H.E. Abdusalom Qurbaniyon
Minister of Finance
Ministry of Finance
3, Akademic Rabjabovho
Dushanbe
Tajikistan

Re: Second Public Employment for Sustainable Agriculture and Water Resources Management Project
GAFSP Grant No. TF013997 - Amendment No. 1 to the Grant Agreement

Excellency:

We refer to the grant agreement dated February 5, 2013 ("Agreement") between the Republic of Tajikistan ("Recipient") and the International Development Association ("Association") acting as trustee of the Global Agriculture and Food Security Multi-Donor Trust Fund, for the above-mentioned grant ("Grant").

In view of our recent discussions, the Association proposes to amend the Agreement to: (1) refer to the original Financing Agreement dated February 5, 2013 with the Association, as amended by the Financing Agreement of even date hereto; (2) update the project description; and (3) extend the Closing Date.

Accordingly, the Agreement is amended as follows:

1. Section 1.02 of the Agreement is hereby amended and replaced in its entirety to read as follows:

"1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, this Agreement, the Financing Agreement of even date for the Second Public Employment for Sustainable Agriculture and Water Resources Management Project between the Recipient and the Association (H8230-TJ) ("Financing Agreement"), as amended, as the case may be."

2. Schedule 1 to the Agreement is hereby amended and replaced in its entirety as follows:

"The objectives of the Project are to: (i) provide access to temporary employment to food-insecure people through the rehabilitation of irrigation and drainage infrastructure; (ii) increase yields of selected crops in response to improved irrigation and infrastructure; and (iii) strengthen the capacity of Tajikistan to introduce integrated water resource management."
The Project consists of the following parts:

**“Part A. Public Works and Rehabilitation of Irrigation and Drainage Infrastructure”**

1. Creating short-term employment for renovating and rehabilitating on-farm irrigation canals in areas with food insecurity and the provision of goods, including equipment.

2. Carrying out works for renovating off-farm drainage infrastructure, purchasing and installing irrigation gates, repairing irrigation canals and structure, pipeline networks, key pump stations, and vertical drainage wells.

3. Emergency restoration works of flood channel that passes through Kulyab city, including detailed engineering planning and design study.

**“Part B: Assistance in Water Resources Management, including Technical Assistance for Policy and Institutional Reform”**

1. Provision of consultants’ services to: (i) further develop the legal basis for integrated water resource management and water sector reform; (ii) prepare a national integrated water resource management strategy to identify priorities for improving water resource management in Tajikistan; and (iii) establish a national Water Information System (WIS).

2. Provision of: technical assistance and Training to implement river basin management in the Kofarnihon river basin.

3. Provision of: (a) revitalization and strengthening of ALRI as an irrigation and drainage service provider; (b) assistance in establishment and strengthening of WUAs; and (c) institutional support to ALRI and WUAs, including the carrying out of the rehabilitation and construction of office space of WUAs through the provision of Sub-grants to WUAs, technical assistance, Training and goods required therefor.

**“Part C: Project Implementation”**

Strengthening of the capacity of the PMU for Project management, implementation, monitoring and evaluation, including the development and maintenance of a monitoring and evaluation system, audit, procurement, and disbursement and financial management activities, through the provision of technical assistance and goods and the financing of Training and Incremental Operating Costs.”
3. Schedule 2 to the Agreement, Section I is hereby amended by adding the following Parts B and C and renumbering subsequent sections:

"B. Sub-Grants under Part B(3) of the Project"

1. To facilitate the carrying out of Part B(3) of the Project, the Recipient shall: (a) select Subprojects in accordance with the eligibility criteria and procedures set forth in the POM; and (b) make a Sub-Grant available to Eligible WUAs for any given Subproject under a Sub-Grant Agreement between the PMU and the respective Eligible WUA, under terms and conditions approved by the Association, including those set forth in Section I, Part C of this Schedule and in the POM.

2. The Recipient shall ensure that each Sub-Grant Agreement shall comply with, but not be limited to, the following terms and conditions:

   (a) Each Eligible WUA shall carry out the activities under Part B(3) of the Project in accordance with the Anti-Corruption Guidelines;

   (b) Sub-Grants shall not finance non-eligible activities or expenditures listed in the POM; and

   (c) Sub-Grants are used exclusively for the purposes specified in the respective Subprojects.

"C. Sub-Grant Agreement under Part B(3) of the Project"

"For the purposes of carrying out any given Subproject under Part B(3) of the Project, the Recipient, through the PMU, shall:

1. Ensure that each Sub-Grant Agreement is prepared based on the model form approved by the Association and included in the POM in which the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to:

   (a) suspend or terminate the right of any Eligible WUA to use the proceeds of the Sub-Grant, or obtain a refund of all or any part of the amount of the Sub-Grant then withdrawn, upon the Eligible WUA’s failure to perform any of its obligations under the Sub-Grant Agreement; and

   (b) require each Eligible WUA to: (i) carry out its pertinent Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices acceptable to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines and the GEMP and related EMP; (ii) provide, promptly as needed, the resources required for the carrying out of the Subproject; (iii) procure the goods, works and consultants’ services to be financed out of the Sub-grant in accordance with the provisions of this Agreement;
(iv) maintain procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the pertinent Subproject and the achievement of its objectives; (v) maintain a simplified financial management system and records in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Subproject; (vi) enable the Recipient and the Association to inspect the Subproject, its operation and any relevant records and documents; and (vii) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

2. Exercise its rights and carry out its obligations under each Sub-Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Sub-Grant.

3. Not assign, amend, abrogate, waive, terminate or fail to enforce any Sub-Grant Agreement or any provisions thereof, except as the Association shall otherwise agree.

4. Schedule 2 to the Agreement, Section I, Part E (formerly Part C) is hereby amended and replaced in its entirety as follows:

"E. Environmental and Social Safeguards

1. The Recipient, through the PMU, shall take all measures necessary and identified under the GEMP at all times in a timely manner, ensuring that adequate information on the implementation of said measures is suitably included in the Project Reports to be prepared pursuant to the provisions of Section II.A of this Schedule.

2. For purposes of Parts A and B(3) of the Project, the Recipient, through the PMU, shall prepare and submit to the Association, prior to the issuance of any bidding documents for works contracts at sites requiring a site-specific EMP, in accordance with the GEMP:

   (a) the proposed design and site for said works and the related site-specific EMP in form and substance satisfactory to the Association; and
   
   (b) the draft contract for said works to ensure that the provisions of said site-specific EMP are adequately included in said contract.

3. For the purposes of Part A and B(3) of the Project, the Recipient, through the PMU, shall ensure the complete implementation of the site-specific EMPS in a manner acceptable to the Association, including all necessary measures to minimize and to mitigate any adverse environmental impacts caused by the implementation of the Project.
4. The Recipient, through the PMU, shall ensure, when any activity under a Sub-project will involve any international waterway (as defined in the Association's Operational Policy 7.50), that:

(a) such activity shall be limited to ongoing schemes involving additions or alterations that require rehabilitation, construction, or other changes that: (i) will not adversely change the quality or quantity of water flows to the other riparian; and (ii) will not be adversely affected by the other riparian's possible water use; and

(b) such activity shall be limited to only minor additions or alterations to the ongoing scheme and it does not cover works and activities that would exceed the original scheme, change its nature, or so alter or expand its scope and extent as to make it appear to be a new or different scheme.”

5. Schedule 2 to the Agreement, Section II, Part A is hereby amended by adding after paragraph 1 the following new paragraph 2:

“2. The Recipient shall: (a) no later than February 28, 2018, or such other date as the Association shall agree upon, carry out jointly with the Association, a mid-term review of the implementation of the activities under the Project (Mid-Term Review), which Mid-Term Review shall cover the progress achieved in the implementation of the Project; and (b) immediately thereafter, take any corrective action as shall have been agreed with the Association.”

6. Schedule 2 to the Agreement, Section III, Part C, paragraph 2 is hereby amended and replaced in its entirety as follows:

“2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan:

(a) Quality-based Selection;
(b) Least Cost Selection;
(c) Selection based on Consultants’ Qualifications;
(d) Selection under a Fixed Budget;
(e) Single-source Selection;
(f) Selection of Individual Consultants; and
(g) Selection of UN Agencies following Para 3.15 of Consultant Guidelines.”

7. Schedule 2 to the Agreement, Section IV, Part B, paragraph 2 is hereby amended and replaced in its entirety as follows:

“2. The Closing Date is February 28, 2020.”

All other terms and conditions of the Agreement remain in full force and effect.
Please confirm your agreement with the foregoing amendment by signing and dating this letter in the spaces provided below. This amendment letter shall be executed in two counterparts each of which shall be an original and one of which shall be returned to us. The provisions set forth in this amendment letter will become effective as of the date of the countersignature, upon receipt by the Association of one fully executed original of this letter.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Patricia Veevers-Carter
Country Manager
World Bank Office in Tajikistan
Europe and Central Asia Region

AGREED:

REPUBLIC OF TAJIKISTAN

By: 
Authorized Representative
Name: Abdusalam Tursunov
Title: Minister of Finance
Date: __________________________