Dear Ms. Trankmann:

Re: Multi-Donor Fund for Aceh and North Sumatra Aceh Government Transformation Programme
Fiscal Agency Agreement TF092292- Amendment No. 2

We refer to the Fiscal Agency Agreement, dated July 18, 2008 (the Fiscal Agency Agreement), as amended through July 27, 2009, between the International Development Association, acting as Trustee for the Multi Donor Trust Fund for Aceh and North Sumatra (the Trustee) and the United Nations Development Programme (the Partner Agency). Terms used but not defined in this letter of amendment have the meanings given to them in the Fiscal Agency Agreement.

We refer also to the endorsement of the MDTFANS Steering Committee on October 12, 2011, for: (i) the provision of additional funding in the amount of three million United States Dollars (USD3,000,000), (ii) extension of the Closing Date to June 30, 2012; and (iii) together with modifications to the Project described in the endorsement.

1. Section 2.02 of the Fiscal Agency Agreement is amended to provide additional financing (the “Second Additional Financing”) in the amount of three million United States Dollars (USD3,000,000), for a total amount of MDTFANS Funds of sixteen million nine hundred and seventy-six thousand one hundred and sixty three United States Dollars (USD16,976,163) as set out below:

   “2.02 The Trustee agrees to make available to the Partner Agency, on the terms and conditions set forth or referred to in this Agreement, an amount not exceeding sixteen million nine hundred and seventy-six thousand one hundred and sixty three United States Dollars (USD16,976,163) (the “MDTFANS Funds”) for the Project.”

2. With respect to Section 2.04(a) of the Fiscal Agency Agreement, upon presentation of one or more written applications by the Partner Agency as set out in Section 2.04(b) of the Fiscal Agency Agreement, the Trustee shall transfer the Second Additional Financing to the account of the Partner Agency as shall have been notified in writing by the Partner Agency to the Trustee.
3. Section 2.04(c) of the Fiscal Agency Agreement is amended to extend the Closing Date to June 30, 2012.

4. A new Section 4 (Output 4) is added to Schedule 1 to the Fiscal Agency Agreement as set out below:

   “4) Output 4: Rehabilitation and Reconstruction assets are transferred and capacity of district governments to manage these assets is enhanced.

   Activities: Support and coordinate with all relevant institutions and units in their efforts to complete the inter-governmental transfer of rehabilitation and reconstruction assets.

   Outcomes: (i) existing legal framework needed to implement asset transfer will be socialized and disseminated; (ii) road map for asset transfer and related institutional arrangements and mechanisms will be finalized and established; (iii) 100% (out of IDR 3.2 trillion) of ex-BRR assets will be verified; (iv) Stakeholders Coordination Forum on Asset Transfer at National, Provincial and District level is regularly organized and serves as a decision-making forum which will allow strategic decisions to be made on the status of important or problematic assets; (v) the three most affected regional governments - Banda Aceh, Sabang, and Aceh Besar - register all their assets and allocate appropriate operational and maintenance budget for ex-reconstruction and rehabilitation assets; (vi) the three most affect regional governments draft local regulations on asset management; and (vii) District-Owned Asset Management System (Sistem Informasi Manajemen Barang Daerah/SIMBADA) is adopted as the platform for asset management by the Government of Aceh.”

5. The final sentence of Schedule 1 to the Fiscal Agency Agreement is amended to revise the expected completion date to June 30, 2012.

6. The table in Schedule 2 to the Fiscal Agency Agreement is amended as set out below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the MDTFANS Funds Allocated (Expressed in United States Dollars)</th>
<th>% of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Output 1</td>
<td>4,302,690</td>
</tr>
<tr>
<td>---</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td>2.</td>
<td>Output 2</td>
<td>4,851,693</td>
</tr>
<tr>
<td>3.</td>
<td>Output 3</td>
<td>3,611,780</td>
</tr>
<tr>
<td>4.</td>
<td>Project Management Unit (PMU) Costs</td>
<td>2,010,000</td>
</tr>
<tr>
<td>5.</td>
<td>Output 4</td>
<td>2,200,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>16,976,163</strong></td>
<td></td>
</tr>
</tbody>
</table>

Except as specifically amended by the provisions of this letter of amendment, all terms and conditions of the Fiscal Agency Agreement otherwise remain in full force and effect. The above amendment shall enter into effect on the date of the Partner Agency’s countersignature of this letter. Please confirm your agreement to the foregoing by signing and dating the enclosed duplicate of this letter in the space provided and returning it to us.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION, acting as Trustee for the Multi Donor Trust Fund for Aceh and North Sumatra

/s/ Franz Drees-Gross  
Acting Country Director, Indonesia

AGREED:
UNITED NATIONS DEVELOPMENT PROGRAMME

By: /s/ Beate Trankmann

Name: Beate Trankmann
Title: Country Director
Date: November 25, 2011