H.E. Arben Ahmetaj  
Minister  
Ministry of Finance and Economy  
Tirana, Albania

Dear Mr. Minister,

REPUBLIC OF ALBANIA: Water Resources and Irrigation Project  
Amendment to the Loan Agreement (Loan No. 8211-AL)

We refer to the Loan Agreement (the Agreement) for the above-mentioned Project dated December 14, 2012, between the Republic of Albania (the Borrower) and the International Bank for Reconstruction and Development (the Bank), as amended to date.

We are pleased to agree to amend the Agreement as follows:

1. **Section 3.01**

The acronym “MARDWA” is deleted and replaced with the acronym “MARD” as defined under the Appendix to the Agreement as reflected below.

2. **Schedule 1, Project Description**

The Project Development Objective is hereby amended to read as follows:

"The objective of the Project is to: (i) establish the strategic framework to manage water resources at the national level and at the level of the Drin-Buna and Semani River basins; and (ii) improve irrigation service delivery in Selected Irrigation Systems."

3. **Schedule 2, Project Execution**

Section I.(c), Section C.1,3,4, 5 and 6, Section II.A.1, B.2 and Section V.1 and 2

The acronym “MARDWA” is deleted and replaced with the acronym “MARD” as defined under the Appendix to the Agreement as reflected below.

Section IV.A.2: The table is hereby amended and replaced in its entirety as reflected in the Annex to this Letter; and

Section IV.B.2: The Closing Date is being extended to May 31, 2020.

4. **Appendix**

Section I.12 and 13
The acronym “MARDWA” is deleted and a new 12 is inserted to read: “MARD” means the Borrower’s Ministry of Agriculture and Rural Development and any successor thereto.

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

Please indicate your agreement to the foregoing, on behalf of the Borrower, by countersigning and dating two original copies of this letter and returning one countersigned original to us. This amendment shall become effective as of the date on which the Bank receives the Borrower’s notice regarding the fulfillment of all its internal procedures.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Maryam Salim
Country Manager
Republic of Albania

CONFIRMED ON BEHALF OF THE REPUBLIC OF ALBANIA

By: 

Authorized Representative

Date: 18-5-2018

Attachment: Annex
"Withdrawal of the Proceeds of the Loan"

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan (expressed in Euro)</th>
<th>Percentage of Expenditures Financed (exclusive of taxes) under the Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants’ services and training</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Part 3 of the Project (except for Goods for part 3(c))</td>
<td>48,411</td>
<td>100%</td>
</tr>
<tr>
<td>b. Other Parts of the Project</td>
<td>30,136,527</td>
<td>100%</td>
</tr>
<tr>
<td>c. Goods for Part 3(c) of the Project</td>
<td>240,000</td>
<td>45%</td>
</tr>
<tr>
<td>(2) Incremental Operating Costs</td>
<td>90,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Refund of Project Preparation Advance</td>
<td>407,562</td>
<td>Amount payable pursuant to Section 2.07(a) of the General Conditions</td>
</tr>
<tr>
<td>(4) Front End Fee</td>
<td>77,500</td>
<td>Amount payable pursuant to Section 2.05(a) of the General Conditions</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>31,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>