The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

December 28, 2010

H.E. Keat Chhon
Deputy Prime Minister
Minister of Economy and Finance
Ministry of Economy and Finance
Phnom Penh, Kingdom of Cambodia

Excellency:

Re: Health Sector Support Project (Credit 3728-KH)
Extension of Closing Date and Reallocation of Credit Proceeds

We refer to the Development Credit Agreement dated February 27, 2003, between the Kingdom of Cambodia and the International Development Association (the Association), as amended, for the purposes of financing the Health Sector Support Project (the Credit Agreement). We further refer to your letter dated November 25, 2010 requesting the Association to: (i) extend the Closing Date; and (ii) reallocate the proceeds of Credit among the categories of expenditures.

We are pleased to inform you that, after due consideration, the Association has agreed to amend the Credit Agreement as set forth below:

1. Section 2.03 of the Credit Agreement is hereby amended to read as follows:

“Section 2.03. The Closing Date shall be December 31, 2011 or such later date as the Association shall establish. The Association shall promptly notify the Borrower of such later date.”

2. The table in paragraph 1 of Schedule 1 to the Credit Agreement is hereby amended to read as set forth in the Attachment to this amendment letter.

3. The last sentence in Schedule 2 to the Credit Agreement is hereby deleted.

Except as specifically amended hereby, all other provisions of the Credit Agreement remain in full force and effect. Upon receipt by the Bank of the original of this letter of amendment duly countersigned by the authorized representative of the Recipient, this letter of amendment shall become effective as of the date of countersignature by the authorized representative of the Recipient.
Please confirm your agreement on behalf of the Recipient to the amendments set forth above, by signing and dating the enclosed copy of this letter and returning it to us for our files.

Sincerely

/s/: Asmeen Khan

Asmeen Khan
Acting Country Director, Cambodia
East Asia and Pacific Region

By:  /s/: Keat Chhon
Authorized Representative

Name:  Keat Chhon
Title:  Deputy Prime Minister
       Minister of Economy & Finance
Date:  December 31, 2010
### Attachment

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (Expressed in SDR Equivalent)</th>
<th>% of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Work under Part A of the Project</td>
<td>5,522,500</td>
<td>90%</td>
</tr>
<tr>
<td>2. Goods under Parts A and C of the Project</td>
<td>1,346,400</td>
<td>100% of foreign expenditures, 100% of local expenditures (ex-factory cost), and 85% of local expenditures for other items procured locally</td>
</tr>
<tr>
<td>3. Consultants’ Services under Parts A and C of the Project</td>
<td>3,258,000</td>
<td>95%</td>
</tr>
<tr>
<td>4. Training under Parts A and C of the Project</td>
<td>2,006,000</td>
<td>100%</td>
</tr>
<tr>
<td>5. Incremental operating cost under Parts A &amp; C of the Project</td>
<td>920,500</td>
<td>100% of expenditures through December 2003, 90% through December 2004, 80% through December 2005, and 70% thereafter</td>
</tr>
<tr>
<td>6. Unallocated</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>7. Equity Fund Grants</td>
<td>46,600</td>
<td>50%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>13,100,000</strong></td>
<td></td>
</tr>
</tbody>
</table>