Loan Agreement

(Employment Support Project)

between

REPUBLIC OF AZERBAIJAN

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF AZERBAIJAN ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form 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 — LOAN

2.01. The Bank agrees to lend to the Borrower the amount of one hundred million United States Dollars, (USD $100,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.

2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest rate is the Reference Rate plus the Fixed Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

2.06. The Payment Dates are February 1 and August 1 in each year.

2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.
ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objective of the Project. To this end, the Borrower, through MLSPP, shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Conditions of Effectiveness consist of the following:

(a) that the Project Operational Manual has been adopted by the Borrower in a manner and with content acceptable to the Bank; and

(b) that the PIU has been established by the Borrower, through MLSPP, with a structure, composition, and resources as provided in Section I.A.1(a) of Schedule 2 to this Agreement.

4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower’s Representative is its Minister of Finance.

5.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower’s address is:

Ministry of Finance
135 Samed Vurgun Street
Baku AZ1022
Republic of Azerbaijan

(b) the Borrower’s Electronic Address is:

Telex: Facsimile: E-mail:
142116 BNKSL 99412 4044720 office@maliyye.gov.az
99412 4044721

5.03. For purposes of Section 10.01 of the General Conditions: (a) the Bank’s address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and
(b) the Bank’s Electronic Address is:

Telex: 248423(MCI) or 64145(MCI)  
Facsimile: 1-202-477-6391  
E-mail: smolineus@worldbank.org

AGREED as of the Signature Date.

REPUBLIC OF AZERBAIJAN

By

Authorized Representative

Name: Sarek Sharifov

Title: Minister of Finance

Date: 16.06.2020

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative

Name: Naseer Hajasoon Naqui

Title: Country Manager

Date: 16.06.2020
SCHEDULE 1

Project Description

The objective of the Project is to improve vulnerable people’s access to employment.

The Project consists of the following parts:

**Part A. Enhancing the scope and effectiveness of the Self-Employment Program**

1. Supporting the expansion of SEP’s scale, the diversification of the SEP’s supported businesses, and the enhancement of the business training currently provided under the SEP through, *inter alia*: (i) the enhancement of SEP’s training module on starting and improving a business; (ii) the provision of In-kind Assets to SEP Beneficiaries for the implementation of Business Plans; (iii) the provision of follow-up visits to SEP Beneficiaries to ensure the application of the training received in practice; (iv) the financing of the cost to open a bank account for Selected SEP Beneficiaries; (v) the provision of technical training for selected non-farming activities; and (vi) the upgrade of the curricula of selected courses and equipment in two VTCs; all in accordance with the terms and conditions described in the Project Operational Manual.

2. Promoting the increase of sustainability of SEP businesses with higher potential to grow by providing additional business development services to Selected SEP Beneficiaries, including, *inter alia*: (i) the provision of Matching Grants or Business Awards for the implementation of approved Business Plans; (ii) the provision of individual mentoring visits and advisory services during the first four (4) months of business operation; and (iii) the provision of informational sessions on the financial instruments available to finance the carrying out of a business; all in accordance with the terms and conditions described in the Project Operational Manual.

3. Improving the governance and coordination mechanism of SEP by, *inter alia*: (i) developing a support portal and mobile application for SEP Beneficiaries and SEP Applicants; (ii) building capacity of SES staff to improve engagement modalities with SEP Beneficiaries and to improve the selection of SEP Beneficiaries; (iii) strengthening the outreach and application process in local SES centers; (iv) improving the coordination between TSSA and SEP through the design and implementation of a TSSA transition strategy to SEP and providing training to social welfare office frontline staff; (v) carrying out an assessment of the Borrower’s personal data protection legal and policy frameworks and the MLSPP’s data systems in accordance with international best practice; and (vi) upgrading the MIS; all in accordance with the terms and conditions described in the Project Operational Manual.
Part B. Strengthening of employment services and programs

1. Assessing the labor market and responding to its short-term and medium-term skill demand by, *inter alia*: (i) carrying out a comprehensive assessment of the labor market to improve SES capacity to identify vacancies, critical occupations, and skills demand, including the carrying out of technical analysis and surveys; and (ii) developing a strategy for expansion and improvement of the VTCs; all in accordance with the terms and conditions described in the Project Operational Manual.

2. Improving job placement rates in the SES through, *inter alia*: (i) developing and implementing a communication and outreach strategy targeting the inactive population as well as SEP Beneficiaries; (ii) developing a statistical jobseeker profiling tool and a skills assessment test for Registered Jobseekers; (iii) developing online instruments to integrate the profiling tool and skills assessment to the MIS; (iv) developing and introducing a case management model in the SES to match Registered Jobseeker’s profile with potential employment opportunities; and (v) producing user manuals and training materials, and providing training to SES’ staff in the use of the profiling tool and skills assessment; all in accordance with the terms and conditions described in the Project Operational Manual.

Part C. Project Management, Monitoring and Evaluation

1. Supporting MLSPP in the carrying out of Project management including, *inter alia*: (i) the carrying out of Project audits; (ii) the acquisition of office equipment; (iii) the provision of technical support on procurement, safeguards and financial management requirements, including the hiring of the PIU’s staff; (iv) the financing of Operating Costs; and (v) the monitoring of the implementation of the Project.

2. Strengthening MLSPP’s monitoring and evaluation capacity, in accordance with the international best practices referred to in Part A.3 (v) of the Project, in three levels, including, *inter alia*:

   a. At SEP level, which includes, *inter alia*: (i) the upgrade of data collection capabilities of the SEP module in the MIS; (ii) the carrying out of two process evaluations of SEP operations; and (iii) conduct an impact evaluation of SEP; all in accordance with the procedures and timing set forth in the Project Operational Manual.

   b. At SES level, which includes, *inter alia*: (i) the development of a software to generate statistics on SES activities and outcomes; (ii) the carrying out of two (2) annual studies of trajectories of a sample of Registered
Jobseekers placed through SES; (iii) the provision of capacity building and training of SES' staff to improve data collection and analysis skills; and (iv) the carrying out of a survey on employer satisfaction to collect feedback on SES services and programs all in accordance with the procedures and timing set forth in the Project Operational Manual.

c. At MLSPP level, which includes, inter alia: (i) the development of a sectoral results framework; (ii) the provision of capacity building of the Employment Policy and Demography department within the MLSPP to generate knowledge and analysis for evidence-based decision making; (iii) the development of the concept, operational guidelines and the MIS module of a grievance redress mechanism system for SES; and (iv) the carrying out of two (2) surveys to assess Registered Jobseekers all in accordance with the procedures and timing set forth in the Project Operational Manual.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. To facilitate the implementation of the Project, the Borrower, through MLSPP, shall:

   (a) establish, operate and maintain, throughout Project implementation, a PIU within the MLSPP, with the staffing, functions and resources set forth in the Project Operational Manual, which include, inter alia: (i) a director; (ii) a procurement specialist; (iii) a financial management specialist; (iv) an environmental specialist; and (v) a social specialist;

   (b) no later than thirty (30) days after the Effective Date, establish and thereafter operate and maintain, throughout Project implementation, a Steering Committee responsible for Project oversight and coordination, led by MLSPP, and with the composition and functions set forth in the Project Operational Manual; and

   (c) no later than thirty (30) days after the Effective Date, establish and maintain, throughout Project implementation, a WG led by the PIU coordinator, with the composition and functions set forth in the Project Operational Manual.

B. Project Operational Manual

1. The Borrower, through MLSPP, shall adopt and thereafter carry out the Project in accordance with the provisions of a manual (the Project Operational Manual) satisfactory to the Bank, containing, inter alia: (i) a detailed description of Project activities and institutional arrangements for the Project; (ii) the Project administrative, budgeting, accounting, auditing, reporting, financial (including cash flow aspects in relation thereto), procurement and disbursement procedures; (iii) the monitoring indicators for the Project; (iv) the detailed procedures for coordination and collaboration among the relevant institutions within MLSPP in the carrying out of the Project; (v) the criteria for selecting SEP Beneficiaries and Selected SEP Beneficiaries; (vi) the selection, approval, implementation, monitoring and evaluation procedures (including the environmental and social standards, financial management and procurement requirements) of the Business Plans; (vii) the model forms for Business Plans, Asset Grant Agreement, Matching Grant Agreement, and Business Award Agreement; (viii) the detail on staffing and functions of the PIU, the Steering Committee, and the WG; (ix) the criteria and
procedure to approve the expansion of the Project Area; (x) the description of the eligibility criteria and mechanism for the provision of Matching Grants and Business Awards; and (xi) the Anti-Corruption Guidelines.

2. The Borrower, through MLSPP, shall not amend, suspend, repeal or waive any provision of the Project Operational Manual without the Bank’s prior written approval. In case of any conflict between the terms of the Project Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. In-Kind Assets

1. For purposes of carrying out Part A.1.(ii) of the Project, the Borrower, through MLSSP, shall ensure that the selection of each SEP Beneficiary and Business Plan complies with the process and eligibility criteria set forth in the Project Operational Manual.

2. Upon the selection of a SEP Beneficiary and approval of the corresponding Business Plan, and before the carrying out of said Business Plan, the Borrower, through MLSPP, shall enter into an agreement with each SEP Beneficiary (the In-Kind Asset Agreement) under terms and conditions satisfactory to the Bank and set forth in the Project Operational Manual, including, inter alia:

(a) MLSSP’s:

(i) obligation to provide an In-Kind Asset to the SEP Beneficiary on the terms and conditions set forth in said agreement; and

(ii) right to suspend or terminate the right of a SEP Beneficiary to use the In-Kind Asset; or to seek the return of the asset upon SEP Beneficiary’s failure to perform any of its obligations under the In-Kind Asset Agreement concerned; and

(b) the SEP Beneficiary’s obligation to:

(i) carry out the Business Plan in accordance with the Project Operational Manual; the Anti-Corruption Guidelines; the relevant financial management and environmental and social standard provisions of this Schedule; and

(ii) use the In-Kind Asset for the intended purpose of the Business Plan.

3. The Borrower, through MLSPP, shall exercise its rights and carry out its obligations under each In-Kind Asset Agreement in such a manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of this
Agreement, and except as the Bank shall otherwise agree, not assign, amend, terminate, abrogate, waive or fail to enforce any In-Kind Asset Agreement or any provision thereof.

D. Matching Grants and Business Awards

1. For purposes of carrying out Part A.2(i) of the Project, the Borrower, through MLSPP, shall ensure that each Selected SEP Beneficiary and Business Plan meet the eligibility criteria set forth in the Project Operational Manual.

2. Upon the selection of a Selected SEP Beneficiary and approval of the corresponding Business Plan, and before the carrying out of said Business Plan, the Borrower, through MLSPP, shall enter into an agreement with each Selected SEP Beneficiary (the Matching Grant Agreement or Business Award Agreement), under terms and conditions satisfactory to the Bank and set forth in the Project Operational Manual, including, *inter alia*:

   (a) MLSPP's

      (i) obligation to make a Matching Grant or provide a Business Award to the Selected SEP Beneficiary; and

      (ii) right to suspend or terminate the right of a Selected SEP Beneficiary to use the proceeds of the Matching Grant or the Business Award, or obtain a refund of all or any part of the amount of the Matching Grant or the Business Award then withdrawn, upon the Selected SEP Beneficiary failure to perform any of its obligations under the Matching Grant Agreement or the Business Award Agreement concerned; and

   (b) the Selected SEP Beneficiary's obligation to carry out the Business Plan in accordance with the Project Operational Manual; the Anti-Corruption Guidelines; the Procurement Regulations, the relevant financial management and Environmental and Social Standards provisions of this Schedule 2.

3. The Borrower, through MLSPP, shall exercise its rights and carry out its obligations under each Matching Grant Agreement or Business Award Agreement in such a manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of this Agreement, and except as the Bank shall otherwise agree, not assign, amend, terminate, abrogate, waive or fail to enforce any Matching Grant Agreement or any Business Award Agreement, or any provision thereof.
E. Environmental and Social Standards

1. The Borrower, through MLSPP, shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.

2. Without limitation upon paragraph 1 above, the Borrower, through MLSPP, shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Borrower, through MLSPP, shall ensure that:

   (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;

   (b) sufficient funds are available to cover the costs of implementing the ESCP;

   (c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and

   (d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Bank shall otherwise agree in writing and the Borrower has, thereafter, disclosed the revised ESCP.

In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. The Borrower, through MLSPP, shall:

   (a) take all measures necessary on its part to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the management tools and instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and

   (b) promptly notify the Bank of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.
4. The Borrower, through MLSPP, shall, no later than four (4) weeks after the
Effective Date, develop, operate, maintain and publicize the availability of a
grievance mechanism, in form and substance satisfactory to the Bank, to hear and
determine fairly and in good faith all complaints raised in relation to the Project,
and take all measures necessary to implement the determinations made by such
mechanism in a manner satisfactory to the Bank.

5. The Borrower, through MLSPP shall, no later than two (2) months after the
Effective Date, approve and implement an annual training program on the
Environmental and Social Standards, according to the terms and conditions set
forth in the Project Operational Manual.

Section II. Project Monitoring, Reporting and Evaluation

The Borrower, through MLSPP, shall furnish to the Bank each Project Report not later than
one (1) month after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Loan Proceeds

A. General

Without limitation upon the provisions of Article II of the General Conditions and
in accordance with the Disbursement and Financial Information Letter, the
Borrower may withdraw the proceeds of the Loan to finance Eligible Expenditures
in the amount allocated and, if applicable, up to the percentage set forth against
each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (Inclusive of Taxes, except VAT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consulting services, Matching Grants, Business Awards, and Training and Operating Costs under Parts A, B and C of the Project</td>
<td>100,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>100,000,000</td>
<td></td>
</tr>
</tbody>
</table>
B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date except that withdrawals up to an aggregate amount not to exceed $500,000 may be made for payments made prior to this date but on or after the date falling January 20, 2020, for Eligible Expenditures under Category (1).

2. The Closing Date is December 31, 2025.
SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

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").

Level Principal Repayments

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 1 and August 1</td>
<td></td>
</tr>
<tr>
<td>Beginning August 2024 through February 1, 2034</td>
<td>5%</td>
</tr>
</tbody>
</table>
APPENDIX

Definitions

1. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, 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 and as of July 1, 2016.

2. "Business Award" means any grant made or to be made out of the proceeds of the Loan to a Selected SEP Beneficiary under Part A.2(i) of the Project for purposes of financing Eligible Expenditures of an approved Business Plan, as further described in the Project Operational Manual.

3. "Business Award Agreement" means the agreement for the provision of a Business Award referred to in Section I.D.2 of Schedule 2 to this Agreement.

4. "Business Plan" means any business activity for productive purposes which meets the eligibility criteria set forth in the Project Operational Manual to be financed by an In-Kind Asset or a Matching Grant or a Business Award, to be carried out by a SEP Beneficiary or a Selected SEP Beneficiary, all of which shall meet the criteria set forth in the Project Operational Manual.

5. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

6. "Environmental and Social Commitment Plan" or the acronym "ESCP" means the Borrower’s environmental and social commitment plan, acceptable to the Bank, dated January 16, 2020, which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the Project, including the timing of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any instruments to be prepared thereunder; as the ESCP may be revised from time to time, with prior written agreement of the Bank, and such term includes any annexes or schedules to such plan.

7. "Environmental and Social Standards" means, collectively: (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources";


9. “In-Kind Asset” means goods financed out of the proceeds of the Loan consisting of, inter alia, tools, machines, utensils or equipment, to be provided to a SEP Beneficiary under Part A.1(ii) of the Project for purposes of implementing a Business Plan subject to the specific terms, conditions and procedures set forth in the Project Operational Manual.

10. “In-Kind Asset Agreement” means any of the agreements referred to in Section I.C.2 of Schedule 2 to this Agreement.

11. “Matching Grant” means a grant made or proposed to be made, on a cost sharing basis, from the proceeds of the Loan to a Selected SEP Beneficiary under Part A.2(i) of the Project, to partially finance the goods, consulting services, non-consulting services and Operating Costs required for the implementation of a Business Plan, as further described in the Project Operational Manual.

12. “Matching Grant Agreement” means the agreement for the provision of a Matching Grant referred to in Section I.D.2 of Schedule 2 to this Agreement.

13. “MIS” means the Borrower’s management information system established within MLSPP.


15. “Operating Costs” means reasonable costs, as shall have been approved by the Bank, for the incremental expenses incurred on account of Project implementation, which are the expenditures that would not have been incurred in the absence of the Project, consisting of, communication costs, office supplies and maintenance, and equipment maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project, salaries of the PIU staff (but excluding consulting’ services and salaries of officials of the Borrower’s civil service), office rent and any other expenditures
incurred by the PIU on account of Project implementation, provided that all said expenses are acceptable to the Bank.

16. "PIU" or "Project Implementation Unit" means the unit referred to in Section I.A.1(a) of Schedule 2 to this Agreement, or any other successor thereto acceptable to the Bank.

17. "Procurement Regulations" means, for purposes of paragraph 85 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.

18. "Project Area" means the area within the Borrower's territory, defined in the Project Operational Manual, which could be expanded with Bank's approval, pursuant to the criteria and procedure set forth in the Project Operational Manual.

19. "Project Operations Manual" means the Borrower's manual acceptable to the Bank and referred to in Section I.B.1 of Schedule 2 to this Agreement, as the same may be amended from time to time with the agreement of the Bank.

20. "Registered Jobseeker" means any individual registered in SES.

21. "Selected SEP Beneficiaries" means any SEP Beneficiary that meets the eligibility criteria to receive a Matching Grant or a Business Award, all in accordance with the terms, conditions and procedures established in the Project Operation Manual.

22. "SEP" means the Borrower's Self-Employment Program established within the MLSPP.

23. "SEP Applicant" means any Registered Jobseeker interested in becoming a SEP Beneficiary, including those individuals who dropped out during the training, or who did not receive the In-Kind Asset.

24. "SEP Beneficiaries" means any SEP Applicant that complies with the eligibility criteria to receive an In-Kind Asset, that has been selected by the PIU, all in accordance with the terms, condition and procedures established in the Project Operation Manual.

25. "SES" means the Borrower's State Employment Services, established within the MLSPP, or any successor thereto acceptable to the Bank.

26. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.

27. "Steering Committee" means the committee referred to in Section I.A.1(b) of Schedule 2 to this Agreement.
28. "Training" means the reasonable costs, as shall have been approved by the Bank, for training and workshops, conducted under the Project, including tuition, travel and subsistence costs for training participants, costs associated with securing the services of trainers and speakers, rental of training and workshop facilities, preparation and reproduction of training materials, and other costs directly related to training course or workshop preparation and implementation (but excluding goods and consulting services).

29. "TSSA" means the Borrower's Targeted State Social Assistance, established within MLSPP, or any successor thereto acceptable to the Bank.

30. "VAT" means value added tax.

31. "VTC" means the Borrower's two vocational training centers existing as of the date of this Agreement in the center of Baku and Goychay cities, established within the structure of the MLSPP, and any future VTC established by the Borrower within the Project Area, as accepted by the Bank.

32. "WG" means the working group referred to in Section I.A.1(c) of Schedule 2 to this Agreement.