Amendment

1. Reference is made to the Administration Agreement between the European Commission (the “Donor”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank”, and together with the Donor, the “Parties” and each a “Party”) regarding the Zarafshon Irrigation Rehabilitation and River Basin Management Project (ZIRRB) Single-Donor Trust Fund, No. TF072534 (the “Trust Fund”) effective as of December 25, 2015, as amended (the “Administration Agreement”).

2. The Parties agree to the following amendments to the Administration Agreement:

A. Section 1 of Annex 1 is revised to read as follows:

“1. Objectives

The objectives of the Trust Fund are to help the Recipient (i) strengthen the institutional base for irrigation planning and management in the Zarafshon river basin; and (ii) improve the condition and management of irrigation infrastructure in the Zarafshon river basin and adjacent districts in the Syr-Darya basin. The project will increase food availability for rural people in the project area and, as such, contribute to the overarching objective of improving food security.”

B. The description of components at the end of Section 2.2 of Annex 1 is revised to read as follows:

“Component 1: Rehabilitation of Irrigation Infrastructure

(a) Small Scale Irrigation Canal Rehabilitation Program through generating short-term employment for low-income people from food insecure households to manually clean and rehabilitate badly deteriorated on-farm irrigation canals and to repair flood damaged critical sections of on-farm irrigation canals. The public works program will be administered jointly by local irrigation management institutions/water users' associations (WUAs) and representatives of the Recipient's Agency on Labor, Employment and Migration.

(b) Large-scale Irrigation System Rehabilitation through: (i) mechanized cleaning and restoration of larger-sized irrigation canals; (ii) repair and rehabilitation of irrigation canal and water control structures, irrigation pipelines and selected irrigation pump stations; (iii) supply and installation of irrigation system water control gates, control fixtures and fittings and electro-mechanical equipment for the rehabilitated pump stations; (iv) rehabilitation, on a pilot basis, of selected irrigation tube wells, including testing, cleaning and development of existing vertical wells, and repair, supply and installation of corresponding electro-mechanical equipment; (v) supply and installation of flow measurement devices at key irrigation system water control and management locations; (vi) feasibility and design studies for irrigation water flow capture improvement schemes and pump-to-gravity irrigation system conversion schemes;
(vii) selected pumped-to-gravity irrigation system conversion and/or connection works (where feasible); and (viii) engineering planning, design and supervision services for the above activities, as appropriate.

(c) Emergency Flood Works and Equipment Procurement, including: (i) emergency repairs of flood-related damage to irrigation infrastructure systems that may occur during the Project implementation period; (ii) selective river bank protection works; (iii) the provision of appropriate machinery for both emergency repairs and routine maintenance of irrigation schemes and related flood protection infrastructure systems; and (iv) engineering planning, design and supervision services for the above activities, as appropriate.

Component 2: Development and Strengthening of Irrigation and Water Resources Management Institutions. This component will finance the assistance to the MEWR, ALRI, and other relevant institutions to support the irrigation reforms following the IWRM principles.

(a) Irrigation Main System and River Basin Management: Supporting ALRI and MEWR through provision of consulting services, training and goods to revitalize and strengthen ALRI’s capacity as an irrigation and drainage service provider, including (i) restructuring ALRI to operate along hydraulic boundaries; (ii) introducing streamlined digitally-based operational, administrative, and financial management practices; (iii) providing ALRI with improved communications technology; (iv) introducing volume-based management of main system canal flows and water deliveries to WUAs; (v) building the capacity of ALRI staff to manage main systems and work effectively with WUAs; (vi) assisting ALRI in carrying out a GIS-based inventory of hydraulic infrastructure in selected districts and establishing an irrigation asset database for Zarafshon River Basin; and (vii) providing required support to the MEWR in establishing its offices in Zarafshon River Basin through provision of goods, works, training, and technical assistance complementary to the activities directly funded and administered by the European Union through technical assistance.

(b) Local Level Irrigation System Management: Supporting Water User Associations through provision of consulting services, training and goods to strengthen WUA's capacities, including (i) dividing WUAs into designated areas to ensure that their Board members know and represent all farmers in their area and can speak for them at Board meetings; (ii) training WUA Board members in leadership and budget preparation; (iii) training WUA office staff in accounting, financial management, record-keeping and reporting; (iv) providing technical assistance and training to improve system operational practices, including internal irrigation scheduling; (v) working with ALRI staff to optimize the scheduling of irrigation water delivery; (vi) establishing water measurement systems, including joint measurement with ALRI staff of bulk water deliveries; and (vii) training WUA operational staff in asset inventory use and maintenance of irrigation infrastructure.

(c) Renovation and Equipping of Ancillary Structures through construction and rehabilitation of selected buildings and supply of equipment, including (i) construction of office space for the new Zarafshon RBO in Ayni; (ii) renovation and equipping part of an existing ALRI building in Panjikent; (iii) construction of a new ALRI pump and motor repair workshop in Panjikent; (iv) improving and re-equipping smaller ALRI pump and motor repair facilities in the basin to upgrade their capacity for minor repairs to pumps, motors, piping and machinery; and (v) construction or rehabilitation of the WUAs offices where necessary.

Component 3: Project Management
Strengthening the PMU’s Project management, coordination, supervision, communication and implementation capacity through the provision of goods, works, consultant services, training, and travel expenses.

The existing PMU, under the Agency of Irrigation and Land Reclamation, currently implementing the World Bank financed PAMPII, will be the main implementing agency. The PMU will be responsible for: (i) implementation and coordination of project activities; (ii) financial management and procurement arrangements under the project; (iii) implementation of the communication and awareness programs, including the communication and visibility measures required by the European Union; (iv) environmental management and safeguards; (v) reporting to the GoT, EU Rural Development Steering Committee and the World Bank; and (vi) monitoring and evaluation.”

C. Annex 5 of the Administration Agreement is deleted in its entirety and is replaced with Annex 5 provided in the Attachment to this Amendment.

3. All other terms of the Administration Agreement shall remain the same, including the understanding that “[e]ach Donor’s Contribution ... shall be administered in accordance with the Bank’s applicable policies and procedures” (Annex II)

4. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Amendment and act in accordance with these terms and conditions. The Parties are requested to sign and date this Amendment, and upon possession by the Bank of this fully signed Amendment, this Amendment shall become effective as of the date of the last signature.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: [Signature]
Name: [Name]
Title: Country Manager
Date: 21.08.2017

EUROPEAN COMMISSION
On behalf of the EUROPEAN UNION

By: [Signature]
Name: [Name]
Title: on behalf of the Head of Cooperation
Date: 18.08.2017
INDICATIVE BUDGET FOR THE PROJECT
As described in ANNEX I to this ADMINISTRATIVE AGREEMENT

<table>
<thead>
<tr>
<th>Project Components</th>
<th>Project costs (million Euros)</th>
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<tbody>
<tr>
<td>1. Rehabilitation of Irrigation Infrastructure</td>
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<tr>
<td>1a: Small Scale Irrigation Canal Rehabilitation Program</td>
<td>900,000</td>
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<tr>
<td>1b: Large-scale Irrigation System Rehabilitation</td>
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<tr>
<td>1c: Emergency Flood Works and Equipment Procurement</td>
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<td>2. Development and Strengthening of Irrigation and Water Resources Management Institutions</td>
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<td>2a. Irrigation Main System and River Basin Management: Support to ALRI and MEWR</td>
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<td>2b: Local Level Irrigation System Management: Support for WUAs</td>
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<tr>
<td>2c: Renovation and Equipping of Ancillary Structures</td>
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<td>3. Project management by the Recipient</td>
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<td>4. Project Management Support Activities by Bank</td>
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<td>SUB-TOTAL</td>
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<td>Administrative Fee (5.5%)</td>
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<td>Total:</td>
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