August 5, 2011

Mr. Axel van Trotsenburg
Vice President
Concessional Finance and Global Partnerships
International Bank for Reconstruction and Development
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433

Dear Mr. van Trotsenburg,

I refer to the Arrangement for Administration of the Policy and Human Resources Development Fund between the Ministry of Finance of Japan (the “Ministry”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank”) dated March 29, 1999, as amended (the “Arrangement”). It is my honor to inform you, pursuant to paragraph 1.1 of the said Arrangement that the Ministry will allocate its FY12 contribution to the Policy and Human Resources Development Fund (“PHRD”) (TF021330) in the amount of JPY 1,744,311,000 as follows:

1. Joint Japan/World Bank Graduate Scholarship Program and Japan Indonesia Presidential Scholarship Program (the “Joint Japan/WB Scholarship Programs”): JPY 1,709,424,780

2. Service fee which assists in the defrayment of the costs of administration and other expenses incurred by the Bank to manage the Joint Japan/WB Scholarship Program JPY 34,886,220

I would like to reiterate the importance of promoting the visibility of Japanese resources provided through trust funds to recipient countries. On behalf of my Government, I would like to express my appreciation for your efforts in the past 12 months and ask you to continue to take measures to promote the visibility of PHRD financed activities.

The Ministry of Finance consents to the disclosure of this letter and related information to the subject of this letter.

Sincerely yours,

/s/ Yasuo Takamura
Executive Director for Japan