April 10, 2017

H. E. Mr. Shukry Bishara
Minister
Ministry of Finance and Planning
Palestinian Authority
Ramallah

Trust Fund for Gaza and West Bank
(Third Additional Financing for the North Gaza Emergency Sewage Treatment Project)
(Grant No. TF016501)
Amendment No. 1 to the Trust Fund Grant Agreement

Excellency:

We refer to the Trust Fund Grant Agreement (the “Agreement”) for the above mentioned Project (“Project”) between the Palestine Liberation Organization (for the benefit of the Palestinian Authority) (the “Recipient”) and the International Development Association (the “World Bank”), acting as an administrator of the Trust Fund for Gaza and West Bank (the “Trust Fund”), dated October 27, 2004.

We also refer to your letter dated March 9, 2017, requesting the World Bank for specific amendments to the Agreement. Accordingly, we propose to amend the Agreement in respect of the provisions below:

1. Schedule 1 to the Agreement is deleted in its entirety and is replaced with the following:

“The objectives of the Project are to: (i) mitigate the health and environmental safety threats to the communities surrounding the effluent lake at Beit Lahiya; and (ii) provide a satisfactory long-term solution to the treatment of wastewater for the Northern Governorate in Gaza.

The Project consists of the following Parts, subject to such modifications thereof as the Recipient and the World Bank may agree upon from time to time to achieve such objectives:

Part A: Effluent Transfer to the Proposed 1-Jorh Gaza Wastewater Treatment Site

1. Maintenance of the Project Management Unit with day-to-day responsibilities for the implementation of the Project and financing of its Incremental Operating Costs.

2. Implementation of: (a) remedial works at the Beit Lahiya Wastewater Treatment Plant; and (b) risk mitigation measures at the North Gaza Wastewater Treatment Plant comprising the first phase of the effluent recovery scheme.
Part B: Construction of the North Gaza Wastewater Treatment Plant

1. Construction of phase one of the North Gaza Wastewater Treatment Plant with a capacity of 35,600 m³/day and comprising three (3) treatment modules for secondary biological treatment with nitrogen removal, as well as sludge treatment, digestion, electricity generation, dewatering, drying and storage, including: (a) acquisition of equipment and materials; (b) operation and maintenance of the North Gaza Wastewater Treatment Plant; and (c) financing technical assistance for operation and maintenance arrangements.

2. Supervision of construction works under Part B 1 of the Project and implementation of the environmental monitoring plan for the said construction works, including the provision of necessary consultants' services.”

All other provisions of the Agreement, except as amended herein, shall remain in full force and effect.

Please confirm your agreement to the foregoing, on behalf of the Recipient, by signing, dating, and returning to us the enclosed copy of this Amendment Letter. Upon receipt by the World Bank of the copy of this Amendment Letter countersigned by you, this Amendment Letter will become effective as of the date of your countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Marina Wes
Country Director for Gaza and West Bank
Middle East and North Africa Region

ACKNOWLEDGED AND CONFIRMED:

PALESTINE LIBERATION ORGANIZATION
(for the Benefit of the Palestinian Authority)

By: ______________________________
Name: Mr. Shukri Bassara
Title: Minister
Date: 12/5/2017