



Asian Development Bank

Pakistan Resident Mission

06 May 2016

Mr. Tariq Bajwa,
Secretary,
Economic Affairs Division,
Ministry of Finance, Revenue, Economic Affairs,
Statistics and Privatization,
Government of Pakistan,
Islamabad, Pakistan.

Dear Mr. Bajwa,

Subject: Loan 3121-PAK: National Trade Corridor Highway Investment Program, Project 2 – Amendment to the Loan Agreement

We refer to the Loan Agreement (Ordinary Operations) 3121-PAK for the National Trade Corridor Highway Investment Program – Project 2, dated 17 September 2014 between the Islamic Republic of Pakistan (“Pakistan”) and the Asian Development Bank (“ADB”), as amended by amendment letters dated 1 September 2015 and 2 February 2016 (“Loan Agreement”). Under the Loan Agreement, ADB made a loan of \$117,600,000 (the “Loan”) to Pakistan for the purposes of the project described in Schedule 1 to the Loan Agreement (the “Project”) and the National Highway Authority (“NHA”) is the Project Executing Agency.

Defined terms used in this letter shall have the same meanings as set out in the Loan Agreement.

Following a request from NHA dated 25 April 2016, ADB approved, on 28 April 2016, a change in the Project concerning changing the road design from 4-lane pavement with 6-lane structures to 6-lane pavement and structures. To give effect to the change, we propose the following amendments be made to the Loan Agreement:

Paragraph 2 of Schedule 1 to the Loan Agreement shall be deleted and replaced with:

- (i) “The Project shall comprise: (i) the construction of a new 6-lane limited access expressway between Hassanabdal and Sarai Saleh in Punjab and Khyber Pakhtunkhwa Provinces of approximately 40 kilometers, including interchanges, drainage structures, flyovers, underpasses, bridges, and other ancillary facilities; (ii) design review and construction supervision; and (iii) institutional capacity development on social safeguards in the NHA.”
- (ii) The following paragraph shall be inserted as new paragraph 4 of Schedule 5 to the Loan Agreement under the heading “Counterpart Funding”, and the subsequent paragraphs of Schedule 5 shall be renumbered accordingly:

4

"If the Project is not completed by the Loan Closing Date, the Borrower shall ensure that the Project will be executed and completed in accordance with the terms of this Loan Agreement with the Borrower's own funds or such other funds obtained by the Borrower."

The attachment to Schedule 3 of the Loan Agreement shall be deleted and replaced with the table in the Attachment to this letter.

Except as amended, all other terms and conditions of the Loan Agreement shall remain in full force and effect and binding upon Pakistan.

Please indicate the agreement of Pakistan to the proposed amendment by countersigning the 2 original counterparts of this letter. Please retain one signed counterpart of this letter for your record and return the other signed counterpart to ADB. The amendment shall take effect from the date of receipt by ADB of the signed counterpart of this letter.

Please be advised that according to ADB's Public Communications Policy ("PCP") on disclosure and exchange of information, the amendments to the Loan Agreement will be publicly disclosed within 2 weeks after their effectiveness, unless ADB is advised by return mail that the amendment contains information or data of a sensitive or confidential nature falling under the PCP exceptions.

Yours sincerely,



Werner E. Liepach
Country Director

CONFIRMED

Pakistan concurs with the amendments proposed in this letter. The proposed amendments do not contain information or data of a sensitive or confidential nature falling within the PCP exceptions.

Name: Tariq Bajwa

Designation: TARIQ BAJWA

Date: 13/6/16

cc: Secretary, Ministry of Communications
Chairman, National Highways Authority (NHA)

