Dear Honorable Minister,

We refer to the Financing Agreement (the “Financing Agreement”) between the Kingdom of Tonga (the “Recipient”) and the International Development Association (the “Association”), dated June 11, 2014 for the Cyclone Ian Reconstruction and Climate Resilience Project (the “Project”). We also refer to your letter dated June 6, 2017 requesting some revisions be made to the Financing Agreement.

The Association agrees with your request, and we propose to amend the Financing Agreement as follows:

1. The first sentence of Schedule 1 to the Financing Agreement is revised to read as follows:

   “Project Description

   The objectives of the Project are to: (a) strengthen the climate resilience of housing and selected community facilities for the affected population of Ha’apai; and (b) strengthen the Recipient’s preparedness to recover from future natural disasters.”

2. Section I.B.4 of Schedule 2 to the Financing Agreement is deleted in its entirety.

3. A new paragraph 7 is inserted at Section I.D of Schedule 2 to the Financing Agreement that reads as follows:

   “7. The Recipient shall, in accordance with the RPF, ensure that all beneficiaries for whom a house is to be constructed under Parts 1(a) and (b) of the Project, have security of occupancy of the land for the period of time detailed in the RPF.”

4. Paragraph 26 of Section I to the Appendix to the Financing Agreement is deleted in its entirety, and paragraphs 27-33 are renumbered to restore ascending numeric order.
All capitalized terms used in this letter of amendment have the same meanings assigned to them in the Financing Agreement. All the terms of the Financing Agreement not hereby amended will remain in full force and effect.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copies of this letter of amendment, and returning one copy to the Association. Upon receipt by the Association of the countersigned copy of this letter of amendment, the amendments herein shall become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mona Sur
Acting Country Director
Papua New Guinea & Pacific Islands
East Asia and Pacific Region

 AGREED:
KINGDOM OF TONGA

By
Authorized Representative
Name: Hon. Tevita Lavenga
Title: Minister for Finance and National Planning
Date: 3rd August 2017.