December 05, 2013

Secretary Md. Abul Kalam Azad
Economic Relations Division (ERD)
Ministry of Finance
Block 8, Room 3
Sher-e-Bangla Nagar
Dhaka

Dear Secretary Azad:

Re: Skills and Training Enhancement Project (Credit No.4764-BD)
Amendments to the Financing Agreement

We refer to the Financing Agreement between the People’s Republic of Bangladesh (the Recipient) and the International Development Association (the Association) for the Skills and Training Enhancement Project (the Project), dated July 8, 2010 (the Agreement). We also refer to the letter dated April 29, 2013 from Md. Harun-Or-Rashid, Deputy Secretary, Economic Relations Division, Ministry of Finance, requesting additional financing to meet the funding gap.

We are pleased to inform you that, pursuant to an agreement between the World Bank and the Government of Canada as represented by the Minister for International Cooperation acting through the Canadian International Development Agency (CIDA), CIDA has agreed to contribute funds for co-financing the Project, and the World Bank has agreed to administer, on behalf of the Donor, its contribution, through a Trust Fund to be used to finance in part the costs of carrying out the Project and a Grant Agreement will be signed between the People’s Republic of Bangladesh and the International Development Association to provide such additional financing.

Further to such additional financing the Agreement needs to be amended mainly for harmonization between the two agreements, as such the Association proposes the following:

1. Section II.B. 2 is amended by removing the words “as part of the Project Report”.

2. The table in Section IV.A.2. of Schedule 2 to the Agreement is amended to read as set forth in Attachment 1 to this letter.

3. The following definition is inserted in Section IV.A.2. of Schedule 2 to the Agreement immediately after the definition of “Operating Costs”:

““Training” means training, workshops and study tours conducted in the territory of the Recipient and abroad, including reasonable and necessary incremental expenditures incurred on account of organizing or attending learning and knowledge dissemination events, including, fees for educational institutions; fees and allowances for resource persons; travel, board and lodging for resource persons and trainees; logistics and materials associated with conferences, seminars, workshops, and study tours; and other training costs directly associated with the Project but excluding those provided through consulting services.”
4. The definitions of “Consultant Guidelines” and of “Procurement Guidelines” respectively in Section 1.8 and Section 1.32 of the Appendix to the Agreement are mended to read as follows:


Except as specifically amended by this letter of amendment, all other provisions of the Agreement shall remain unchanged and in full force and effect.

Please confirm your agreement to the foregoing amendment on behalf of the Recipient by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully signed original of this letter to us.

Upon receipt by the Association of the copy of this letter of amendment duly countersigned by the authorized representative of the Recipient, the above amendment to the Agreement shall become effective on the date the Grant Agreement for the CIDA co-financing is signed.

Sincerely yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Johannes Zutt
Country Director

AGREED:
PEOPLE’S REPUBLIC OF BANGLADESH

By: [Signature]
Authorized Representative

Name: [Signature]

Title: [Signature]

Date: DEC 5, 2013
### Revised Withdrawal Schedule

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Grants and Stipends</td>
<td>47,150,000</td>
<td>100% for amounts disbursed as per the Performance Contract for grants to public institutions; 90% for amounts disbursed as per the Performance Contract for grants to private institutions; 100% for stipends</td>
</tr>
<tr>
<td>(2) Goods, works, consultants' services, Training, and Operating Costs under Parts B, C and D of the Project.</td>
<td>5,150,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>52,300,00</td>
<td></td>
</tr>
</tbody>
</table>
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To be cleared with and bcc: R. Levesque (LEGES), J. Chu, S. Shivakumar (CTRLD)