) sit for standardized and improved annual examination.		All students appearing for the grade 10 examinations (at least 45.0% girls) sit for standardized and improved annual examination.
Output 3: Model school program piloted						
DLI 5 Model schools piloted with comprehensive quality inputs and innovative teaching and learning	Piloting of model schools is a new initiative.	Eligibility and selection criteria for model schools developed.	Guidelines for establishment and operation of model schools approved by MOE.	Implementation of approved school-specific multi-year quality improvement plans in 100 model schools (partial disbursement allowed).	(i) Implementation of approved school-specific multi-year quality improvement plans in additional 100 model schools initiated (partial disbursement allowed).	At least 200 secondary schools upgraded to model schools, benefiting 40,000 students of which at least 50.0% are girls (partial disbursement allowed).
				The 100 schools selected in 2018 provided with science and ICT laboratories, e-libraries, e-resources and mathematics, science and English language kits		

Disbursement-Linked Indicators	Baseline Value and Year	Target Values					
		Prior Results	Year 1	Year 2	Year 3	Year 4	Year 5
					(ii) The 100 schools selected in 2017 provided with science and ICT laboratories, e-libraries, e-resources and mathematics, science and English language kits (partial disbursement allowed).	(partial disbursement allowed).	
Output 4: School system governance and management improved							
DLI 6 Improved governance and strengthened fiduciary management of the school sector	Limited fiduciary management system capacity.	(i) Eighth Amendment to the Education Act (2016) passed by the Parliament. (ii) SSDP implementation arrangements with FM, procurement and safeguard units in place.	(i) SSDP FMAP approved by the SSDP Steering Committee. (ii) Manual developed with well-defined procedures for procurement of works, goods and services as per PPA and PPR.	(i) A revised needs-based school grant system approved by the MOE. (ii) Training imparted to 1,000 secondary schools in procurement procedures.	(i) e-GP system for national competitive bidding is implemented in at least 35 DEOs with training. (ii) CGAS implemented in all 75 DEOs with training.	(i) Revised needs-based school grant system implemented in all 75 DEOs (partial disbursement allowed). (ii) Training imparted to 2,000 secondary schools in procurement procedures.	(i) Percentage of recurring audit observations of SSDP no more than 5.0% of the total SSDP expenditures. (ii) e-GP system for national competitive bidding is implemented in all 75 DEOs with training.
DLI 7 Enhanced reliability and transparency of EMIS data, including school level data	Non-web-based EMIS Self-reported EMIS			First round of sample-based independent verification of EMIS completed.	Web-based EMIS, with disaggregated data for gender and social groups, operational in all 75 DEOs.	(i) Annual sector performance report prepared with the web-based EMIS data. (ii) Second round of sample-based independent	District and school profiles from EMIS used in school social audits nationwide as a tool to improve school performance.

Disbursement-Linked Indicators	Baseline Value and Year	Target Values					
		Prior Results	Year 1	Year 2	Year 3	Year 4	Year 5
						verification of EMIS completed with at least 95.0% accuracy of student and teacher data.	

SCHEDULE 4**Execution of Program**Implementation Arrangements

1. The Borrower 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 amount of Eligible Expenditures under the Program for any Fiscal Year is equal to or exceeds the Loan proceeds withdrawn by the Borrower in the same Fiscal Year. Such Eligible Expenditures are part of the expenditures incurred under SSDP, but they exclude any expenditures for (a) procurement of works, goods and services from persons or entities debarred or suspended by ADB; (b) procurement involving High-Value Contracts; (c) any activities which are classified as category A for environmental impact under the SPS; and (d) any activities which are prohibited investment activities provided in Appendix 5 of the SPS.

DLI Compliance and Program Dialogue

3. The Borrower shall ensure that all DLIs achieved under the Program continue to be complied with for the duration of SSDP.

4. The Borrower shall keep ADB informed of discussions with other multilateral or bilateral aid agencies that may have implications for the implementation of SSDP 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.

Technical Requirements

5. The Borrower shall ensure that all Program Actions in the area of technical requirements are implemented in a timely and efficient manner.

Financial Management

6. The Borrower shall ensure that all Program Actions in the area of financial management are implemented in a timely and efficient manner.

Procurement

7. The Borrower shall ensure that all Program Actions in the area of procurement are implemented in a timely and efficient manner.

Social and Environmental Safeguards

8. The Borrower shall ensure that all Program Actions in the area of environmental and social safeguards are implemented in a timely and efficient manner.

9. (a) The Borrower shall 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 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 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.

10. The Borrower shall 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.

11. The Borrower shall ensure that the Program does not involve any negative 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 Inclusion

12. The Borrower shall ensure that all Program Actions in the area of gender and social equality are implemented in a timely and efficient manner.

Governance and Anticorruption

13. The Borrower shall 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.

14. The Borrower shall (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.

15. Within 90 days of the Effective Date, the Borrower shall update its public website to (a) provide information on bidding procedures, bidders, contract awards and physical progress of the Program; (b) post the audited annual financial statements for SSDP, as such financial statements become available; and (c) disseminate other relevant information on Program implementation.