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

Dear Secretary Azam:

_Bangladesh: Clean Air and Sustainable Environment Project_  
_(Credit No. 4581-BD)_  
_Amendment to the Financing Agreement_

We refer to the Financing Agreement dated May 27, 2009, as amended in August 20, 2013, between the People’s Republic of Bangladesh (the Recipient) and the International Development Association (the Association) for the above-mentioned Project. We also refer to your letter dated May 5, 2016, requesting us to reallocate funds and to agreements reached between the Recipient and the Association. Accordingly, the Association proposes to amend the above-mentioned agreement as follows:

1. **Section I.C (Safeguards) of Schedule 2 to the Financing Agreement** shall be amended in its entirety to read exactly as Section I.C. (Safeguards) of Schedule 2 to the Additional Financing Agreement.

2. **Section I.D (Expenditures to be Exclusively Financed with Counterpart Funds) of Schedule 2 to the Financing Agreement** shall be added to read exactly as Section I.E (Expenditures to be Exclusively Financed with Counterpart Funds) of Schedule 2 to the Additional Financing Agreement.

3. **Section III.A.4 (Procurement) of Schedule 2 to the Financing Agreement** shall be added to read as follows:

   “4. Notwithstanding the provisions of Section III.A.1 and 2 of this Schedule 2, after this Amendment Letter is declared effective by the Association, all goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan.”

4. **Section I (Definitions) in the Appendix of the Financing Agreement** shall be amended as follow:

   (a) The definitions of “Additional Financing Agreement” and “Procurement Regulations” are added to read as follows:

   “Additional Financing Agreement” means the additional financing agreement for the Project signed between the Recipient and the Association (Credit No. 5924-BD)”

   “Procurement Regulations” means the “World Bank Procurement Regulations for Borrowers under Investment Project Financing”, dated July 1, 2016;
(b) The definitions of “Environmental and Social Management Framework”; “Incremental Operating Costs” and “Training” of the Appendix are amended in their entirety to read exactly as the ones agreed under the Additional Financing Agreement; and

(c) The definitions of “Affected Persons” “Environmental Impact Assessment”; “Environmental Management Plan”; “Grievance Redress Mechanism”; “Resettlement Action Plan”; “Safeguard Assessment and Plan” and “Safeguard Instruments” are added to be read exactly as the ones agreed under the Additional Financing Agreement.

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

The Association will disclose this Amendment Letter and related information in accordance with the World Bank’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, in a manner satisfactory to the Association, this Amendment Letter will become effective as of the date on which the Additional Financing is declared effective by the Association.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By Rajashree S. Paralkar
Acting Country Director for Bangladesh
South Asia Region

AGREED:
PEOPLE’S REPUBLIC OF BANGLADESH

By: ____________________________
Authorized Representative

Name: __________________________
Title: __________________________
Date: __________________________