



Date: 19-oct-2023

Mr. Djamshid Kuchkarov  
Deputy Prime Minister & WBG Governor  
Minister of Economy and Finance  
Ministry of Economy and Finance  
Istiqlol Street 29  
Tashkent 100017  
Republic of Uzbekistan

Dear Mr. Kuchkarov,

***Republic of Uzbekistan: IDA Credit 6549-UZ; Scale-up Facility Credit 6550-UZ  
Agriculture Modernization Project  
Amendment to the Financing Agreement***

We refer to a Financing Agreement between the Republic of Uzbekistan (“Recipient”) and the International Development Association (“Association”) for the above-referenced project (“Project”), dated July 11, 2020 (“Financing Agreement”).

We refer to your letters No. 38-04959-son, dated April 10, 2023, and No. 38-10538-son, dated June 13, 2023 requesting the Association to make certain amendments to the Project (“Requests”). We also refer to our follow-up discussions in relation to the Requests.

We are pleased to inform you that the Association concurs with the Requests with certain additional variations as agreed during our follow-up discussions and therefore, proposes to amend the Financing Agreement as follows:

1. The Project Description in Schedule 1 to the Financing Agreement shall be amended to read as follows:

*“The objectives of the Project are to (i) enhance productivity-supporting agricultural services and (ii) promote market-led agriculture value chains.”*

2. Part 2 of Schedule 1 to the Financing Agreement shall be amended to read as follows:

***“Part 2. Supporting Investments in Agriculture Value Chains***

*2.1 Provision, through selected PFIs, of Sub-Loans for Sub-project investments in agriculture value chains, including, but not limited to (a) intensive orchards and greenhouses; (b) energy efficient irrigation systems; (c) solar water heating systems and other climate-smart water saving and mechanization technologies; and (d) processing and storage facilities to Beneficiaries, as follows: (i) cooperatives and participants in cooperations and leasing companies all in agriculture sector, and (ii) members of productive partnerships, both farmers and agribusiness firms, individual farmers and agriculture firms, all operating in agriculture value chains.*

*2.2 Provision, through selected Participating Leasing Companies, of Leasing Sub-Loans for Leasing Equipment to Beneficiaries, as follows: (i) cooperatives and participants in cooperations, all in agriculture sector, and (ii) members of productive partnerships, both farmers and agribusiness firms, individual farmers and agriculture firms, all operating in agriculture value chains.”*

3. Section I.A.1(ii) (b) of Schedule 2 to the Financing Agreement shall be amended to read as follows:

*“Part 2.1 of the Project shall be implemented by the MoA, through ISCAD, with the participation of the PFIs; and*

*Part 2.2 of the Project shall be implemented by the MoA, through ISCAD, with the participation of the Participating Leasing Companies.”*

4. Section I.A.3 of Schedule 2 to the Financing Agreement shall be amended to read as follows:

*“The MoA, through ISCAD, shall (a) prepare and adopt the POM, the Credit Line Guidelines and Leasing Guidelines, all in accordance with the terms and conditions of this Agreement, and satisfactory to the Association, and (b) carry out the Project in accordance with the provisions set out in the POM, the Credit Line Guidelines and the Leasing Guidelines (as relevant) which shall not be amended, suspended, abrogated, repealed or waived without the prior written approval of the Association. In case of any conflict between the terms and conditions of this Agreement and the document(s) referred to in paragraph 3 (a) immediately above, this Agreement shall prevail.”*

5. paragraph 3 of Appendix to the Financing Agreement shall be amended to read as follows:

*““Beneficiary” means any of:*

*(1) (a) under Part 2.1 (i), cooperatives in agriculture sector, participants in cooperations in agriculture sector and leasing companies in agriculture sector and (b) under Part 2.1 (ii), members of productive partnerships, both farmers and agribusiness firms, individual farmers and agriculture enterprises all operating in agriculture value chains and selected by a PFI in accordance with the Credit Line Guidelines, to which the PFI proposes to make or has made a Sub-loan under Part 2.1 of the Project;*

*(2) (a) under Part 2.2 (i), cooperatives in agriculture sector and participants in cooperations in agriculture sector and (b) under Part 2.2(ii), members of productive partnerships, both farmers and agribusiness firms, individual farmers and agriculture enterprises all operating in agriculture value chains and selected by a Participating Leasing Companies in accordance with the Leasing Guidelines, to which the Participating Leasing Companies proposes to make or has made a Leasing Sub-Loans under Part 2.2 of the Project.*

*“Beneficiaries” means any two or more Beneficiaries.”*

6. paragraph 26 of Appendix to the Financing Agreement shall be amended to read as follows:

*“ISCAD” means the Recipient’s International Strategic Center for Agri-food Development under the MoA established pursuant to the President Resolution #58 dated December 22, 2021, as amended; or any successor thereto acceptable to the Association.”*

7. Each of the following new definitions shall be inserted in an alphabetical order as new paragraphs to the Appendix to Financing Agreement with the wording as set out below; the current paragraphs in the Appendix to Financing Agreement shall be renumbered accordingly, each in alphabetical order.

*““Leasing Equipment” means agriculture machineries, agriculture equipment, and agriculture tools selected or proposed to be selected under Part 2.2 of the Project in accordance with eligibility criteria and procedures acceptable to the Association and set forth in the Leasing Guidelines.*

*“Leasing Guidelines” means the guidelines referred to in Section I.A.3 of Schedule 2 to this Agreement.*

*“Leasing Sub-Loans” means a leasing arrangement made or proposed to be made by Participating Leasing Company to a Beneficiary out of the proceeds of the Leasing Subsidiary Loan for purposes of financing a Leasing Equipment.*

*“Leasing Subsidiary Loan Agreements” means the agreement pursuant to which the Borrower proposes to make, or has made, a part of the proceeds of the Loan available to Participating Leasing Company under Part 2.2 of the Project, as the same may be amended from time to time, with prior approval of the Bank.*

*“Leasing Subsidiary Loan” means a loan made by the Borrower to a Participating Leasing Company under Part 2.2 of the Project for the purposes of provision of leasing to a Beneficiary pursuant to a Leasing Subsidiary Loan Agreements.*

*”Participating Leasing Companies” means selected participating leasing companies of the Recipient, selected by the Recipient to participate in Part 2.2 of the Project pursuant to the eligibility criteria set forth in the Leasing Guidelines and “Participating Leasing Company” means any one of them individually.”*

8. References to “Part 2” in Section I.B of Schedule 2, Section III of Schedule 2 and paragraphs 13 and 21 to 24 of the Appendix shall be amended to refer to “Part 2.1”.
9. References to “horticulture” in the Financing Agreement shall be amended to refer to “agriculture” through-out the Financing Agreement.
10. References to “UZAIFFSA” in the Financing Agreement shall be amended to refer to “ISCAD” through-out the Financing Agreement.
11. References to “Beneficiary” or “each Beneficiary” shall be construed and interpreted to refer to Beneficiary in respect of Part 2.1 or Beneficiary in respect of Part 2.2 as the context requires.

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

This amendment letter shall become effective on the date upon which the Recipient dispatches to the Association a notice that the execution and delivery of this amendment letter on behalf of the Recipient has been duly authorized or ratified by all necessary governmental actions.

Very truly yours,

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

*Marco Mantovanelli*

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Marco Mantovanelli  
Country Manager  
World Bank Office, Uzbekistan

**AGREED:  
REPUBLIC OF UZBEKISTAN**

By: *Djamshid kuchkarov*

Name: Djamshid kuchkarov

Title: MINISTER OF ECONOMY AND FINANCE

Date: 11-Nov-2023