Re: Republic Albania: Grant No. TF014255 - Swedish Grant for Co-financing of the Albania Water Resources and Irrigation Project Amendment

Excellency:

We refer to the Grant Agreement (Agreement), dated May 30, 2013, entered into between the International Bank for Reconstruction and Development ("World Bank") acting as administrator of grant funds provided by Sweden, represented by Swedish International Development Cooperation Agency (SIDA) ("Donor") and the Republic of Albania (Recipient). In response to your letter to the World Bank dated September 8, 2015, the World Bank proposes to amend the Agreement as follows:

1. Section 2.02 of the Annex to the Agreement is amended by deleting the words “Ministry of Environment, Forestry and Water Administration (MEFWA)” and replacing them with “Ministry of Agriculture, Rural Development and Water Administration (MARDWA)”.

2. The following Sections in the Annex to the Agreement are amended by deleting the words “MAFCP” and “MEFWA” and replacing them with “MARDWA”:

   (i) Section 2.04 (a) and (c);
   (ii) Section 2.06 (a);
   (iii) Section 2.07 (b) and (c);
   (iv) Section 2.08 (a) (iii)

3. The table in Article III of the Annex to the Agreement is amended as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (exclusive of taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods (except for Goods for Part 3(c) of the Project), Consultants’ Services, Training, Technical Services, and Incremental Operating Costs for the Project</td>
<td>3,536,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods for Part 3 (c) of the Project</td>
<td>339,000</td>
<td>55%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,875,000</td>
<td></td>
</tr>
</tbody>
</table>
For the purposes of this Section, "Incremental Operating Costs" means the reasonable incremental administration costs of MARDWA associated with the implementation of Project activities, including office maintenance, equipment, furniture, materials and supplies, communication costs and cost of fuel for field trips.

All other provisions of the Agreement that have not been amended, shall remain unchanged and in full force and effect.

Please confirm the Recipient’s agreement with the foregoing Amendment letter by signing, dating and returning to us the enclosed copy of this Amendment letter. This Amendment letter shall become effective as of the date upon which the World Bank dispatches to the Recipient notice of its acceptance of that the execution and delivery of this Amendment letter has been duly authorized or ratified by all necessary governmental action.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

ellen Goldstein
Country Director, Southeast Europe
Europe and Central Asia

AGREED:

REPUBLIC OF ALBANIA

By
Authorized Representative

Name: ALEKNO AMFETAJ
Title: MINISTER OF FINANCE
Date: 1/4/2016