H.E. Mr. Mohamed Selim Azzabi
Minister of Development, Investment and International Cooperation
Ministry of Development, Investment and International Cooperation
Avenue Cheikh Mohamed Fadhel Ben Achour
Immeuble «B4», Tour « A »
Centre Urbain Nord
1082 Tunis
Republic of Tunisia

Re: Loan Number 8858-TN
Irrigated Agriculture Intensification Project
First Amendment to the Loan Agreement

Excellency:

I refer to the Loan Agreement between the Republic of Tunisia ("Borrower") and the International Bank for Reconstruction and Development ("Bank") dated June 7, 2018, for the above-referenced Project. I also refer to your request, dated March 13, 2020, requesting the Bank to restructure the Project to include and finance, through a reallocation of Loan proceeds, a COVID-19 emergency response component.

The capitalized terms used in this letter ("Amendment Letter") and not defined herein have the meanings ascribed to them in the Loan Agreement.

We are pleased to inform you that the Bank agrees with your request and proposes to amend the Loan Agreement as follows:

1. The objectives of the Project under Schedule 1 are amended to read as follows:

"The objectives of the Project are to: (a) improve the reliability and efficiency of the irrigation and drainage services and strengthen market linkages for irrigated products in selected irrigation schemes; and (b) improve availability of equipment and supplies for COVID-19 response."

2. The following Part 5 is added to Schedule 1:

"Part 5. Emergency COVID-19 Emergency Response

Strengthening the Borrower’s capacity to respond to the COVID-19 pandemic through: (a) the purchase and distribution of lab testing equipment and supplies, infection control products, personal protective equipment, and life-saving medical equipment for COVID-19 response, testing and case management to selected health facilities and laboratories; and (b) the carrying out of post-delivery visits to selected health facilities and laboratories under terms and conditions described in the POM to verify the installation, functionality, and use of lab testing equipment and supplies purchased."
3. The following paragraph is added under Section I.A. -Institutional Arrangements- of Schedule 2:

"4. To facilitate the carrying out of Part 5 of the Project, the Borrower shall ensure that MARHP, through the UGO, coordinates with the MoH and the PCT for purposes of providing their technical support as needed (including in the supervision of the contracts procured under Part 5 of the Project), pursuant to adequate arrangements acceptable to the Bank and described in the POM."

4. The following paragraphs 3, 4 and 5 are added under Section I.E. -Safeguards- of Schedule 2:

"3. The Borrower, through MARHP with the assistance of the MoH, shall ensure that the activities under Part 5 of the Project are implemented in accordance with the Safeguards Action Plan ("SAP"), in a manner acceptable to the Bank. Except as otherwise agreed by the Bank, the Borrower, through MARHP with the assistance of MoH, shall not amend, abrogate, waive or fail to enforce the SAP or any of its provisions.

4. Without limitations of Paragraph 3 above, the Borrower, through MARHP with the assistance of the MoH, shall:

(a) prior to the distribution of the lab testing and healthcare facility equipment and supplies procured under Part 5, prepare, consult and publish the COVID-19 ESMF in a manner acceptable to the Bank;

(b) immediately thereafter, implement the activities under Part 5 in accordance with the COVID-19 ESMF; and

(c) except as otherwise agreed by the Bank, not amend, abrogate, waive, or fail to enforce the COVID-19 ESMF or any of its provisions.

5. Without limitations to the provisions of paragraph 4 above, and for purposes of being eligible for Bank financing under the Loan, the Borrower, through MARHP with the assistance of MoH shall ensure that any lab testing and medical equipment procured under Part 5 of the Project on or after January 31, 2020, but prior to the date of publication by the Borrower of the COVID-19 ESMF, shall have been distributed under terms and conditions acceptable to the Bank and further defined in the SAP."

5. The table in Section III.A of Schedule 2 is amended as set out in Annex 1 to this Amendment Letter.

6. The Appendix to the Loan Agreement is amended to read as follows:

(i) The following definitions are added and placed in alphabetical order, and the existing definitions are consequently renumbered to keep the alphabetical order:

"Amendment Letter" means the letter amending this Agreement for purposes of including Part 5 of the Project (COVID-19 Emergency Response)."

"COVID-19" means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2)."
"COVID-19 ESMF means the Borrower’s Environmental and Social Framework to be prepared and published by the Borrower in a manner acceptable to the Bank, which shall contain, inter alia, the environmental, social and health and safety protection measures in respect of the carrying out of Part 5 of the Project, including, an infection control and waste management plan, an occupational health and safety plan for health care workers and a grievance redress mechanism; as the same may be amended from time-to-time with the Bank’s prior written consent."

"MoH" means the Borrower’s Ministry of Health, or any successor thereto.

"PCT" means the Borrower’s Pharmacie Centrale de Tunisie established pursuant to Law-Decree No. 61-2, dated January 16, 1961.

"Safeguards Action Plan" or “SAP” means environmental and social plan agreed between the Borrower and the Bank, included as an annex to the POM, which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the activities under Part 5 of the Project, including the timing of the actions and measures, institutional and monitoring and reporting arrangements, as the SAP may be revised from time-to-time, with prior written agreement of the Bank."

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

Please indicate your agreement with the foregoing amendments to the Loan Agreement on behalf of the Borrower by countersigning and dating the two original copies of this Amendment Letter and returning one countersigned original to us. Upon receipt by the Bank of this countersigned copy, this Amendment Letter shall become effective as of the date of January 30, 2020.

Yours sincerely,

Tony Verheijen
Country Manager for Tunisia
Middle East and North Africa Region

AGREED:

REPUBLIC OF TUNISIA

By: __________________________
Date: 2 Avril 2020
Name: Mohamed Selim Azgabi
Title: Ministre du Développement de l'Investissement et de la Coopération Internationale
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in EUR)</th>
<th>Percentage of Expenditures to be financed (exclusive of Taxes)</th>
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<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consulting services and Incremental Operating Costs under Part 1 (but excluding Part 1(b)), Part 2, Part 3.1, Part 3.2 (but excluding Part 3.2(c)(ii)) and Part 4 of the Project</td>
<td>92,816,000</td>
<td>100%</td>
</tr>
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<td>(2) Operation and Maintenance Subsidies under Part 1 (b) of the Project</td>
<td>4,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Matching Grants under Part 3.2(c)(ii) of the Project</td>
<td>3,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Front-end Fee</td>
<td>284,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(5) Goods, non-consulting services and consulting services under Part 5 of the Project</td>
<td>13,000,000</td>
<td>100%</td>
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<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>113,600,000</strong></td>
<td></td>
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