H.E. Mr. Jaafar Hassan  
Minister of Planning and International Cooperation  
Ministry of Planning and International Cooperation  
Amman, the Hashemite Kingdom of Jordan  
(Transmission by fax: 962-6-464-2247)

Re: The Hashemite Kingdom of Jordan: Employer Driven Skills  
Development Project (Loan. No. 7561 JO)  
Amendments to Loan Agreement

Excellency:

We refer to the Loan Agreement, dated July 08, 2008, between the Hashemite King of Jordan (“Borrower”) and the International Bank for Reconstruction and Development (“Bank”), for the above-referenced Project (the Project). We also refer to the Ministry of Planning and International Cooperation’s letters, dated July 10 and October 02, 2012, requesting certain amendments to the Loan Agreement.

We are pleased to inform you that, after due consideration, the Bank concurs with the request, and consequently the Loan Agreement is hereby amended as set forth below.

1. Section 2.01 under Article II of the Loan Agreement is amended to read as follows (emphasis added):

   “2.01 The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of six million two hundred and ninety thousand United States dollars (6,290,000) (“Loan”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).”

2. Schedule 1 of the Loan Agreement is amended to read as set forth in the Annex-1 to this amendment letter.

3. The disbursement table in Section IVA.2 of Schedule 2 to the Loan Agreement is amended to read as set forth in the Annex-2 to this amendment letter.

4. Paragraph 11 of the Appendix to the Loan Agreement is deleted in its entirety, and the subsequent paragraphs renumbered accordingly.

Except as specifically amended by this amendment letter, all other provisions of the Loan Agreement remain in full force and effect.
Please confirm your agreement to the foregoing by signing the form of confirmation set forth below and returning one fully executed 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 countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Pilar Maisterra
Acting Country Director, Jordan
Middle East and North Africa Region

AGREED
HASHEMITE KINGDOM OF JORDAN

By: ______________________

Name: Ibrahim Saif
Title: Minister of Planning and International Cooperation
Date: 27 May 2013
SCHEDULE 1

Project Description

The objective of the Project is to realign the E-TVET sector with the National Employment Strategy by enhancing the enabling conditions for employer participation in: (i) TVET institutional development; and (ii) skills development program design and delivery by the Vocational Training Corporation.

The Project consists of the following three parts:

Part 1: E-TVET Council Development with Employer Participation

Supporting institutional development of the E-TVET Council and the Secretariat and operationalizing key aspects of employment-related planning, development and training provision with the participation of employers, public and private training providers.

(a) Establishing mechanisms for the employers' participation in the institutional development of the TVET-system, inter alia, identification of key economic priority sectors enhancing employment, development of occupational profiles, and roles and responsibilities of key sector stakeholders.

(b) Establishing a sectoral Performance assessment system: (i) develop data gathering and data analysis tools, to monitor the E-TVET system indicators; and adopt such tools to conduct performance analysis; and (ii) provide technical assistance to TVET Stakeholders (Private and public TVET training Providers, employers, and Federations/Chambers) to ensure that management information systems and related performance monitoring procedures generate information products in a format that serves the national decision making process through a decision support system.

(c) Conducting workshops and seminars for the benefit of the members of E-TVET Council, representatives of employers and the business community.

(d) Organizing public awareness campaigns, knowledge sharing to promote E-TVET sector.

Part 2: Restructuring of VTC

Developing and implementing an employer-driven model for VTC to deliver efficient and effective business and training services, including improving the training, financial and governance frameworks for VTC, through:

(a) Strengthening VTC's governance and institutional frameworks.

(b) Establishing a business and training model, for VTC to provide employer-driven services.

(c) Realigning the organizational structure of VTC as well as building VTC's institutional capacity.
Part 3: Project Management

(a) Supporting MoL’s Development Coordination Unit in the coordination of Project implementation activities as well as in the monitoring and evaluation of Project.

(b) Provision of assistance to MoL’s Departments of Procurement and Finance in the implementation of the Project.
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>1,800,000</td>
<td>100% of Foreign Expenditures; 100% of Local Expenditures (ex-factory cost), and 90% of Local Expenditures for other items procured locally.</td>
</tr>
<tr>
<td>(2) Consultant Services and Training</td>
<td>4,471,250</td>
<td>90% for firms within territory of the Borrower; 95% for services of individual consultants within territory of the Borrower; and 100% of foreign expenditures.</td>
</tr>
<tr>
<td>(3) Front End Fee</td>
<td>18,750</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>TOTAL</td>
<td>6,290,000</td>
<td></td>
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<tr>
<td>Amount cancelled as of October 4, 2012</td>
<td>1,210,000</td>
<td></td>
</tr>
<tr>
<td>Original Amount</td>
<td>7,500,000</td>
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