August 12, 2013

H.E. Dr. Ziad Bahaa-Aldin  
Deputy Prime Minister and Minister of International Cooperation  
Ministry of International Cooperation  
8 Adly Street, Downtown  
Cairo, Arab Republic of Egypt

Re: Arab Republic of Egypt: JSDF Grant for Job Readiness and Job Placement Project  
Grant No. TF095830  
Amendment to Grant Agreement

Excellency:

We refer to the Grant Agreement between the Arab Republic of Egypt ("Recipient") and the International Bank for Reconstruction and Development ("World Bank") acting as administrator of grant funds provided by Japan ("Donor") under the Japan Social Development Fund, dated February 7, 2010, as amended (the "Agreement").

Pursuant to your letter dated June 9, 2013, requesting the World Bank to revise the activities and reallocate the proceeds of the above-referenced Grant, I am pleased to inform you that the World Bank concurs with your request. Accordingly:

1. Component B under Section 2.01 of the Annex to the Agreement is amended to read as follows:

   "Component B: Establishment of a Job Readiness and Placement Fund for Marginalized Youth

   Provision of sub-grants for encouraging job creation through providing job readiness and job placement opportunities among marginalized and unemployed youth, and supporting the expansion of existing start-ups that have potential to sustain, including supporting setting up of employment referral services at two youth empowerment centers to provide integrated package of services including job counseling, readiness and placement opportunities to youth along the concept of one-stop shop."

2. Section 2.03 of the Annex to the Agreement is amended to add paragraph (c), (d) and (e) as follows:

   "(c) The sub-grants described in Section 2.01 Component B will be provided according to the operational manual, acceptable to the World Bank, dated May 15, 2013, which manual sets out, among others, the procedures for appraisal, approval, disbursement, and monitoring and evaluation of the sub-grants"
“(d) Without limitation upon Section 2.03 (c) above, the Recipient shall not amend, suspend, abrogate, repeal or waive any provision of the operational manual without prior approval of the World Bank”

“(e) The sub-grants shall be issued through implementing partners eligible to receive Grant funds in accordance with criteria set out in the operational manual described in Section 2.03 (c) above.”

3. The table under Section 3.01 of the Annex to the Agreement is amended to reallocate the proceeds of the Grant as follows, and a definition for “Training” is added below the said table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in U.S.$)</th>
<th>Percentage of Expenditure to be Financed (inclusive of Tax)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Consulting Services including audit, Training and Workshop</td>
<td>1,950,200</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-grants</td>
<td>800,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Incremental operating costs</td>
<td>99,800</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,850,000</td>
<td></td>
</tr>
</tbody>
</table>

“For the purpose of Section 3.01, the term “Training and Workshop” means the following expenditures incurred in providing training or workshops: (i) travel by participants and presenters to the training or workshop site; (ii) per diem allowances of such persons during the training or workshop; (iii) honoraria for the presenters; (iv) rental of facilities; (v) materials, supplies; and (vi) translation and interpretation services.”

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

Please confirm your agreement with the foregoing by signing, dating and returning to us the enclosed copy of this letter. Upon receipt by the World Bank of the copy of this Agreement countersigned by you, this Amendment will become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By Hartwig Schafer
Director
Egypt, Yemen and Djibouti County Department
AGREED:
ARAB REPUBLIC OF EGYPT

By ____________________________
Authorized Representative

Name ____________________________

Title ____________________________

Date ________________