October 11, 2012

H.E. Kosti Manibe Ngai
Minister of Finance and Economic Planning
Ministry of Finance and Economic Planning
Juba, Republic of South Sudan

Excellency:

The Sudan: MDTF – SS Grant No. TF096243
First Amendment to the Agreement Providing Additional Financing for
Umbrella Program for Health Systems Development (Phase II)

We refer to the grant agreement dated February 20, 2010 ("Agreement"), between the Government of Southern Sudan ("Recipient") and the International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors under the Multi-Donor Trust Fund for the Southern Sudan ("MDTF-SS"). We acknowledge your request for provision of additional financing to the Project. Further, we wish to acknowledge the legal fact of the creation of the sovereign state of South Sudan in the region formerly known as Southern Sudan which replaces the Government of Southern Sudan as the Recipient of this Grant. We are pleased to inform you that the World Bank agrees to your request. Consequently, the Agreement is amended as follows:

1. The first two paragraphs of the Agreement are amended to read as follows:

"In response to the request for financial assistance made on behalf of the Republic of South Sudan ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank"), acting as administrator of grant funds provided by Multi-Donor Trust Fund for Southern Sudan ("MDTF-SS"), proposes to extend to the Recipient, a grant in an amount not to exceed seventy one million five hundred thousand United States Dollars (USD 71,500,000) ("Grant"), consisting of sixty three million United States Dollars (USD 63,000,000) in initial grant ("Initial Grant"), seven million United States Dollars (USD 7,000,000) in first additional grant ("First Additional Grant") and one million five hundred thousand United States Dollars (USD 1,500,000) in second additional grant ("Second Additional Grant"), on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project").

This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the
World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

2. Section 1.01 of Annex is amended to read as follows:

3. Section 2.02 of the Annex is amended to read as follows:
   “The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 (“Anti-Corruption Guidelines”); and (c) this Article II.”

4. Section 2.07 (a) is amended to read as follows:
   “(a) General. All goods and services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

   (i) Section I of the Procurement Guidelines, in the case of goods and non-consulting services;
   (ii) Sections I and IV of the Consultant Guidelines in the case of consultants’ services; and
   (iii) The provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).”

5. The table at Section 3.01 of the Annex to the Agreement is deleted in its entirety and replaced by the following table.
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Initial Grant Allocated (expressed in USD)</th>
<th>Amount of the First and Second Additional Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditure s to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, and Consultants’ services, Training and Operation Costs under the Project</td>
<td>63,000,000</td>
<td>8,500,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT 63,000,000 8,500,000

6. The Recipient’s address referred to in Section 4.02 of the Annex to the Agreement is amended to read:
Minister of Finance and Economic Planning
Ministry of Finance and Economic Planning
Juba, Republic of South Sudan

7. Paragraphs 1, 3, 4 and 11 of Section I of the Appendix to the Agreement are amended to read as follows:

4. “Fiscal Year” means the fiscal year of the Recipient which commences on July 1 and ends on June 30 of the following year.

8. Sections II and III of the Appendix to the Agreement are deleted in their entirety.
Please confirm your agreement with the foregoing, on behalf of the Recipient, by signing, dating, and returning to us the enclosed copy of this Letter of Amendment. Upon receipt by the World Bank of the copy of this Letter of Amendment countersigned by you, this Letter of Amendment will become effective as of the date of countersignature.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Greg Toulmin
Acting Country Director for South Sudan, the Sudan and Somalia
Africa Region

AGREED:
REPUBLIC OF SOUTH SUDAN

By: ____________________________
H. E. Kosti Manibe Ngai
Minister of Finance and Economic Planning

Date: 8/11/2012