LOAN NUMBER 9058-AZ

Loan Agreement

(Additional Financing for Judicial Services & Smart Infrastructure 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") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). 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 fifty million Dollars (USD 50,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing parts A, B, D and E of 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 1st and August 1st 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 shall carry out the Project through the Judicial Modernization Team, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

4.01. The Additional Events of Suspension consist of the following, namely, that: (a) the Borrower’s Presidential Decree No. 604 dated April 3, 2019; (b) the Borrower’s Presidential Decree No. 268 dated February 13, 2014; or (c) the Ministerial Decree No. 2a-S of the Ministry of Justice, dated January 15, 2008, have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the Bank, the ability of the Judicial Modernization Team and/or the Ministry of Justice to perform any of their respective obligations in carrying out the Project.

4.02. The Additional Events of Acceleration consist of, namely, that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of ninety (90) days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consist of the following, namely, that the Borrower, through the JMT, has updated the Project Operations Manual for the purposes of this Loan, in a manner satisfactory to the Bank.

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

ARTICLE VI — REPRESENTATIVE; ADDRESSES

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

6.02. 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; and

(b) the Borrower’s Electronic Address is:

Telex: 142116 BNKSL
Facsimile: 99412 4044720
E-mail: office@maliyye.gov.az
99412 4044721
pdma@maliyye.gov.az
6.03. 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:

<table>
<thead>
<tr>
<th>Telex</th>
<th>Facsimile:</th>
<th>E-mail:</th>
</tr>
</thead>
<tbody>
<tr>
<td>248423(MCI) or</td>
<td>1-202-477-6391</td>
<td><a href="mailto:smolineus@worldbank.org">smolineus@worldbank.org</a></td>
</tr>
<tr>
<td>64145(MCI)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
AGREED as of the Signature Date.

REPUBLIC OF AZERBAIJAN

By

[Signature]

Authorized Representative
Name: Sамир Шахидов
Title: Министр Финансов
Date: 16.06.2020

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

[Signature]

Authorized Representative
Name: Навeed Хасан Магои
Title: Country Manager
Date: 16.06.2020
SCHEDULE 1

Project Description

The objective of the Project is to improve the access, transparency and efficiency of delivery of selected justice services.

The Project consists of the following parts:

Part A: Judicial Service Delivery Improvements

1. Improving access to justice through: (a) piloting and operationalization of innovative, participatory and more efficient ways to provide legal aid services to: (i) the vulnerable and marginalized; and (ii) small and medium-sized enterprises; (b) carrying out analytic and diagnostic studies focusing on: (i) the legal aid system, in particular for vulnerable groups; (ii) the development of alternative dispute resolution systems; (iii) the policies and institutional arrangements on access to justice particularly for vulnerable groups and on gender issues related to justice; and (iv) the development of specific interventions to support access to justice for the Internally Displaced Persons, refugees and other vulnerable groups; and (c) piloting of a private bailiff office focusing on small and medium-sized enterprises.

2. Expanding the provision of electronic access to selected justice services through: (a) the development and rollout of selected justice e-services; (b) the improvement of the infrastructure for the justice sector information and communications technology, including minor rehabilitation activities; (c) the construction of a data center and the rehabilitation and upgrading of a facility for disaster recovery center; and (d) the replication of standardized court room design, including acquisition of furniture required thereof.

Part B: Strengthening Institutional Capacity, Efficiency and Monitoring and Evaluation

1. Improving justice sector performance through, *inter alia*: (a) a sector efficiency and expenditure review, including analyses of court case backlogs, efficiency, and justice system revenues; (b) strengthening justice sector monitoring and evaluation capacity and quality, including through the development of a justice sector performance monitoring framework and performance indicators and the preparation of a strategy and action plan to improve such capacity; (c) strengthening sector capacity to undertake and apply poverty and social impact analysis to improve service delivery to economically and socially vulnerable groups, such as Internally Displaced Persons; and (d) the carrying out of periodic surveys of, *inter alia*, court users, lawyers, judges, court staff, notaries, and other justice sector service providers.

2. Improving the justice sector information systems for enhanced institutional performance, through, *inter-alia*: (a) strengthening ICT functions of Relevant Entities, (b) providing the Constitutional Court and Supreme Court with ICT equipment, (c) developing a digital data base of court decisions (d) installing audio-video recording systems, including the provision of video-conferencing network equipment and electronic applications; (e) supporting and providing technical assistance for the periodic assessment of the
performance, in line with international best practice, of the data center referred to in Part A.2.(c) of the Project, network infrastructure, and software systems; (f) encouraging the use of secure email services for official communications; (g) designing and implementing a standardized platform for ICT inventory and asset management; and (h) building capacity of the Relevant Entities and other justice sector entities such as the Bar Association and the Ombudsman.

3. Strengthening the information systems management and operational capability of the Ministry of Justice and the Supreme Court to support the provision of selected justice services.

4. Carrying out communications, outreach and change management activities aimed at facilitating stakeholder engagement in the justice sector reforms, including but not limited to: (a) the development and implementation of a communications, outreach and change management strategy; and (b) the conduct of stakeholder workshops, roundtables, public awareness campaigns, radio, television and print media/internet programs.

5. Strengthening the professional capacity of judges, staff of courts and the Ministry of Justice and the Justice Academy as well as other justice sector entities through, *inter alia*: (a) the preparation of a justice sector gender strategy and action plan based on an assessment of gender-based barriers to employment for judges, lawyers and other justice professionals and an analysis of training and sensitization needs on gender issues for justice professionals as well as its operationalization; (b) the development of training courses and curricula and the delivery of training for judges and other justice professionals aimed at, but not limited to, improving the quality of judicial decisions in economic and commercial disputes and in first-instance courts; and (c) the carrying out of knowledge-sharing activities between judges and other justice sector professionals in Azerbaijan and between Azerbaijan and other judiciaries, justice training institutions and professional networks.

Part C: Expansion and Modernization of Justice Infrastructure

Construction and rehabilitation of about six (6) courthouses and court complexes at the locations selected in accordance with criteria set forth in the Project Operations Manual.

Part D: Project Management and Coordination

Strengthening the capacity of the Ministry of Justice in Project management, monitoring and coordination, including audits of: (a) Project financial statements, (b) environmental and social safeguard compliance; and (c) implementation of information and communications technology activities under the Project.

Part E: Piloting of Transformative Technology for Justice Sector Performance and Service Delivery Improvements

1. Improving justice sector performance and service delivery in line with best international practice through, *inter alia*, the development of policy, legal, ethical and governance guidelines for using Artificial Intelligence and Business Intelligence in judicial services.
including, *inter-alia*: (a) the establishment of the required policy framework, and (b) the carrying out of an assessment (including recommendations) of (i) the readiness and risk mitigation capabilities of digital applications and other related software systems, and (ii) the applicable policy, legal, ethical and governance frameworks, including without limitation appropriate provisions regarding data protection, related to these activities.

2. Piloting new means for legal and judicial service delivery by leveraging the capacity of new data centers and the E-Courts, including, *inter-alia*: (a) the piloting of Artificial Intelligence tools for judicial and legal service delivery in selected topics; (b) the application of Business Intelligence systems to facilitate court and justice performance management, including a performance monitoring center for the Supreme Court; and (c) the introduction of databases, including unified database of court decisions.

3. Promoting a culture of digital excellence in judicial service provision, including: (a) introduction of sector-wide performance management tools to promote service delivery innovations and interconnection with stakeholders; and (b) promoting knowledge sharing by carrying out activities to showcase Azerbaijan’s development towards becoming a leader in strengthening judicial service provision using ICT solutions, including the seeking of feedback.
SCHEDULE 2
Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Borrower shall vest the overall responsibility for the implementation of the Project in the JMT and shall maintain the JMT, at all times during Project implementation, with resources and responsibilities acceptable to the Bank, and with competent staff in adequate numbers. The Borrower shall ensure that the JMT shall carry out the Project in accordance with the Project Operations Manual and, except as the Bank shall otherwise agree, shall not amend, suspend, abrogate, repeal or waive any provision of the Project Operations Manual without the prior written approval of the Bank.

2. The Borrower, through the MOJ, shall retain a chief information and technology officer within the JMT with responsibilities acceptable to the Bank.

3. The Borrower, through the MOJ, shall maintain an information technology department in the MOJ, with resources and responsibilities acceptable to the Bank, and with competent staff in adequate numbers, acceptable to the Bank.

B. Safeguards

1. The Borrower, through the MOJ, shall ensure that the Project is carried out in accordance with the ESMP and RPF, and shall ensure that all measures necessary for the carrying out of the ESMP and RPF shall be taken in a timely manner. Except as the Bank shall otherwise agree, the Borrower, through the MOJ, shall not assign, amend, abrogate or waive the ESMP and/or RPF.

2. Prior to the commencement of works for each proposed site, the Borrower, through MOJ, shall ensure that: (a) the related Site-specific ESMPs are prepared in accordance with the ESMP; (b) the proposed design and site for said works incorporate the provisions of Site-specific ESMPs; (c) the provisions of said Site-specific ESMPs are adequately included in the proposed contract for said works; and (d) such works are carried out in accordance with the respective Site-specific ESMPs. The Bank shall conduct a post-review of the documentation related to the design, contracts and Site-specific ESMPs for selected works as part of regular Project supervision.

3. The Borrower, through MOJ, shall ensure that the RAPs: (a) shall be prepared in a manner satisfactory to the Bank in accordance with the RPF prior to commencement of any Project activity for the areas where Resettlement has been identified; and (b) shall be carried out in a timely manner, satisfactory to the Bank. In the event that Resettlement is required for the purposes of carrying out activities under the Project, the Borrower shall:

(a) notify the Bank or ensure that the Ministry of Justice notifies the Bank, of any intended Resettlement, in whole or in part, and of each Resettlement Action Plan (if any) prepared in accordance with the Resettlement Policy Framework; of any
of the following: residences, agricultural holdings, commercial structures and businesses, land used by people without claim to legal title, and persons affected by Project activities;

(b) disclose, or ensure that the Ministry of Justice discloses, the Resettlement Policy Framework and each Resettlement Action Plan (if any) prepared under the Project and all relevant information relating thereto in a manner satisfactory to the Bank no less than sixty (60) days prior to carrying out any Resettlement; and

(c) ensure that the Ministry of Justice causes all Resettlement under the Project to be undertaken in accordance with the provisions and procedures contained in the Resettlement Policy Framework and the respective Resettlement Action Plans, and that all relevant information is adequately provided to all affected persons, and potentially affected persons, in a timely and adequate manner.

C. Project Operations Manual

1. The Borrower, through JMT, shall update, and thereafter carry out the Project in accordance with the provisions of, the Project Operations Manual, 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 experience and qualifications of the specialists on Transformative Technology to be hired as part of the JMT; and (v) the Anti-Corruption Guidelines.

2. The Borrower, through JMT, shall not amend or waive or fail to enforce any provision of the Project Operations Manual without the Bank’s prior written approval. In case of any conflict between the terms of the Project Operations Manual and those of this Agreement, the terms of this Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

The Borrower, through JMT, 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) Works, non-consulting services, consulting services, Training and Incremental Operating Costs for Parts A, B, D and E of the Project</td>
<td>19,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods for Parts A, B, D and E of the Project</td>
<td>30,300,000</td>
<td>76%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50,000,000</td>
<td></td>
</tr>
</tbody>
</table>

For purposes of this table, the term “VAT” means the Borrower's value-added tax.

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 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 January 30, 2020, for Eligible Expenditures under Categories (1) and (2), in respect of Part E of the Project.

2. The Closing Date is June 30, 2024.

Section IV. Other Undertakings

The Borrower and the Bank hereby agree to amend the Original Loan Agreement as set forth in Schedule 4 to this Agreement.
**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>6.67%</td>
</tr>
<tr>
<td>Beginning August 1, 2024 through and including February 1, 2031</td>
<td></td>
</tr>
<tr>
<td>On August 1, 2031</td>
<td>6.62%</td>
</tr>
</tbody>
</table>
SCHEDULE 4

Amendment to the Original Loan Agreement

1. The Borrower and the Bank hereby agree to amend the Original Loan Agreement as follows:

   (a) Section 4.01 of Article IV is hereby deleted and replaced in its entirety by Section 4.01 of Article IV to this Agreement.

   (b) Schedule 1 is hereby deleted and replaced in its entirety by Schedule 1 to this Agreement.

   (c) Section I.C of Schedule 2 to this Agreement is hereby incorporated to the Original Loan as Section I.D. of Schedule 2.

   (d) The disbursement table in Section IV.A.2 of Schedule 2 is deleted and replaced in its entirety as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (net of VAT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works and non-consulting services for Parts A, B, C and D of the Project</td>
<td>65,734,738</td>
<td>49%</td>
</tr>
<tr>
<td>(2) Consultants’ services including audits, Training and Incremental Operating Costs for Parts A, B, C and D of the Project</td>
<td>31,340,359</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Unallocated</td>
<td>2,674,903</td>
<td></td>
</tr>
<tr>
<td>(4) Front-end Fee</td>
<td>250,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(5) Interest Rate Cap or Interest Rate Collar premium</td>
<td>0</td>
<td>Amount due pursuant to Section 2.07(c) of this Agreement</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT 100,000,000
(e) Section IV.B.2 of Schedule 2 is amended to read in its entirety as follows:

"The Closing Date is June 30, 2021."

(f) The Appendix is amended by adding, and placing in alphabetical order the following terms and definitions (and, as a result, the remaining terms and definitions are renumbered to maintain alphabetical order):

i. "Artificial Intelligence" means the cognitive functions replicated by machines, that are associated with human minds, such as learning and solving problems. Artificial Intelligence is an intelligence demonstrated by machines, in contrast to the natural intelligence displayed by humans and other animals, according to the United Nations.

ii. "Bar Association" means the Borrower's Bar Association; an independent, self-governing, non-profit organization, operating under bylaws registered in the Ministry of Justice N1104-Q3-1648, dated December 9, 2004.

iii. "Business Intelligence" means the technologies, applications and practices for the collection, integration, analysis, and presentation of business information in data-driven support systems which are used for better business decision making.

iv. "ICT" means information and communication technology.


vi. "Project Operations Manual" means the Borrower's manual dated February 8, 2015 acceptable to the Bank and referred to in Section I.D.1 of Schedule 2 to this Agreement, as the same may be updated from time to time with the agreement of the Bank.

vii. "Relevant Entities" means the Borrower's MOJ, Supreme Court and any other entity acceptable to the Bank.

viii. "Transformative Technology" means, for the purpose of this Agreement, the new technologies used for the improvement of performance management and justice service delivery, which include the use of Artificial Intelligence and Business Intelligence.

(g) The Appendix to the Agreement is hereby amended by replacing the following terms and/or definitions:

i. The definition of "E-Courts" is replaced with the following:
Courts" means a set of electronic services to facilitate justice service delivery to both internal and external users of the court system, including, *inter alia*, e-filing of claims, automated and random case allocation, tracking of cases and their management, electronic payment of court fees and fines, electronic notification of parties, electronic publication of judgements, and electronic information sharing between courts and other justice sector entities, such as bailiffs and notaries.

ii. The term “EMP” and its definition are replaced with the following:

"‘‘Environmental and Social Management Plan’’ or ‘‘ESMP’’ means the Borrower’s Environmental and Social Management Plan satisfactory to the Bank dated December 3, 2013, and updated on January 31, 2020, which contains the guidelines for the carrying out of environmental assessments and social screenings, and for the preparation and implementation of Site-specific ESMP(s), as well as the environmental protection measures in respect of the Project, including chance finding of cultural property and potential direct and indirect environmental and social impacts from the carrying out of the Project, recommendation of mitigation measures for each negative impact identified, as well as measures for enhancing each identified positive impact, all in a manner acceptable to the Bank, as the same may be amended from time to time with the agreement of the Bank.”

iii. The “term Site-Specific ESMP(s)” and its definition are replaced with the following:

"‘‘Site-specific ESMP(s)’’ means the Borrower’s site-specific environmental and social management plan(s), acceptable to the Bank, prepared or to be prepared by the Borrower during the Project implementation in accordance with the ESMP and approved by the Bank, describing environmental and social mitigation, monitoring and institutional measures for selected specific sites under the Project.”

iv. The definition of “Ministry of Justice” or “MOJ” is replaced with the following:

"‘‘Ministry of Justice’’ or ‘‘MOJ’’ means the Borrower’s Ministry of Justice, or any successor thereto acceptable to the Bank.”

v. The definition of Resettlement Action Plan is replaced with the following:

"‘‘Resettlement Policy Framework’’ or ‘‘RPF’’ means the Borrower’s policy framework for Resettlement satisfactory to the Bank dated December 3, 2013, and updated January 31, 2020, which contains the procedures and guidelines for the preparation, adoption, implementation and monitoring of a Resettlement Action Plan, all in a manner acceptable to the Bank, as the same may be amended from time to time with the agreement of the Bank.”
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. “Artificial Intelligence” means the cognitive functions replicated by machines, that are associated with human minds, such as learning and solving problems. Artificial Intelligence is an intelligence demonstrated by machines, in contrast to the natural intelligence displayed by humans and other animals, according to the United Nations.


4. “Business Intelligence” means the technologies, applications and practices for the collection, integration, analysis, and presentation of business information in data-driven support systems which are used for better business decision making.

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

6. “E-Courts” means a set of electronic services to facilitate justice service delivery to both internal and external users of the court system, including, inter alia, e-filing of claims, automated and random case allocation, tracking of cases and their management, electronic payment of court fees and fines, electronic notification of parties, electronic publication of judgments, and electronic information sharing between courts and other justice sector entities, such as bailiffs and notaries.

7. “Environmental and Social Management Plan” or “ESMP” means the Borrower’s Environmental and Social Management Plan satisfactory to the Bank dated December 3, 2013, and updated on January 31, 2020, which contains the guidelines for the carrying out of environmental assessments and social screenings, and for the preparation and implementation of Site-specific ESMP(s), as well as the environmental protection measures in respect of the Project, including chance finding of cultural property and potential direct and indirect environmental and social impacts from the carrying out of the Project, recommendation of mitigation measures for each negative impact identified, as well as measures for enhancing each identified positive impact, all in a manner acceptable to the Bank, as the same may be amended from time to time with the agreement of the Bank.

9. “ICT” means information and communication technology.

10. “Incremental Operating Costs” means incremental expenses incurred by the MOJ on account of Project implementation, including bank charges, communications, office supplies, vehicle operation and maintenance costs, office equipment maintenance and repair, fuel, publication of procurement and other project-related notices, printing, translation/interpretation, travel costs and such other expenditures as may be agreed upon and included in an annual Project budget agreed with the Bank, but excluding salaries and allowances of officials and employees of the Borrower.

11. “Internally Displaced Persons” means the persons or groups of persons who have been forced or obliged to flee or to leave their homes or places of habitual residence, in particular as a result of or in order to avoid the effects of armed conflict, situations of generalized violence, violations of human rights or natural or human-made disasters, and who have not crossed an internationally recognized state border.

12. “JMT” or “Judicial Modernization Team” means the Judicial Modernization Team established within the Ministry of Justice, through the Ministerial Decree No. 12-S, on February 4, 2006, acting as the coordinator and responsible entity for the implementation of the Project.

13. “Justice Academy” means the Borrower’s institution established by virtue of Presidential Decree No 446, dated August 17, 2006, related to the Development of Justice Bodies.

14. “Ministry of Justice” or “MOJ” means the Borrower’s Ministry of Justice, or any successor thereto acceptable to the Bank.


16. “Original Loan” means the loan provided by the Bank to the Borrower through the Original Loan Agreement.

17. “Original Loan Agreement” means the loan agreement for the Original Project between the Borrower and the Bank, dated October 22, 2014 (8407-AZ), as amended.

18. “Original Project” means the project set forth in Schedule 1 to the Original Loan Agreement.


20. “Project Operations Manual” means the Borrower’s manual dated February 8, 2015, acceptable to the Bank and referred to in Section I.C.1 of Schedule 2 to this Agreement, as the same may be updated from time to time with the agreement of the Bank.
21. "Relevant Entities" means the Borrower's MOJ, Supreme Court, and any other entity acceptable to the Bank.

22. "Resettlement" means the impact of an involuntary taking of land under the Project, which taking causes affected persons to have their: (i) standard of living adversely affected; or (ii) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (iii) access to productive assets adversely affected, temporarily or permanently; or (iv) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently.

23. "Resettlement Action Plan" or "RAP" means a site-specific resettlement action plan satisfactory to the Bank prepared or to be prepared under the Project in accordance with the RPF describing a program of actions, measures and policies for compensation of persons, including compensation arrangements, budget and cost estimates, and sources of funding, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with its terms for each site.

24. "Resettlement Policy Framework" or "RPF" means the Borrower's policy framework for Resettlement satisfactory to the Bank dated December 3, 2013, and updated January 31, 2020, which contains the procedures and guidelines for the preparation, adoption, implementation and monitoring of a Resettlement Action Plan, all in a manner acceptable to the Bank, as the same may be amended from time to time with the agreement of the Bank.

25. "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.

26. "Site-specific ESMP(s)" means the Borrower's site-specific environmental and social management plan(s), acceptable to the Bank, prepared or to be prepared by the Borrower during the Project implementation in accordance with the ESMP and approved by the Bank, describing environmental and social mitigation, monitoring and institutional measures for selected specific sites under the Project.

27. "Training" means expenses incurred by the Borrower in connection with carrying out training activities under the Project, including travel costs and per diem for local trainees.

28. "Transformative Technology" means, for the purpose of this Agreement, the new technologies used for the improvement of performance management and justice service delivery, which include the use of Artificial Intelligence and Business Intelligence.

29. "VAT" means the Borrower's value added tax.