OFFICIAL DOCUMENTS

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
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Washington, D.C. 20433
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(202) 477-1234
Cable Address: INTBAFRAD
Cable Address: INDEVAS

July 25, 2017

Honorable Abdirahman Duale Beileh
Minister of Finance
Ministry of Finance and Planning
Villa Somalia
Mogadishu, Somalia

Excellency:

Somalia: Recurrent Cost and Reform Financing Project- Phase 2
(SMPF Grant No. TF0A0534) - Amendment No. 3

We refer to the Grant Agreement (the “Agreement”) between Federal Republic of Somalia (“Recipient”) and the International Development Association (“World Bank”) acting as administrator of the Somalia Multi-Partner Fund (SMPF) dated June 29, 2015, as amended.

We propose to amend the Agreement as set forth in this letter (“Amendment”):

1. Section 3.01 of the Agreement is amended as follows:

   “3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to fifty-one million United States Dollars (51,000,000) (“Grant”), which consists of: (a) an amount equal to ten million United States Dollars ($10,000,000) (“Original Amount”); (b) an amount equal to fourteen million United States Dollars ($14,000,000) (“First Additional Amount”); (c) an amount equal to fifteen million United States Dollars ($15,000,000) (“Second Additional Amount”); and (d) an amount equal to twelve million United States Dollars ($12,000,000) (“Third Additional Amount”) to assist in financing the Project.”

2. The table set forth in Section IV.A.2 of Schedule 2 to the Agreement is amended as set forth in the Annex to this Amendment.

All the other provisions of the Agreement, except as herein amended, shall remain in full force and effect.
Please indicate agreement to the foregoing, on behalf of the Recipient, by countersigning and dating the form of confirmation on the two original copies of this letter and returning one original, as countersigned, to us. Upon receipt by the World Bank of the copy of this letter countersigned by the Recipient, this Amendment shall become effective as of the date of its countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Somalia Multi-Partner Fund)

By: Preeti Arora
Acting Country Director for Somalia
Africa Region

CONFIRMED:

FEDERAL REPUBLIC OF SOMALIA

By:

[Signature]

Authorized Representative
Name: [Signature]
Date: 25/07/2014
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of the Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Salaries for Eligible Civil Servants and Eligible Staff and Young Graduates, Eligible Non-Salary Recurrent Costs, goods, non-consulting services, consultants' services, Training and Operating Costs under Part A, B.2, C.1 and D.1 of the Project</td>
<td>38,600,000</td>
<td>100% of the amount disbursed</td>
</tr>
<tr>
<td>(2) Sub-Project Grants for Salaries for Eligible Civil Servants and Eligible Staff and Young Graduates, Eligible Non-Salary Recurrent Costs, goods, non-consulting services, consultants' services, Training and Operating Costs under Part B.1, C.2 and D.2 of the Project</td>
<td>12,400,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>51,000,000</td>
<td></td>
</tr>
</tbody>
</table>