H.E. Mr. Phouphet Khamphounvong  
Minister  
Ministry of Finance  
23rd Singha Road  
Vientiane  
Lao People’s Democratic Republic

Excellency:

Re: Lao PDR: Additional Financing for the Health Services Improvement Project  
Amendment to Legal Agreements  
(IDA Grant No. H695-LA; HRITF Grant No. TF010518)

We refer to: (i) the Financing Agreement for Grant No. H695-LA dated October 11, 2011 between the Lao People’s Democratic Republic (“Recipient”) and the International Development Association (“Association”); and (ii) the Grant Agreement for Grant No. TF010518 between the Recipient and the Association, acting as Administrator of the Multi-Donor Trust Fund for Health Results Innovation, dated October 11, 2011, both providing for additional financing to the above-referenced Project. We also refer to your letter dated September 30, 2013, requesting the Association to restructure the Project results framework and extend the closing date of the above-mentioned Grants.

We are pleased to inform you that, after due consideration, the Association has acceded to your request. Accordingly, we hereby: (i) establish December 31, 2015 as the Closing Date for purposes of Section IV.B.2 of Schedule 2 to the Financing Agreement and the Grant Agreement, respectively; and (ii) propose to amend the Section II.A of Schedule 2 to the Financing Agreement and the Grant Agreement as follows:

1. Section II.A.1 of Schedule 2 to the Financing Agreement is amended to read as follows:

“The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association and specified in the Project Implementation Plan. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.”
2. Section II.A.1 of Schedule 2 to the Grant Agreement is amended to read as follows:

"The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank and specified in the Project Implementation Plan. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report."

It is the Association’s policy to make publicly available this letter of amendment. By confirming its agreement below, the Recipient consents to disclosure of this letter of amendment after it has become effective.

Except as specifically amended hereby, all other terms and conditions of the Financing Agreement and the Grant Agreement shall remain unchanged and in full force and effect.

Please confirm your agreement with this letter of amendment by countersigning, dating and returning to us the enclosed copy of this letter. Upon receipt by the Association of the countersigned copy of this letter, the amendments shall become effective as of the date of such countersignature.

Sincerely Yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Ulrich Zachau
Country Director, South East Asia
(Cambodia, Lao PDR, Malaysia, Myanmar, Thailand)
East Asia and Pacific Region

AGREED AND CONFIRMED:

LAO PEOPLE’S DEMOCRATIC REPUBLIC

By

Authorized Representative

Name: Phouphet KHAMPHOUNVONG
Title: 
Date: 19 FEB 2014