



20 April 2021

Hon. Teuea Toatu

Governor for Republic of Kiribati in the Asian Development Bank
Vice President and Minister of Finance and Economic Development
Ministry of Finance and Economic Development
P.O. Box 67, Bairiki
Tarawa, Kiribati

Dear Governor:

**Subject: Grant No. 0652-KIR: South Tarawa Water Supply Project
—Amendment to Grant Agreement**

1. We refer to the Grant Agreement dated 6 November 2020 between Republic of Kiribati ("Recipient") and Asian Development Bank ("ADB") for the captioned project ("Grant Agreement"). All capitalized terms used but not defined herein shall have the meaning given thereto in the Grant Agreement, unless the context requires otherwise.

2. Following a request on behalf of the Recipient, ADB approved changes in the Grant Agreement to allow for civil works contracts to be awarded before the final resettlement plan ("RP") is submitted to, and cleared by, ADB and for the final RP to be submitted after contract award but prior to the installation and construction phase. To give effect to these changes, ADB proposes that the Grant Agreement be amended as follows:

- (i) Paragraph 6 of Schedule 3 shall be deleted in its entirety and replaced with the following paragraphs.

"6A. Subject to paragraph 6B below, the Recipient shall not award any Works contract involving involuntary resettlement impacts until the Recipient has prepared and submitted to ADB the final RP for such Works contract based on the Project's detailed design, and obtained ADB's clearance of such RP.

6B. The Recipient may award a Works contract involving involuntary resettlement impacts prior to the final RP having been submitted to and cleared by ADB if the contract:

- (a) is of a "design and build" or "turnkey" type under which the design must be completed for the Works contract before the RP is finalized; and

(b) expressly provides that the installation and construction phase (and commencement thereof) is conditional upon: (i) a final RP for the Works contract based on the Works contract's detailed design having been submitted to, and cleared by ADB; and (ii) the Recipient having notified ADB and the contractor in writing through the RP completion report that due consultation has been carried out, all required physical and/or economic displacement has been completed, compensation and other entitlements have been provided to affected people in accordance with the RP."

(ii) Paragraph 10 of Schedule 4 shall be deleted in its entirety.

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

4. Pursuant to ADB's Access to Information Policy (2018) ("AIP"), the amendments to the Grant 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 AIP exceptions as specified by the Recipient.

5. Please indicate the Recipient'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.

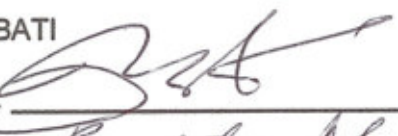
Yours sincerely,


Leah Gutierrez
Director General
Pacific Department

A. Accepted and agreed.

B. Confirmed that the amendments to the Grant Agreement does not contain information falling within the AIP exceptions.

For and on behalf of
REPUBLIC OF KIRIBATI

Name and signature: 

Designation: Vice President & Member of Finance

Date: 12/05/21

Attachment: Email Request from the Kiribati Ministry of Infrastructure and Sustainable Energy for the Amendment

cc: Mr. Benjamin Tokataake, Secretary, Minister of Finance and Economic Development, Email: secretary@mfep.gov.ki
Ms. Saitofi Mika, Secretary, Ministry of Infrastructure and Sustainable Energy, Email: secretary@mise.gov.ki
Mr. Terry Lancashire, Director, Ministry of Infrastructure and Sustainable Energy, Email: director@mise.gov.ki
Ms. Jingmin Huang, Director, Urban Development, Water Supply and Sanitation Division (PAUW), Pacific Department (PARD), ADB
Mr. Masayuki Tachiiri, Regional Director, Pacific Subregional Office in Suva, Fiji (SPSO), PARD, ADB
Mr. Teatao Tira, Senior Country Officer, SPSO, ADB
Mr. Stephen Blaik, Principal Urban Development Specialist, PAUW, ADB
Ms. Melinda Tun, Counsel, Office of the General Counsel, ADB