June 29, 2014

Secretary Mohammad Mejbahuddin
Economic Relations Division
Ministry of Finance
Block 8, Room No. 3
Sher-e Bangla Nagar
Dhaka, Bangladesh

Dear Secretary Mejbahuddin:

Bangladesh: Strengthening Public Expenditure Management Program –
Deepening the Medium Term Budget Framework and
Strengthening Financial Accountability Project
(Grant No. TF095283-BD)
Amendment to the Grant Agreement

We refer to the Grant Agreement between the People’s Republic of Bangladesh (“Recipient”) and
the International Development Association (“World Bank”) acting as administrator of the Multi-Donor Trust
Fund for Strengthening Public Expenditure Management Program for the above-mentioned Project, dated
October 29, 2009, as amended (“Agreement”).

We also refer to the letter dated June 4, 2014, from the Economic Relations Division of the Ministry
of Finance of the Recipient, requesting certain amendments to the Agreement.

We are pleased to inform you that the Association accedes to the Recipient’s request and hereby
proposes to amend the Agreement as follows:

1. Section 3.01. of Article III of the Agreement shall be amended to read as follows:
   “3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or
   referred to in this Agreement, a grant in an amount equal to fifty two million five hundred
   thousand United States Dollars ($52,500,000) (“Grant”) to assist in financing the Project.”

2. The table in paragraph 2 of Section IV.A of Schedule 2 (Project Execution) to the Agreement shall
   be amended to read as follows:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>6,660,000</td>
<td>100% (net of duties and taxes)</td>
</tr>
<tr>
<td>(2) Works, Consulting Services, Training and Study Tours</td>
<td>42,113,000</td>
<td>100% (inclusive of taxes)</td>
</tr>
<tr>
<td>(3) Operating Costs</td>
<td>3,727,000</td>
<td>88% (inclusive of taxes)</td>
</tr>
<tr>
<td>(4) Unallocated</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>52,500,000</td>
<td></td>
</tr>
</tbody>
</table>

Except as specifically amended by this Amendment Letter, all other provisions of the Agreement shall remain unchanged and in full force and effect.

The Association will disclose this Amendment Letter and related information to this Agreement in accordance with the Association’s Policy on Access to Information. By entering into this Amendment Letter, the Recipient consents to disclosure of this Amendment Letter and related information.

Please confirm your acceptance to the foregoing by signing and dating the two originals, retaining one original for your records and returning the other original to the Association. Upon receipt by the Association of the original Amendment Letter countersigned by you, this Amendment Letter will become effective as of the date of the countersignature.

Very truly yours,

WORLD BANK
Acting as administrator of the Multi-Donor Trust Fund
for Strengthening Public Expenditure Management Program

By [Signature]
Christine E. Kimes
Acting Head of the Bangladesh Country Office
For the Country Director
AGREED:
PEOPLE'S REPUBLIC OF BANGLADESH

By: [Signature]
Authorized Representative

Name: ARAFATUDDO BHAHAN
Title: ADDITIONAL SECRETARY, ERD, MINISTRY OF FINANCE
Date: JUNE 30, 2014