June 11, 2020

Chairman
National Highway Authority
27/28 Mauve Area, G-9/1
Islamabad
Pakistan

Khyber Pass Economic Corridor Project – Credit Numbers 6270-PK
Letter Providing for the Amendment and Restatement of the Project Agreement

Dear Mr. Amin:

We refer to:

- the Financing Agreement (the “Financing Agreement”) dated December 13, 2019, between International Development Association (the “Association”) and the Islamic Republic of Pakistan (“Recipient”) for the financing of the Khyber Pass Economic Corridor Project (the “Project”);

- the Project Agreement (the “Project Agreement”) dated December 13, 2019 between the Association and the Recipient’s National Highways Authority (“NHA”) for the implementation of the Project; and

- the Recipient’s letter No.6(12)WB-II/2015 dated June 11, 2020, asking the Association to agree to a restructuring of the Project and a revision to the contractual arrangement for the financing and implementation of the Project, further to the succession of Khyber Pakhtunkhwa (“KP”) in the rights and obligations of the Recipient’s Federally Administered Tribal Areas under such contractual arrangement and the Project.

The Association is proposing to amend the Project Agreement as follows:

1. Unless the context requires otherwise, the capitalized terms used in this Letter have the meanings ascribed to them in the Financing Agreement.

2. The Project Agreement is hereby amended and restated to read as set forth in the Annex to this Agreement.

All other provisions of the Project Agreement except as amended herein, would remain in full force and effect.

If this proposal is acceptable to NHA, please confirm your agreement to the amendment by NHA’s Authorized Representative countersigning and dating the enclosed copy of this letter (but not its Annex) and returning it (with its Annex) to the Association while keeping one original for your records.
If countersigned by NHA’s Authorized Representative, dated and received by the Association, this amendment shall become effective on the date of its countersignature.

This Letter and all obligations of the parties under it shall terminate if it has not become effective by the Effectiveness Deadline specified in Section 4.02 of the Financing Agreement.

Very truly yours,

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Patchamuthu Illangovan
Country Director, Pakistan

CONFIRMED AND AGREED:

NATIONAL HIGHWAY AUTHORITY

By: Mr. Asim Amin
Name: Mr. Asim Amin
Title: Member Aided Projects
Date: 11-Jun-2020