Mr. Hans-Jürgen Beerfeltz  
State Secretary  
Federal Ministry for Economic Cooperation and Development (BMZ)  
C/o Ms. Christiane Hieronymus, Head of Division 404  
Stresemannstraße 94  
10963 Berlin  
Germany  

Dear Mr. Beerfeltz:

AFGHANISTAN  
Afghanistan Reconstruction Trust Fund (Ref: TF050576)  
Eleventh Amendment to Letter Agreement

We refer to the Letter Agreement dated June 19, 2002, between the Government of Germany, on the one part, and the International Bank for Reconstruction and Development, and the International Development Association (collectively, the “Bank”), on the other part, (the “Letter Agreement”), pursuant to which the Government of Germany has made available to the Bank the sum of one hundred seventy-five million Euro (€175,000,000) as a grant for the purpose of contributing to the Afghanistan Reconstruction Trust Fund (the “Trust Fund”).

We also refer to the understanding reached between the Government of Germany and the Bank that contributions from the Government of Germany shall be made through Kreditanstalt Für Wiederaufbau (“KfW”). KfW will exchange letters with the Government of Afghanistan specifying the German financial contribution to the Trust Fund based on this agreement. The Trust Fund Administrator will continue to enter into Grant Agreements with the Islamic Republic of Afghanistan that will govern the use of Trust Fund resources for financing specific activities. The Federal Ministry for Economic Cooperation and Development will continue to represent the Government of Germany in all matters related to the Trust Fund.

We acknowledge the intention of the Government of Germany to increase its contribution to the Trust Fund in 2010 by an additional thirty million Euro (€30,000,000), (such amount the “Additional Contribution”). After the Additional Contribution has been received by the Bank, the aggregate contribution will be two hundred and five million Euro (€205,000,000).

Without prejudice to the provisions of paragraph 7 (a) of the Annex to the Letter Agreement, we acknowledge your Government’s preference that ten million Euro (€10,000,000) out of the Additional Contribution to be used for the purpose of co-financing investments in vulnerable regions within the framework of the Second National Solidarity Project (NSP II) and five million Euro (€5,000,000) for the National Rural Access Program (NRAP) under the Trust Fund. The Bank will use its discretion to ensure that said portion of the Additional Contribution supports the Project under the ARTF.
Following confirmation of this amendment to the Letter Agreement by you, the Government of Germany through KfW will deposit the additional Grant Funds, i.e., thirty million Euro (€30,000,000), into a bank account designated by the Bank.

All the terms and conditions of the Letter Agreement that have not been amended hereby shall remain unchanged and in full force and effect.

We propose that this amendment to the Letter Agreement shall, upon confirmation in the manner indicated below, constitute an agreement between the Government of Germany and the Bank and shall become effective upon countersignature by Government of Germany. It is the Bank’s policy to make publicly available the Agreement and any information related thereto, including this amendment. By confirming below, Government of Germany consents to disclosure of this amendment letter after it has become effective.

Sincerely yours,

By/s/ Nicholas J. Krafft

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Nicholas J. Krafft
Country Director for Afghanistan
South Asia Region

Confirmed and Agreed:
Government of Germany

By/s  Hans-Jürgen Beerfeltz
Name:  Hans-Jürgen Beerfeltz
Title:  The State Secretary
Federal Ministry for Economic Cooperation and Development (BMZ)

Date:  October 7, 2010