

Hon. Dr. Irving McIntyre  
Minister of Finance, Economic Development, Climate Resilience and Social Security  
Ministry of Finance, Economic Development, Climate Resilience and Social Security  
5<sup>th</sup> Floor, Financial Centre  
Roseau, Commonwealth of Dominica

**Re: COMMONWEALTH OF DOMINICA: (Disaster Vulnerability Reduction Project)  
(Credit No. 5495-DM; SCF-PPCR Loan No. TF016912; SCF-PPCR Grant  
No. TF016955; Credit No. 6314-DM; Credit No. 6717-DM)  
Amendment to the Legal Agreements**

Dear Minister McIntyre,

We refer to the Financing Agreement for Credit No. 5495-DM dated June 10, 2014, as amended and reinstated on November 27, 2018 and August 5, 2020 (the “Financing Agreement”); the SCF-PPCR Loan Agreement concerning the SCF-PPCR TF016912 dated June 10, 2014, as amended and reinstated on November 27, 2018 and August 5, 2020 (the “SCF-PPCR Loan Agreement”); Grant Agreement concerning SCF-PPCR TF016955 dated June 10, 2014, as amended and reinstated on November 27, 2018 and August 5, 2020; (the “SCF-PPCR Grant Agreement”); the Financing Agreement for Credit No. 6314-DM dated November 27, 2018 as amended on August 5, 2020 (the “Additional Financing Agreement”), and the Financing Agreement concerning Credit No. 6717-DM dated August 5, 2020 (the “Second Additional Financing Agreement”) (collectively, the “Legal Agreements”), between the Commonwealth of Dominica (the “Recipient”) and the International Development Association (the “Association”), for the above referenced Project (“the Project”). Capitalized terms used in this amendment letter (“Amendment Letter”) and not defined herein have the meaning ascribed to them in the Legal Agreements.

In response to your letter dated March 29, 2023 and our related conversations on the subject, we are pleased to inform you that the Association concurs with your request. Accordingly:

- (a) the Association has established, effective immediately, June 30, 2024 as the later date for the purposes of Section III.B.2 of Schedule 2 to the Additional Financing Agreement and the Second Additional Financing Agreement and Section IV.B.2 of Schedule 2 to the Financing Agreement, SCF-PPCR Loan Agreement and SCF-PPCR Grant Agreement; and
- (b) the Association agrees to amend the Legal Agreements as follows:

1. Section 3.01 of Article III of the Financing Agreement, Additional Financing Agreement and Second Additional Financing Agreement is hereby amended to read in its entirety as follows:

“3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall: (a) through the PCU and the CSU, carry out Parts A, B and D of the Project; and (b) through the Coordinating Authority, carry out Part C of the Project, all in accordance with the provisions of Article IV of the General Conditions and Schedule 2 to this Agreement.”

2. Part D of Schedule 1 to the Legal Agreements is hereby amended to read in its entirety as follows:

“**Part D: Project Management and Implementation Support**

1. Strengthening the institutional capacity for Project management, including: (a) strengthening the capacity and staffing of the PCU and CSU; (b) preparation of investment designs and tender documents; (c) preparation of Project reports; (d) processing of contracts and tender evaluation; (e) coordination of participating line ministries; (f) supervision of the quality of works; (g) provision of training of staff of the PCU and CSU in Project management and implementation support; (h) monitoring and evaluation of the Project progress and results; and (i) carrying out related activities on Project management and implementation, all through the provision of technical advisory services, training and operating costs, and acquisition of goods.”
3. Sections I.A.2 and I.A.3 of Schedule 2 to the Legal Agreements are hereby amended to read in their entirety as follows:

“**2. Project Coordination Unit and Central Services Unit**

- (a) The Recipient shall operate and maintain, at all times during the implementation of the Project, the Project Coordination Unit (“PCU”) within the Recipient’s Ministry of Public Works, Public Utilities and Digital Economy, with functions, staffing and resources satisfactory to the Association.
- (b) Without limitation to the provisions of Section 3.01 of this Agreement and Section I.A.1 of this Schedule, the Recipient shall ensure that the PCU is responsible for the day-to-day administration of the overall Project planning, reporting, coordination, and technical implementation, all in accordance with the provisions of this Agreement and the Project Operations Manual.
- (c) Without limitation to the provisions of Section 3.01 of this Agreement and Sections I.A.1, I.A.2(a) and (b) of this Schedule, the Recipient shall operate and maintain, at all times during the implementation of the Project, a Central Services Unit (“CSU”) under the authority of the Ministry of Finance, with functions, staffing and resources satisfactory to the Association, responsible for the fiduciary (i.e., procurement and financial management) aspects, environmental and social safeguards compliance,

monitoring and evaluation and communication services for the Project, all in accordance with the provisions of this Agreement and the Project Operations Manual.

3. **Line Ministries and Agencies**

- (a) Without limitation to the provisions of Section I.A.1 and I.A.2 of this Schedule, the Recipient shall ensure that its Ministry of Environment, Rural Modernization, and Kalinago Upliftment, the Dominica Water and Sewerage Company, the Office of Disaster Management, and other relevant ministries and agencies (Line Ministries and Agencies), provide as may be required, technical support to the PCU for relevant technical supervision and implementation of respective Project activities in the area of expertise of the relevant Line Ministry and Agency, all in accordance with the Project Operations Manual.”

4. The following definitions in the Appendix to the Legal Agreements are hereby amended to read in their entirety as follows:

“ ‘Line Ministries and Agencies’ mean the Recipient’s Ministry of Environment, Rural Modernization, and Kalinago Upliftment, Dominica Water and Sewerage Company, Office of Disaster Management, and other relevant ministries and agencies that may participate in the implementation of the Project.”

“ ‘Operating Costs’ means the incremental expenses incurred on account of Project management as approved by the Association, including office space rental for the PCU and CSU, office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel and *per diem*, excluding the salaries of the Recipient’s civil service.

“ ‘Project Coordination Unit’ or ‘PCU’ means the coordination unit within the Recipient’s Ministry of Public Works, Public Utilities and Digital Economy and referred to in Section I.A.2(a) of Schedule 2 to this Agreement or any successor thereto, acceptable to the Association.”

5. The following definitions are added, in their corresponding alphabetical order, to the Appendix to the Legal Agreements, and the remaining paragraphs are renumbered, as applicable:

“Central Services Unit” or “CSU” means the central services unit under the authority of the Ministry of Finance and referred to in Section I.A.2(c) of Schedule 2 to this Agreement or any successor thereto, acceptable to the Association.”

“Ministry of Finance” means the Recipient’s ministry in charge of finance, or any successor thereto acceptable to the Association.

“Ministry of Public Works, Public Utilities and Digital Economy” the Recipient’s ministry in charge of public works, or any successor thereto acceptable to the Association.

All other provisions of the Legal Agreements, except as herein amended, shall remain in full force and effect.

Please confirm your agreement with the foregoing, on behalf of the Recipient, by signing and dating this Amendment Letter. The amendment set forth in this Amendment Letter will become effective upon your countersignature and receipt by the Association of the countersigned Amendment Letter.

Please also note that the restructuring paper dated April 28, 2023 will be disclosed on the Association's external website.

Sincerely yours,

**INTERNATIONAL DEVELOPMENT ASSOCIATION**


*Lilia Burunciuc*

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Lilia Burunciuc  
Country Director  
Caribbean Country Management Unit  
Latin America and the Caribbean Region

**AGREED:**

**COMMONWEALTH OF DOMINICA**

By:   
Authorized Representative

Name: HON. DR. IRVING MCINTYRE

Title: MINISTER FOR FINANCE

Date: 11-MAY-2023