Re: Mongolia: Multi-Sectoral Technical Assistance Project (Credit No. 47770-MN)
Extension of Closing Date and Amendment to Financing Agreement

Excellency:

We refer to the Financing Agreement between Mongolia (the "Recipient") and the International Development Association (the "Association"), for the Multi-Sectoral Technical Assistance Project, dated August 4, 2010, as amended (the "Financing Agreement"). We also refer to: (i) your letter dated December 17, 2015, requesting an extension of the Closing Date to June 30, 2017; and (ii) your letter dated February 5, 2016, relating to other changes necessary for the implementation of the Project.

We are pleased to inform you that, after due consideration, the Association:

(i) has established June 30, 2017 as the later date for purposes of paragraph 2 of Section IV.B of Schedule 2 to the Financing Agreement; and

(ii) proposes to amend the Financing Agreement as follows:

1. Paragraph 1(b)(i) of Section II.A of Schedule 2 is amended to read as follows:

"(i) By the Closing Date, the Recipient shall have reduced its structural deficit according to the deficit ceilings set forth in the Fiscal Stability Law."

2. Paragraph 10, Section I of the Appendix is amended to read as follows:

"10. "Fiscal Stability Law" means the law of such name approved by the Recipient's Ilkh Khural (Parliament) on June 24, 2010, to establish fiscal management principles and special requirements for the purpose of ensuring fiscal stability."

H. E. Bolor Bayarbaatar
Minister of Finance
Ministry of Finance
Government Building No. 2, Corpus E
S.Danzangiin gudamj 5/1
Ulaanbaatar, 15160
Mongolia

March 18, 2016
Unless the context otherwise requires and except where otherwise defined in this letter, all capitalized terms contained herein shall have the meanings assigned to them in the Financing Agreement.

All other provisions of the Financing Agreement, except as amended herein, remain unchanged.

Please confirm your agreement to the foregoing by signing the form of confirmation set forth below, and returning one fully executed original of this letter to us and retaining one original for your records. The Association will disclose this letter and related information in accordance with the Association’s Policy on Access to Information. By countersigning this letter, the Recipient consents to such disclosure.

Upon receipt by the Association of the copy of this letter of amendment duly countersigned by the authorized representative of the Recipient, the above amendments to the Financing Agreement shall become effective as of the date of countersignature.

Sincerely yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By Bert Hofman
Country Director, Mongolia
East Asia and Pacific Region

AGREED:
MONGOLIA

By: [Signature]
Authorized Representative

Name: Bolor Bayarbaatar
Title: Minister for Finance
Date: April 11, 2016