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Government of the People's Republic of Bangladesh



Ministry of Finance
Economic Relations Division
ADB-1 Section
Sher-e-Bangla Nagar, Dhaka
www.erd.gov.bd



No: 09.00.0000.123.14.023.17-98

Date: 15 March 2017

Subject: Loan 3169-BAN (Ordinary Operations): South Asia Subregional Economic Cooperation Railway Connectivity: Akhaura-Laksam Double Track Project - Amendment to the Loan Agreement (Ordinary Operations)


Dear Mr. Higuchi,

With reference to the BRM, ADB's letter of 16 February 2017 on the above-mentioned subject, please find enclosed one original copy of counter signed letter for kind information and necessary action at your end.

Thanking you,

Encl: As stated 02 (two) pages

Sincerely yours,


15/03/2017

(Mst. Rabeya Akter)
Senior Assistant Secretary
Phone: 9144239, Fax: 9180788
E-mail: rabeyasac@gmail.com

✓ Mr. Kazuhiko Higuchi
Country Director
Bangladesh Resident Mission
Asian Development Bank
Sher-e Bangla Nagar, Dhaka.

CC:

- (1) Secretary, Ministry of Railways, Rail Bhaban, 16 Abdul Ghani Road, Dhaka.
- (2) Director General, Bangladesh Railway, Rail Bhaban, 16 Abdul Ghani Road, Dhaka.



16 February 2017

Mr. Kazi Shofiqul Azam
Secretary
Economic Relations Division
Ministry of Finance

Dear Mr. Secretary:

Subject: Loan 3169-BAN(Ordinary Operations): South Asia Subregional Economic Cooperation Railway Connectivity: Akhaura-Laksam Double Track Project — Amendment to the Loan Agreement (Ordinary Operations)

1. This refers to the Loan Agreement (Ordinary Operations) between The People's Republic of Bangladesh (the Borrower) and the Asian Development Bank (ADB), for the South Asia Subregional Economic Cooperation Railway Connectivity: Akhaura-Laksam Double Track Project (Project), duly signed on 28 June 2015 (hereinafter referred to as the Loan Agreement (Ordinary Operations)).

2. The Borrower has requested ADB to include new categories for safety equipment and consulting services under the Loan Agreement (Ordinary Operations) to finance contracts for safety equipment and consulting services that were awarded under loans MFF 0004 – BAN: Railway Sector Investment Program.

3. Upon the request of the Borrower, the Loan Agreement (Ordinary Operations) is hereby amended as follows:

Amendment to Schedule 2:

Paragraphs 3 is hereby amended in its entirety to read as follows”

“3. The amount allocated to Category 4 is for financing interest and commitment charges on the Loan during the implementation period of the Project. ADB shall be entitled to withdraw from the Loan Account and pay to itself, on behalf of the Borrower, the amounts required to meet payments, when due, of such interest and commitment charges.


4. Attachment to Schedule 2 is hereby amended in its entirety and the revised table is as follows:

TABLE


ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS (South Asia Subregional Economic Cooperation Railway Connectivity: Akhaura-Laksam Double Track Project)			
Number	Item	Total Amount Allocated for ADB Financing (\$) Category	Basis for Withdrawal from the Loan Account
1	Works	350,500,000	58.8% of total expenditure claimed
2a	Equipment – InfoTech and Safety	6,000,000	92.8% of total expenditure claimed
2b	Equipment – Signaling	8,000,000	100% of total expenditure claimed
3	Consulting Services	5,500,000	100% of total expenditure claimed
4	Interest and Commitment Charges	14,750,000	100% of amounts due
5	Unallocated	15,250,000	
	Total	400,000,000	

5. If this is acceptable to you, kindly have both copies of this letter countersigned in the space indicated below. Please retain one copy for your record and return one original copy to ADB.

Sincerely,


Kazumiko Higuchi
Country Director

Confirmed by:


Economic Relations Division
Ministry of Finance
Kazi Shofiqul Azam
Secretary (In Charge)
Economic Relations Division
Ministry of Finance
Govt. of the People's Republic of Bangladesh

Date: 15/03/2017

cc: Director General, Bangladesh Railway
Project Director, SASEC Railway Connectivity: Akhaura-Laksam Double Track Project

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