October 27, 2014

Kathlyn Bryant
Agreement Officer
USAID/Afghanistan
U.S. Embassy
Great Massoud Circle
Kabul, Afghanistan

AFGHANISTAN
Afghanistan Reconstruction Trust Fund (TF050576)
USAID’s reference 306-G-00-12-00016-00
Amendment No. 7 to Letter Agreement dated March 31, 2012

Dear Ms. Bryant

We refer to the Letter Agreement dated March 31, 2012 between the United States Agency for International Development (the “Donor”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank”) (the “Letter Agreement”), pursuant to which the Donor has made available to the Bank as a grant the sum of seven hundred twenty one million fifty seven thousand five hundred fifty six United States Dollars (US$721,057,556) (the “USAID Contribution”) for the purpose of contributing to the Afghanistan Reconstruction Trust Fund (“ARTF”, and the “Trust Fund”).

We also refer to the agreement dated June 20, 2002 between the Government of the United States of America through the United States Agency for International Development, and the Bank (your ref. EEE-G-00-02-00025-00), as amended to date, pursuant to which the Donor has made available one billion three hundred seventy one million, nine hundred ninety one thousand one hundred ninety five United States Dollars (US$1,371,991,195) for the purpose of contributing to the ARTF. The aggregate contribution to ARTF from USAID equals two billion ninety three million forty eight thousand seven hundred fifty one United States Dollars (US$2,093,048,751).

We acknowledge the intention of the Donor, to increase its contribution to the Trust Fund by an additional seventy five million United States Dollars (US$75,000,000) (the “USAID Additional Contribution”) to the Trust Fund. After the USAID Additional Contribution has been received by the Bank, the aggregate contribution to the ARTF from USAID will be two billion one hundred sixty eight million forty eight thousand seven hundred fifty one United States Dollars (US$2,168,048,751).

Without prejudice to the provisions of paragraph 7(a) of the Annex to the Letter Agreement, we acknowledge Donor’s expression of preference that the USAID Additional Contribution, i.e., seventy five million United States Dollars (US$75,000,000), made available pursuant to an agreement between the Islamic Republic of Afghanistan and the Donor for the Ad Hoc Payments, to be used for the purpose of Recurrent Expenditures under the Trust Fund. The World Bank will use its discretion to ensure that the contribution supports the Recurrent Expenditures under the Trust Fund.

We note the preferences expressed by the Donor in the paragraph above. As you know, the Bank’s trust fund policy does not permit earmarking of donor contributions in multi
donor trust funds or the expression of geographic preferences. Nonetheless, the ARTF Operating Procedures permit donors to express a preference for their additional contributions over and above their otherwise expected level of contribution to ARTF. These Operating Procedures apply to all Letter Agreements with ARTF donors. Accordingly, we acknowledge the expression of preferences by the Donor. The Bank will use its discretion to ensure that the contribution funds the preferences expressed by the Donor under the ARTF.

Promptly following confirmation of this amendment to the Letter Agreement by you, the Donor, will deposit the USAID Additional Contribution, i.e., seventy five million United States Dollars (US$75,000,000), into 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 Donor and the Bank. This amendment to the Letter Agreement shall become effective upon signature by both parties hereto. It is the Bank’s policy to make publicly available the Letter Agreement and any information related thereto, including this amendment. By confirming below, the Donor consents to disclosure of this amendment letter after it has become effective.

Sincerely yours,

[Signature]
Robert J. Saum
Country Director, Afghanistan
South Asia Region

CONFIRMED AND AGREED
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

By: [Signature]
Name: Ms. Kamilin Bryant
Title: Agreement Officer
USAID/Afghanistan
Date: 10/27/2014