



Asian Development Bank

5 November 2015

Mr. Nodar Khaduri
Minister
Ministry of Finance
Georgia

Dear Minister Khaduri:

**Subject: MFF0034-GEO: Road Corridor Investment Program
– Amendments to Framework Financing Agreement**

1. We refer to the Framework Financing Agreement dated 29 August 2009 between Georgia and the Asian Development Bank (ADB) for Road Corridor Investment Program (the FFA).
2. In response to the Ministry of Finance letter ref. #07-02/87705 dated 18 August 2015, ADB has approved extension of the availability period for the referenced multitranche financing facility (MFF). To reflect these changes, we propose to amend the FFA as set forth below:
 - A. In Section "Availability Period" on page 3 of FFA, the dates of "December 2016" and "December 2013" shall be deleted and replaced with the dates of "29 September 2019" and "31 December 2016", respectively.
3. It is noted that the FFA had been initially signed and undergone Georgia's government approval process with the title of "Subregional Road Corridors Development Program", following which the MFF was approved by ADB with a streamlined title name of "Road Corridor Investment Program" under which this MFF, FFA and tranches thereunder are known since. While certain prior approval documents relating to MFF and/or FFA refer to the previous title, it is understood and acknowledged that all such prior approvals, endorsements, decrees and ratifications issued or adopted by Georgia's governmental bodies with reference to this MFF and/or its FFA under the title of "Subregional Road Corridors Development Program" apply to MFF and FFA for the **Road Corridor Investment Program**.
4. Save and except to the extent set out above, the FFA remains unchanged.
5. Pursuant to ADB's Public Communications Policy on disclosure and exchange of information (PCP), the amendment to the FFA will be posted on ADB's website within 2 weeks from the date that the amendments become effective, after removing any information that falls within the PCP exceptions.
6. Please indicate the Georgia's concurrence to the amendments set out in paragraph 2 of this letter agreement and to the terms of this letter agreement by countersigning each of the two originals of this letter agreement in the space indicated below. Please retain one signed original of this letter agreement for your records and return the other to ADB. The proposed amendments shall take effect on the date of receipt by ADB of a signed original of this letter agreement together with the Georgia government's notification on the fulfillment of all legal procedures necessary for its entry into force.

Sincerely,




Sean M. O'Sullivan
Director General
Central and West Asia Department

Annex: Revised page 3 of the Framework Financing Agreement

- A. Accepted and agreed.
- B. Confirmed that the amendment to the Framework Financing Agreement does not contain information falling within the PCP exceptions.

For and on behalf of Georgia:

By: 
Name: Nodar Khaduri
Title: Minister of Finance
Date: 27 November, 2015

	<p>Availability Period</p> <p>The last date on which any disbursement under any tranche of this Facility may be made will be 29 September 2019. The last financing tranche is expected to be executed no later than 31 December 2016.</p> <p>Terms and Conditions</p> <p>Georgia will cause the proceeds of each tranche to be applied to the financing of expenditures of the Program, in accordance with conditions set forth in this FFA and the loan agreements for each tranche.</p> <p>The loan proceeds under the Facility will be used to finance road sector projects, for which eligibility and approval criteria are set out in Schedule 4 to this FFA.</p>
Execution	<p>The Executing Agency for the Road Corridor Investment Program will be Georgia's Ministry of Regional Development and Infrastructure (MORDI). The Roads Department (RD) will function as the Implementing Agency. Other government agencies may also be Implementing Agencies, as appropriate to their respective function. The Executing Agency will implement the Program in accordance with the principles set forth in Schedule 1 to this Agreement, as supplemented with more details in the loan agreements for each tranche.</p>
Periodic Financing Requests	<p>Georgia may request, and ADB may agree, to provide loans under the Facility to finance the Program and its related projects upon the submission of a Periodic Financing Request (PFR). ADB will review the PFRs and, if found satisfactory, prepare the related loan agreements.</p> <p>The projects for which financing is requested under the PFR will be subject to the selection criteria set out in Schedule 4 hereto, satisfactory due diligence, and preparation of relevant safeguards and fiduciary frameworks and other documents. ADB and the Executing Agency will agree on a Facility Administration Manual and a schedule to initiate these activities, as soon as possible after the date of this Agreement, but prior to the effective date of the legal agreements for the first tranche.</p> <p>Until notice is otherwise given by the Government of Georgia, the Ministry of Finance (MOF) will be Georgia's authorized representative for purposes of executing and submitting PFRs.</p>
General Implementation Framework	<p>The Facility will be implemented in accordance with the general framework and implementation arrangements set out in Schedule 3 hereto.</p>
Procedures	<p>Tranches to be provided under the Facility will be subject to the following procedures and undertakings:</p> <ul style="list-style-type: none"> (i) MOF will have notified ADB of a forthcoming PFR in advance of the submission of the PFR.