

30-Jun-2020

Mr. S. R. Attygalle Secretary Ministry of Finance Secretariat Colombo 1

Dear Mr. Attygalle:

Re: Democratic Socialist Republic of Sri Lanka: Transport Connectivity and Asset Management Project (Credit No. 5788-LK) <u>Amendment to the Financing Agreement</u>

We refer to the Financing Agreement ("Agreement") dated September 29, 2017 between the Democratic Socialist Republic of Sri Lanka ("Recipient") and the International Development Association ("Association") for the Transport Connectivity and Asset Management Project ("Project"), as amended on July 09, 2019.

In addition, we also refer to your letter no. ERD/WB/COVID19/EMERGENCY dated May 06, 2020 on behalf of the External Resources Department, Ministry of Finance, Economy and Policy Development, Government of Sri Lanka ("Letter"), proposing a partial cancellation of USD 35,000,000 from the above-captioned Credit. Accordingly, we are pleased to inform you that after due consideration, the Association concurs with the request, and hereby amends the Agreement as set forth below ("Amendment Letter"):

Part 1 and 2 of the Project in Schedule 1 of the Agreement are amended and restated as follows:

Part 1: Institutional Strengthening and Capacity Building for Asset Management

Provision of support to RDA to institutionalize the use of road asset management system and enhance overall institutional efficiency, including:

- (a) <u>Road Asset Management and Road Safety</u>: Provision of support to: (i) operationalize and customize a web-based multi-user road asset management system; (ii) establish/strengthen an asset management unit within RDA; (iii) develop and finalize a road sector strategy and policy and (iv) develop a strategy to promote road safety for national and provincial roads.
- (b) <u>Operational Improvements</u>: Provision of support to transform RDA into an efficient and service-oriented organization, including: (i) developing a management information system to obtain timely financial and physical progress information for appropriate decision making; and (ii) Incremental Operating Cost of the Project.

Part 2: Provincial Road Improvements

Rehabilitation and maintenance of approximately 423 km of roads in all the provinces of Sri Lanka."

All other provisions of the Agreement, except as revised herein, remain unchanged.

Please confirm your agreement to the foregoing on behalf of the Recipient by countersigning and dating the corresponding 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. This Amendment Letter shall become effective as of the date of the countersignature, upon receipt by the Association of a duly countersigned original of this Amendment Letter by an authorized representative of the Recipient.

Sincerely,

Andrew D. Goodland

Andrew Goodland Acting Country Director for Maldives, Nepal and Sri Lanka

AGREED: Democratic Socialist Republic of Sri Lanka

By:	S. R. Attygalle
Name:	S. R. Attygalle
Title:	Secretary to the Treasury
Date:	16-Jul-2020

cc: Mr. R. W. R. Pemasiri, Secretary, Ministry of Roads and Highways

Mr. J. Ratnasiri Secretary, Ministry of Public Administration, Home Affairs, Provincial Councils & Local Government

Mr. M.M. Nayeemudeen - Additional Secretary (Projects), Ministry of Public Administration, Home Affairs, Provincial Councils & Local Government

Mr. A. Abeysekera, Director General, External Resources Department

Mr. R.H.W.A. Kumarasiri, Director General, National Planning Department

Ms. H. Pubudusiri, Director, External Resources Department

Mr. P. Wijesinghe, Project Director, Transport Connectivity and Asset Management Project,

Ministry of Public Administration, Home Affairs, Provincial Councils & Local Government

Mr. U. Atapattu, Project Director, Transport Connectivity and Asset Management Project, Road Development Authority

Ms. Aparna Subramani, Executive Director for Bangladesh, Bhutan, India and Sri Lanka Mr. Santosh Dattatraya Vaidya, Senior Advisor to the Executive Director for Bangladesh, Bhutan, India and Sri Lanka