

28-Apr-2023

Mr. Ali Sarfaraz Hussain
Chairman
Planning and Development Board
Government of Punjab
Lahore

Dear Mr. Hussain:

***Re: Pakistan: Punjab Tourism for Economic Growth Project
(Credit Number:5982-PK)
Amendments to the Project Agreement***

We refer to the Project Agreement dated August 02, 2017, between the International Development Association (“Association”) and the Province of Punjab (“Project Implementing Entity” or “Punjab”) (“Project Agreement”), in connection with the Financing Agreement (“Financing Agreement”) of same date between the Islamic Republic of Pakistan (“Recipient”) and the International Development Association (“Association”), for the above-mentioned Project (“Project”). We also refer to letters from the Ministry of Economic Affairs, dated December 15, 2022, and April 11, 2023, requesting for restructuring of the Project.

We are pleased to inform you that the Association agrees to your request and consequently the Project Agreement is amended as set forth below:

1. Section 2.01. of the Project Agreement is amended to read as follows:

“2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project through Project Management Unit (“PMU”), Planning and Development Division, in accordance with the provisions of Article V of the General Conditions, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.”
2. Schedule to the Project Agreement is amended and attached as Annex to this amendment letter.

Except as specifically amended in this amendment letter, all other terms and conditions of the Project Agreement shall remain in full force and effect.

The Association will disclose this amendment letter and related information on this Project Agreement in accordance with the World Bank’s Policy on Access to Information. By entering into this amendment letter, the Recipient consents to disclosure of this amendment letter and related information.

Please confirm your agreement to the foregoing on behalf of the Project Implementing Entity by countersigning and dating the form of confirmation set forth below and returning one fully countersigned original of this amendment letter to us and retaining one original for your records. Upon receipt by the Association of the countersigned original of this amendment letter, this amendment letter shall become effective as of the date of the countersignature.

Yours sincerely,
INTERNATIONAL DEVELOPMENT ASSOCIATION



Lire Ersado
Acting Country Director, Pakistan

CONFIRMED AND AGREED:
PROVINCE OF PUNJAB

By: Sohail Anwar

Name: Sohail Anwar

Title: Secretary, Planning & Development Board

Date: 02-Jun-2023

Cc:

Government of Pakistan:

Dr. Kazim Niaz, Secretary, Ministry of Economic Affairs
Mr. Humair Karim, Additional Secretary, Ministry of Economic Affairs
Mr. Adil Akbar Khan, Senior Joint Secretary, Ministry of Economic Affairs
Mr. Azam Khan, Deputy Secretary, Ministry of Economic Affairs

Government of Punjab:

Dr. Muhammad Sohail Anwar Choudhary, Secretary, Planning and Development Board
Mr. Zaheer Hassan, Secretary, Department of Tourism
Ms. Sadaf Zafar, Additional Secretary, Department of Tourism
Mr. Kamran Lashari, Director General, WCLA
Mr. Maqsood Ahmad, Director Archaeology, Archaeology Directorate
Mr. Ali Akbar Bosan, Chief Operating Officer / Acting CEO, PSDF
Mr. Waqas Malik, Project Director, PTEG PMU

The World Bank:

Mr. Naveed Kamran Baloch, Executive Director, Pakistan

Mr. Abdelhak Bedjaoui, Alternate Executive Director, Pakistan

Annex

SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Implementing Entity shall vest the overall responsibility for the implementation of Project activities in PMU. To this end, the Project Implementing Entity, through PMU, shall:
 - (a) Not later than three (3) months after the Effective Date, establish and thereafter maintain throughout the period of implementation of the Project, a Project Steering Committee (“PSC”), with composition and terms of reference satisfactory to the Association, and with responsibilities as set out in the Project Operations Manual, including providing coordination of government stakeholders, policy guidance and executive direction to the Project;
 - (b) maintain throughout the period of implementation of the Project, the Project Management Unit (PMU), with composition and terms of reference satisfactory to the Association, as set out in the Project Operations Manual, and responsible, *inter alia*, for day-to-day implementation of the Project, including procurement, financial management, safeguards management, and monitoring and evaluation.
 - (c) Not later than six (6) months after the Effective Date, appoint a monitoring and evaluation specialist and a civil engineer in the PMU with qualifications and experience, and on terms of references satisfactory to the Association.
 - (d) Not later than one (1) month after the Effective Date, establish and thereafter maintain throughout the implementation of the Project: (a) a grievance redress mechanism with guidelines and procedures satisfactory to the Association; and (b) a grievance redress committee with composition and terms of reference satisfactory to the Association.

B. Project Operations Manual

1. The Project Implementing Entity shall:
 - (a) carry out the Project in accordance with the Project Operations Manual; and
 - (b) except as the Association shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the Project Operations Manual or any provision thereof.
2. In the event of a conflict between the provisions of the Project Operations Manual and those of this Agreement, the latter shall govern.

C. Anti-Corruption

1. The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

D. Safeguards.

1. The Project Implementing Entity shall carry out the activities under the Project in accordance with the provisions of the ESMF and RPF, the objectives, policies and procedures thereof, and the social and environmental mitigation measures and monitoring requirements provided therein including any and all plans, acceptable to the Association, developed thereunder.
2. The Project Implementing Entity shall:
 - (a) prepare, prior to commencement of civil works under the Project for a site, an ESMP, including a Cultural Resource Management Plan if required, satisfactory to the Association, and in accordance with the terms of reference in the ESMF;
 - (b) implement the ESMP and Cultural Resource Management Plan; and
 - (c) not amend, suspend or abrogate any of the provisions of the ESMP or Cultural Resource Management Plan without the prior agreement of the Association.
3. The Project Implementing Entity shall:
 - (a) prepare, prior to the commencement of any civil works requiring land acquisition at a site under the Project, RAPs, satisfactory to the Association, in accordance with the RPF;
 - (b) implement the RAPs, including, unless otherwise agreed with the Association, payment in full of compensation to all Displaced Persons prior to commencing of any related works; and
 - (c) not amend, suspend or abrogate any of the provisions of the RAPs without the prior agreement of the Association.
4. The Project Implementing Entity shall: (a) ensure that any technical assistance, market or pre-feasibility studies or plans to be supported under the Project are carried out under terms of reference satisfactory to the Association following its review thereof and, to that end, said studies shall duly incorporate the requirements of Association's Safeguard Policies and be publicly disclosed and consulted upon in accordance with the Association's Safeguard Policies; and (b) ensure that any capacity building activities under the Project are consistent with, and pay due attention to the Association's Safeguard Policies.
5. The Project Implementing Entity shall not commence any civil works under the Project until project design and supervision consultants have been appointed, with qualifications and experience and on terms and conditions satisfactory to the Association.

Section II. Project Monitoring, Reporting and Evaluation.

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of indicators set forth in the Project Operations Manual. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Borrower not later than forty-five (45) days after the end of the period covered by such report for incorporation and forwarding by the Borrower to the Bank of the overall Project Report.
2. The Project Implementing Entity shall provide to the Recipient not later than four (4) months after the Closing Date, for incorporation in the report referred to in Section 4.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section

B. Financial Management, Financial Reports and Audits

1. The Project Implementing Entity shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to the Project.
2. Without limitation on the provisions of Part A of this Section, the Project Implementing Entity shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the respective semester, in form and substance satisfactory to the Association.
3. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association. Each audit of these financial statements shall cover the period of one (1) fiscal year of the Project Implementing Entity. The Project Implementing Entity shall ensure that the audited financial statements for each period shall be: (a) furnished to the Recipient and the Association not later than six (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Association.

Section III. Procurement

All goods, works and services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.