H.E. Marie Carmelle Jean Marie
Minister of Economy and Finance
Ministère de l’Economie et des Finances
5, Avenue Charles Sumner
Port-au-Prince
Republic of Haiti

Re: Republic of Haiti: RSR-MDTF Grant No. TF013828
Additional Financing for the Household Development Agent Pilot Project
Amendment to the Grant Agreement

Excellency:

We refer to the Grant Agreement between the Republic of Haiti (the Recipient) and the International Development Association (“World Bank”), acting as administrator of grant funds provided under the Rapid Social Response-Multi Donor Trust Fund (RSR-MDTF) dated January 10, 2013 with regard to the above-captioned Project, as amended to date (the Grant Agreement). We also refer to your request dated August 5, 2014, requesting the World Bank to make certain amendments to the Grant Agreement.

Consequently, the Grant Agreement is hereby amended as follows:

1. Section 1.02 of the Annex to the Grant Agreement shall be amended to read as follows:

   “1.02. Definitions. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement, and the following additional terms have the following meaning:

   (a) “COLFAM” means Commission Nationale de Lutte contre la Faim et la Malnutrition the Recipient’s national commission to fight hunger and malnutrition, established by presidential decree dated January 4, 2012 and published in the Recipient’s official Gazette ("Le Moniteur") of January 24, 2012.

   (b) “FAES” means Fonds d’Assistance Economique et Sociale, the Recipient’s Fund for Economic and Social Assistance, an entity with legal personality established by decree dated May 28, 1990, published in the Recipient’s official Gazette ("Le Moniteur") of June 3, 1990.

   (c) “FAES Legislation” means the Recipient’s decree dated May 28, 1990, published in the Recipient’s official Gazette ("Le Moniteur") of June 3, 1990 which created the FAES under the authority of the Recipient’s ministry responsible for economy and finance.

   (d) “Implementation Manual” means the implementation manual for the Project referred to in Section 2.03(a) of the Annex to this Agreement.
(e) "Kore Fanmi" means *accompagnement familial*, the Recipient’s household development agent initiative.

(f) "Operating Costs" means, in respect of Category 1 of the table in Section 3.01 of the Annex to this Agreement, the incremental expenses incurred on account of Project implementation, including office equipment and supplies, reasonable commercial banking charges and fees, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel, *per diem* and supervision costs and salaries of locally contracted employees.

(g) "Pilot Area" means the area comprising the selected municipalities in the Recipient’s territory as further set forth in the Implementation Manual.

(h) "Subsidiary Agreement" means the agreement referred to in Section 2.03(c) of the Annex to this Agreement, pursuant to which the Recipient shall make the proceeds of the Grant available to FAES.

(i) "Technical Working Group" means the working group referred to in Section 2.03(e) of the Annex to this Agreement.

(j) "Training" means in respect of Category 1 of the table in Section 3.01 of the Annex to this Agreement: (i) reasonable travel, room, board and *per diem* expenditures as incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.

(k) "UNAG" means *Unité de Coordination Nationale Aba Grangou*, a multi-sector unit responsible for the Recipient’s flagship program “down with hunger” established by presidential decree dated January 4, 2012 and published in the Recipient’s official Gazette (*Le Moniteur*) of January 24, 2012.”

2. Section 2.01 of the Annex to the Grant Agreement shall be amended to read as follows:

2.01. *Project Objectives and Description.* The objectives of the Project are to: (i) improve family health and nutrition practices; and (ii) strengthen the Recipient’s capacity to deliver social services directly to families in the Pilot Area. The Project consists of the following parts:

Part 1. Provision of Services to Families

Reducing families’ vulnerability by improving their awareness of the social programs and services available to them within the Pilot Area through provision of technical assistance, training, and necessary supplies.

Part 2. Institutional Strengthening for Delivery of Social Services to Families

Strengthening the Recipient’s institutional capacity at the central, departmental, and municipal and community levels to manage and deliver social services to beneficiary families.
Part 3. Project Coordination, Management and Monitoring and Evaluation

Supporting Project coordination and management, which includes: (a) the functioning of COLFAM, UNAG and the Technical Working Group; (b) the supervision of the selection process of household development agents and social workers; (c) the development of a training curriculum for the household development agents and social workers and its delivery; (d) the supervision of the training, procurement, financial management, internal auditing and program oversight; (e) the development of a monitoring and evaluation mechanism; (f) the upgrading of technological equipment for data collection and processing; and (g) the acquisition of mobile devices for community agents to be used for data collection and transfer for Project planning and monitoring.”

3. Section 2.03 of the Annex to the Grant Agreement shall be amended to read as follows:

“2.03. Institutional and Other Arrangements.

(a) For purposes of carrying out the Project, the Recipient shall cause FAES to maintain, throughout Project implementation, the Implementation Manual dated May 4, 2011 updated for purposes of this Grant, satisfactory in form and substance to the World Bank, and consisting of different schedules setting forth, respectively, rules, methods, guidelines, specific development plans, standard documents and procedures for the carrying out of the Project, including the following:

(i) the detailed description of all institutional arrangements and Project implementation activities by all parties considered under this Agreement, their sequencing and the prospective timetable and benchmarks in relation thereto;

(ii) the Project administrative, financial, accounting, auditing, procurement and disbursement procedures, including all relevant standard documents;

(iii) the Procurement Plan in respect of all activities under the Project;

(iv) the plan for the monitoring, evaluation and supervision of the Project; and

(v) the performance indicators for the Project.

(b) Except as the World Bank and the Recipient may otherwise agree, the Recipient shall not amend, waive, or fail to enforce the Implementation Manual or any provision thereof. In the event of any conflict between the provisions of this Agreement and the provisions of the Implementation Manual, the provisions of this Agreement shall prevail.

(c) To facilitate the carrying out of the Project by FAES, the Recipient shall make the proceeds of the Grant available to FAES under a subsidiary agreement between the Recipient and FAES, under terms and conditions approved by the World Bank, which shall include, inter alia, the following (“Subsidiary Agreement”):
(i) the requirement that FAES shall remain staffed at all times during Project implementation with personnel adequate in numbers and having functions, qualifications and experience satisfactory to the Recipient and the World Bank;

(ii) the requirement that FAES shall report to the Recipient on the discharge of its functions and mandate concerning the activities for the Project, on a semi-annual basis;

(iii) the commitment by FAES that it shall submit annual Project budget to the Recipient and the World Bank for their review and approval;

(iv) the commitment by FAES that it shall furnish during Project implementation, annual audited financial statements of its business activities within six (6) months of the close of the relevant annual fiscal year;

(v) the commitment by FAES that it shall assist the Recipient in the carrying out of the Project in accordance with the Anti-Corruption Guidelines;

(vi) the commitment by FAES that it shall use the Grant funds in accordance with the terms and conditions of this Agreement, and in conformity with administrative, technical, financial, procurement, auditing, participatory and legal standards and practices; and

(vii) the benchmark and monitoring plan to assess FAES's own compliance with its obligations under the Subsidiary Agreement and this Agreement.

(d) The Recipient shall maintain at all times during Project implementation the COLFAM and UNAG with a mandate, structure, functions, staffing, terms of reference and responsibilities satisfactory to the World Bank, including, inter alia: (i) providing guidance and technical support for the set up of Kore Fanmi; (ii) developing standards and policies for the scale up of Kore Fanmi; and (iii) monitoring and evaluating of Kore Fanmi.

(e) The Recipient shall maintain an informal Technical Working Group with a mandate, functions, terms of reference and resources satisfactory to the World Bank.”

4. The table in Section 3.01 of the Annex to the Grant Agreement shall be amended to read as follows:
<table>
<thead>
<tr>
<th>&quot;Category&quot;</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants' services (including audit), Training and Operating Costs for the Project</td>
<td>1,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>1,500,000</td>
<td></td>
</tr>
</tbody>
</table>

5. Section 3.02 of the Annex to the Grant Agreement shall be amended to read as follows:

"3.02. *Withdrawal Conditions.* Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient, except that withdrawals up to an aggregate amount not to exceed $300,000 equivalent may be made for payments made prior to this date but on or after December 15, 2012, for Eligible Expenditures."

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

Please confirm your agreement to the foregoing by countersigning both copies of this amendment letter and returning one of the countersigned copies to us. Upon receipt by the World Bank of the copy of this amendment letter countersigned by you, this amendment letter will become effective as of the date of your countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Mary A. Barton-Dock
Special Envoy to Haiti
Latin America and the Caribbean Region

AGreed:

REPUBLIC OF HAITI

By: [Signature]

Authorized Representative

Title: Minister of Economy and Finance
Date: October 27, 2014