



THE WORLD BANK GROUP
Central Europe and the Baltic Countries
Europe and Central Asia Region

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MCITOP-1/13.02.2012

January 11, 2012

His Excellency
Simeon Djankov
Deputy Prime Minister and Minister of Finance
Sofia, Bulgaria

Dear Mr. Minister:

*Bulgaria: Second Trade and Transport Facilitation Project (TTFSE II) (Loan No. 4854 BUL)
Amendment to the Loan Agreement*

We refer to the Loan Agreement between the Republic of Bulgaria (the Borrower) and the International Bank for Reconstruction and Development (the Bank) for the above-referenced Project, dated March 23, 2007 and your letter dated September 12, 2011, requesting certain amendments to the above mentioned Loan Agreement as well as the cancellation of a portion of the loan amount.

We concur with your request and hereby agree to amend the Loan Agreement as follows:

1. Part II, 2 of Schedule 1 to the Loan Agreement is amended to read as follows: “2. Construction of an access road of about 3.4 km linking the planned Maritsa Motorway with the Kapitan Andreevo border crossing point, *and design* and supervision of such construction through the carrying out of civil works and the provision of technical advisory services.”
2. Following the cancellation of Euro 1 400 000 from category (1), the Table set forth in Section IV.A of Schedule 2 to the Loan Agreement is amended to read as follows:

Category	Amount of the Loan Allocated (expressed in Euro)	Percentage of Expenditures to be financed
(1) Works for the Project, excluding Part II of the Project, and goods for the Project	27,900,000	75%
(2) Works under Part II of the Project	8,600,000	75%
(3) Consultants' services, Training and	3,000,000	75%

Incremental Operating Costs for the Project		
(4) Front-end Fee	0	Amount payable pursuant to Section 2.04 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
Cancelled amount of the loan as of September 12, 2011	1,400,000	
TOTAL AMOUNT	40,900,000	

3. Section IV. B.2 of Schedule 2 to the Loan Agreement is amended to read as follows:
 “2. The Closing Date is *December 31, 2013*. ”
4. The definitions in paragraphs. 1, 2, 4, 17, 18 and 21 of the Appendix to the Loan Agreement are amended as follows:
- ” 1. “*BPGD*” means the Border Police *General* Directorate of the Borrower established pursuant to the Ministry of Interior Act adopted on February 2, 2006 (State Gazette No. 17 of February 24, 2006), as amended.”
- “2. “*BPGD* Project Coordinator” means the Project coordinator appointed by *BPGD* to be responsible for the coordination of the activities of *BPGD* under the Project.”
- “4. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004, *Revised October 1, 2006 & May 1, 2010*”.
- “17. “*RIA*” means the Road Infrastructure *Agency* of the Borrower established pursuant to the Roads Act adopted on July 26, 2006 (State Gazette No. 64 of August 8, 2006), as amended.”
- “18. “*RIA* Project Coordinator” means the Project coordinator appointed by *RIA* to be responsible for the coordination of the activities of *RIA* under the Project.”
- “21. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004, *Revised October 1, 2006 & May 1, 2010*”.”

Accordingly, all abbreviation to “NRIF” and “BPD” in the Loan Agreement are to be replaced by “*RIA*” and “*BPGD*” respectively.

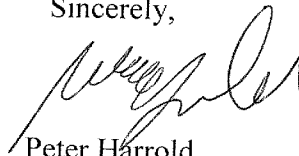
The revised amortization schedule will be communicated to you through a notification shortly. The revised Supplemental Letter no.2 on Performance Monitoring Indicators is provided separately.

All the other terms and conditions of the Loan Agreement, as amended hereby, shall remain in full force and effect.

January 11, 2012

Please confirm your agreement with the foregoing, on behalf of the Republic of Bulgaria, by signing, dating and returning to us the enclosed copy of this letter. This amendment will become effective as of the date on which the Bank receives notice of completion of internal approval procedures under the laws of the Republic of Bulgaria.

Sincerely,



Peter Harrold

Director

Central Europe and the Baltic Countries
Europe and Central Asia Region

CONFIRMED AND AGREED:
REPUBLIC OF BULGARIA

By : 

Name: SIMEON DJANKOV

Title : DEPUTY PRIME MINISTER AND
MINISTER OF FINANCE

Date : FEBRUARY 2012