

The World BankINTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION1818 H Street N.W.
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Cable Address: INTBAFRAD
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Mr. Timur Ishmetov
Minister
Ministry of Finance
Tashkent
REPUBLIC OF UZBEKISTAN

09-Dec-2021

*Uzbekistan: 2nd Additional Financing for Energy Efficiency Facility for
Industrial Enterprises Project (IBRD Loan 8826-UZ)
First Amendment to the Loan Agreement*

Dear Mr. Ishmetov:

We refer to the Loan Agreement (the Agreement) for the Energy Efficiency Facility for Industrial Enterprises Project (Loan No. 8826-UZ) (the Project) between the Republic of Uzbekistan (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”), dated May 17, 2018. Please note that capitalized terms used in this letter (the Amendment Letter) and not defined herein have the meaning ascribed to them in the Loan Agreement.

We also refer to your letter No. 01/38-03-03-35-564, dated September 14, 2021, requesting the Bank to: (a) change the amount of co-financing of each Sub-project finance through Sub-financing by the Participating Banks; (b) change the eligible financing percentage of Category 2 (Sub-loans for Sub-projects under Part B of the Project) from 75% to 100% financing; (c) enter into a new Project Agreement between the Bank and ALOQA Bank as another Participating Bank for the implementation Part B of the Project; and (d) extend Closing Date of the Project from January 31, 2023 to January 31, 2024.

After due consideration, we are pleased to inform you the Bank has agreed to your above-mentioned request and proposes to amend the Agreement as follows:

1. Section I.B.1 of Schedule 2 to the Agreement is amended to read as follows:

“1. To facilitate the carrying out of each Participating Bank’s respective part of the Project, the Borrower shall make part of the proceeds of the Loan available to each Participating Bank in accordance with on-lending terms set forth in an individual subsidiary agreement between the Borrower represented by the Borrower’s Ministry of Finance (MoF), and the Ministry of Economic Development and Poverty Reduction (MoEDPR), respectively, and each of the Participating Banks, under terms and conditions approved by the Bank (collectively the “Subsidiary Agreements”) which shall include, *inter alia*, the following terms and conditions: (a) the principal amount of the Sub-financing shall be in Dollars and shall have a maturity of up to twenty-five (25) years, including a grace period of five (5) years; (b) interest shall be charged, on the principal amount thereof withdrawn and outstanding from time to time, at a

rate (including an on-lending margin reflecting the administrative costs and risk margin of the MoF), as set forth in the Operations Manual; (c) the commitment charge on the unwithdrawn Sub-financing balance shall be payable at the rate set forth in Section 2.04 of the Loan Agreement; (d) the Participating Bank shall provide an amount equivalent to 25% of their aggregate share of Sub-financing to co-finance Sub-projects in accordance with the detail further provided in the Operations Manual; and (e) the Participating Bank shall utilize the proceeds of the Sub-financing in accordance with this Agreement and the Project Agreements, and the Subsidiary Agreements.”

2. The table in Section III.A of Schedule 2 is deleted in its entirety and is replaced with the table provide in Attachment to this Amendment Letter.

3. Section III.B.2 in Schedule 2 of the Loan Agreement is amended to read as follows:

“The Closing Date is January 31, 2024.”

4. The following definitions are added in the Appendix to the Agreement and are placed in alphabetical order (as a result, the remaining definitions are renumbered to maintain alphabetical order):

“ALOQA Bank” means the State Joint-Stock Commercial Bank “ALOQA Bank” (Joint-Stock Company) duly established by virtue of the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 502dated October 12, 1994, and duly operating in the Republic of Uzbekistan by virtue of the Charter approved by the Minutes No. 1 dated March 10, 2020 of the General Meeting of Shareholders and registered by the Central Bank of the Republic of Uzbekistan on April 2, 2020 under registration No. 48; License No. 48 for carrying out banking operations issued by the Central Bank of Uzbekistan on October 21, 2017 (collectively referred to as “Aloqa Bank Legislation”), or any successor thereto.”

“NATIONAL BANK FOR FOREIGN ECONOMIC ACTIVITY OF THE REPUBLIC OF UZBEKISTAN” means the State Joint-Stock Commercial Bank duly established by virtue of the Decree of the President of the Republic of Uzbekistan No. PD-244 dated 07.09.1991. Based on the Decree of the President of the Republic of Uzbekistan No. PD-4540 dated 30.11.2019, the Bank was transformed from a unitary enterprise into a joint-stock company. The Bank duly operates in the Republic of Uzbekistan by virtue of the Charter approved by the Minutes of the Founders’ Meeting on 25.12.2019 No. 1 and registered by the Central Bank of the Republic of Uzbekistan on 30.12.2019 under registration No. 22-1; License No. 22 for carrying out banking operations issued by the Central Bank of Uzbekistan on 15.02.2020 (collectively referred to as “Joint-stock company “National Bank for Foreign Economic Activity of the Republic of Uzbekistan” Legislation”), or any successor thereto.”

5. Definition Nos 18 and 19 in the Appendix to the Agreement is amended to read as follows:

“18. “Participating Banks” means collectively: (a) the ALOQA Bank; (b) ASAKA Bank (c) the HAMKOR BANK; (d) the UZPROMSTROYBANK, (e) INVEST FINANCE (InFin) BANK; (f) ASIA ALLIANCE BANK, (g) NATIONAL BANK FOR FOREIGN ECONOMIC ACTIVITY OF THE REPUBLIC OF UZBEKISTAN and “Participating Bank” means individually any one of these banks.

19. “Participating Bank’s Legislation” means the legislation governing the establishment and operation of the Participating Banks, namely: (a) ALOQA Bank Legislation with regard to ALOQA BANK; (b) ASAKA Bank Legislation with regard to ASAKA Bank; (c) HAMKORBANK Legislation with regard to HAMKORBANK; (d) UZPROMSTROYBANK Legislation with regard to UZPROMSTROYBANK; (e) INVEST FINANCE BANK Legislation with regard to INVESTMENT FINANCE BANK; (f) ASIA ALLIANCE BANK Legislation with regard to ASIA ALLIANCE BANK, and (g) NATIONAL BANK FOR FOREIGN ECONOMIC ACTIVITY OF THE REPUBLIC OF UZBEKISTAN Legislation with regard to NATIONAL BANK FOR FOREIGN ECONOMIC ACTIVITY OF THE REPUBLIC OF UZBEKISTAN.”

6. The provisions set forth in this Amendment Letter shall become effective as of the date of the countersignature (Effective Date), upon receipt by the Bank of:

- (i) one fully executed original of this Amendment Letter;
- (ii) one fully executed original of the Project Agreement between the Bank and the ALOQA Bank;
- (iii) one fully executed original of the Subsidiary Agreement between the Borrower (represented by MOF and MoEDPR) and ALOQA Bank for the purpose of Section I.B of Schedule 2 to the Loan Agreement;
- (iv) an opinion satisfactory to the Bank of counsel acceptable to the Bank has been furnished to the Bank showing: (a) on behalf of ALOQA Bank, that the Project Agreement has been duly authorized or ratified, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms and all necessary governmental and corporate action; and (b) that Subsidiary Agreement has been duly authorized or ratified by the Borrower and the respective Participating Bank and is legally binding upon the Borrower and each Participating Bank in accordance with its respective terms;
- (v) confirmation by the Borrower that the Operations Manual has been updated in accordance with this Amendment Letter.
- (vi) confirmation by the Borrower that the Subsidiary Agreements with Participating Banks for the implementation of their Respective Parts have been updated in accordance with this Amendment Letter.

The reference to the term “Ministry of Economy” and its acronym “MOE” is replaced with the new term “Ministry of Economic Development and Poverty Reduction” and new acronym “MoEDPR” respectively, in the entire Agreement.

Please confirm your agreement with the foregoing amendment by signing and dating this Amendment Letter in the spaces provided below. All other provisions of the Agreement shall remain in full force and effect. This Amendment Letter shall be executed in two counterparts, each of which shall be an original.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By Marco Mantovanelli
Marco Mantovanelli
Country Manager for Uzbekistan

AGREED:

REPUBLIC OF UZBEKISTAN

By: Timur Ishmetov
Authorized Representative

Name: Timur Ishmetov

Title: Minister of Finance

Date: 27-январь-2022

Attachment

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (exclusive of Taxes other than Withheld Taxes)
(1) Goods, non-consulting services, consulting services, Training and Incremental Operating Costs for Parts A.2, A.3 and A.4 of the Project	1,000,000	100%
(2) Sub-loans for Sub-projects under Part B of the Project	199,000,000	75% up to the Effective Date of this Amendment Letter; 100% thereafter
TOTAL AMOUNT	200,000,000	