



Asian Development Bank

Tajikistan Resident Mission

ADB – 681/12/13

6 December 2013

**Mr. Abdusalom Kurbonov**  
Minister of Finance  
3, Akademika Rajabovikh Street  
734025, Dushanbe  
Tajikistan

Dear Mr. Kurbonov,

**Subject: Loan No. 2313/Grant No. 0072-TAJ(SF): Rural Development Project  
Amendment to Financing Agreement**

1. We refer to the Financing Agreement dated 16 April 2007 between Republic of Tajikistan ("Beneficiary") and Asian Development Bank ("ADB") for the captioned project ("Financing Agreement"). All capitalized terms used but not defined herein shall have the meaning given thereto in the Loan Agreement, unless the context requires otherwise.

2. On 24 October 2012, ADB approved (a) minor changes to the Project for (i) the establishment of a project management office ("PMO") within the Ministry of Finance of the Beneficiary ("MOF"); and (ii) the creation of 2 imprest accounts within the MOF for administration and implementation of the credit line component under Loan 2313; and (b) the reallocation of Loan proceeds to allow for funding of the MOF PMO. To give effect to the changes, ADB proposes that the Financing Agreement be amended as follows:

(a) In Schedule 3A, paragraph 6(a) shall be replaced with the following:

"6. (a) Except as ADB may otherwise agree, the Beneficiary shall establish immediately after the Effective Date, an imprest account at a commercial bank acceptable to ADB (Loan Imprest Account). The Loan Imprest Account shall be established, managed, replenished and liquidated in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed upon between the Beneficiary and ADB. The currency of the Loan Imprest Account shall be Dollars."

(b) In Schedule 3A, a new paragraph 11 shall be inserted after paragraph 10 to read as follows:

"Imprest Accounts for the Credit Line Component

11. (a) The Beneficiary shall establish immediately two new imprest accounts at a commercial bank acceptable to ADB (MOF Loan

Imprest Accounts). Such MOF Loan Imprest Accounts shall be established, managed, replenished and liquidated in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed upon between the Beneficiary and ADB. The currency of the MOF Loan Imprest Accounts shall be Dollars. The first such MOF Loan Imprest Account shall be used for expenditures relating to the project management office established within MOF. The aggregate initial amount to be deposited in this MOF Loan Imprest Account and the Loan Imprest Account shall not exceed the equivalent of ten (10) percent of the Loan amount. The second such MOF Loan Imprest Account shall be used for the disbursement of Loan proceeds for the purpose of the credit line component. The initial amount to be deposited into this MOF Loan Imprest Account shall not exceed the estimated expenditure for the first six (6) months of the implementation of the credit line component. For the avoidance of doubt, the funds and disbursement from such Loan Imprest Accounts shall not be comingled.

(b) The SOE procedure shall be used for reimbursement of eligible expenditures and to liquidate advances provided into such MOF Loan Imprest Accounts, in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed upon between the Beneficiary and ADB. Any individual payment to be reimbursed or liquidated under the SOE procedure shall not exceed the equivalent of \$20,000.

(c) The Table set out in the Attachment to Schedule 3A is hereby amended as set out in the Attachment to this letter agreement.

3. Save and except to the extent set out above, the Financing Agreement remains unchanged.

4. Pursuant to ADB's Public Communications Policy on disclosure and exchange of information, the amendments to the Financing Agreement 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 as specified by the Beneficiary.

5. Please indicate the Beneficiary'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 original 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.

Yours sincerely,

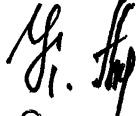


Chang Ching Yu  
Country Director  
Tajikistan Resident Mission

A. Accepted and agreed.

B. Confirmed that the amendments to the Financing Agreement do not contain information falling within the PCP exceptions.

For and on behalf of  
Republic of Tajikistan



Name: Abousalom Qurbanov

Designation: Minister of Finance

Date: 19.12.13.

TABLE

<b>ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS</b>			
<b>(Rural Development Project)</b>			
<b>CATEGORY</b>			<b>ADB FINANCING</b>
<b>Number</b>	<b>Item</b>	<b>Total Amount Allocated for ADB Financing  (SDR) Category</b>	<b>Percentage and Basis for Withdrawal from the Loan Account</b>
1	Civil Works	2,727,000	75% of total expenditure claimed
2	Credit Line	2,691,000	100% of total expenditure claimed*
3	Interest Charge	249,000	100% of amount due
4	Project Management	253,000	100% of total expenditure claimed
	<b>Total</b>	<b>5,920,000</b>	

\* Exclusive of taxes and duties imposed within the territory of the Beneficiary.