Secretary Kazi Shofiqul Azam  
Block 8, Room 3  
Economic Relations Division  
Sher-e-Bangla Nagar  
Dhaka-1207  

Dear Secretary Azam:  

Safety Net Systems for the Poorest Project  
(IDA Credit 5281-BD)  
Amendment Letter  

We refer to the Financing Agreement between the People's Republic of Bangladesh ("Recipient") and the International Development Association ("Association") dated October 4, 2013, and amended as of today ("Agreement") for the financing of the Safety Net Systems for the Poorest Project ("Project").

We also refer to the letters dated November 16, 2016, and February 19, 2017, from your office to the Association requesting a restructuring of the Project. We are pleased to inform you that after due consideration, the Association has agreed with your request and hereby proposes to amend the Agreement as follows:

(A) Section III of Schedule 2 is amended to read as follows:

"Section III. Procurement

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan."

(B) Section II.A of Schedule 2 is amended to read as follows (emphasis added):

"A. Project Reports

In addition to the Disbursement Linked Indicators listed in Schedule 4, 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 the indicators acceptable to the Association. The Recipient shall furnish to the Association: (1) for Part 1, not later than one (1) month after the end of each fiscal year, Project Reports covering such period; and (2) for Parts 2 and 3, not later than one (1) month after each calendar semester, Project Reports covering such period."
(C) Section II.B.4 of Schedule 2 is amended to read as follows (emphasis added):

"4. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than nine (9) months after the end of such period."

(D) Section IV.B.5 of Schedule 2 is amended to read as follows (emphasis added):

"5. The Closing Date is June 30, 2019."

(E) The Definitions Section in the Appendix is amended as follows:

a. The following Definition shall be included and shall be read as follows:

"Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for Borrowers under Investment Project Financing", dated July 1, 2016."

b. The following Definitions shall be amended to read as follows:

"Operating Costs’ mean the reasonable costs required for the day-to-day coordination, administration and supervision of Project activities, including leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises; fuel; office rent; office supplies; utilities; consumables; communication expenses; translation; printing, photocopying and postal expenses; bank charges; advertising expenses; insurance; costs of clearing, forwarding, inspection, survey and transportation of goods; Project-related meeting expenses; Project-related travel, subsistence and lodging expenses; remuneration of the BBS PMU and DDM PMU staff assigned to the Project as agreed with the Association, provided that such Operating Costs are paid to the eligible recipient through the banking system (except for petty cash expenses following the Recipient’s existing policy); but excluding sitting allowances/per diems/honoraria for meetings, conferences, seminars, workshops and study visits."

"Procurement Plan’ means (a) the procurement plan for DDM, for Part 2 of the Project, dated May 14, 2013, or (b) the procurement plan for BBS, for Part 3 of the Project, dated May 13, 2013, as the case may be, and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Association."

"Training’ means the reasonable costs required for the participation of personnel involved in learning and knowledge dissemination events such as conferences, seminars, workshops and study visits, including travel, subsistence and lodging expenses for conferences, seminars, workshop and study visit participants provided that such allowances are paid directly to the eligible recipient using the banking system; rental of conference, seminar and workshop facilities; preparation and reproduction of conference, seminar and workshop materials; costs of academic degree studies; fees for resource persons; and other costs directly related to learning and knowledge dissemination events; but excluding sitting allowances/per diems/honoraria for meetings, conferences, seminars, workshops and study visits."
c. The Definitions of “Consultant Guidelines”, “Procurement Guidelines”, and “Procurement Law” shall be deleted.

(F) Wherever used, the term “consultants’ services” is modified to read “consulting services”. Additionally, taking into account the application of the Procurement Regulations to the Project, and the use of the term “consulting services” under said Regulations, and given that the category “consultants’ services” has already been charged with expenditures incurred, “consulting services” is added under categories 2 and 3 of the Disbursement Table in Section IV.A.2 of Schedule 2 to the Financing Agreement, to be used as of the effectiveness date of this amendment letter.

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

The Association will disclose this amendment letter and related information on this Financing Agreement in accordance with the Association’s Policy on Access to Information. By entering into this amendment letter, the Recipient consents to disclosure of this amendment letter and related information.

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

Upon receipt by the Association of the countersigned original of this amendment letter, this amendment letter shall become effective as of the date of the countersignature of this amendment letter.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Qimiao Fan
Country Director for Bangladesh, Bhutan & Nepal

AGREED:
PEOPLE'S REPUBLIC OF BANGLADESH

By: [Signature]
Authorized Representative

Name: Kazi Shofiqul Azam
Title: Secretary, Economic Relations Division, Ministry of Finance, Govt. of the People’s Republic of Bangladesh
Date: 06.12.2017
cc: Mr. Kazi Shofiqul Azam, Secretary, Economic Relations Division
Mr. K.M. Mozammel Hoq, Secretary, Statistics & Informatics Division
Mr. Md. Shah Kamal, Secretary, Ministry of Disaster Management & Relief
Mr. Md. Muslim Chowdhury, Secretary-In-Charge, Finance Division
Mr. Md. Reaz Ahmed, Director General, Department of Disaster Management
Mr. Md. Amir Hossain, Director General, Bangladesh Bureau of Statistics
Mr. Md. Shafiqul Alam, Project Director, Bangladesh Bureau of Statistics
Mr. Satyendra Kumar Sarkar, Project Director, Department of Disaster Management
Ms. Aparna Subramani, Executive Director for Bangladesh, World Bank
Mr. M. Musharraf Hossain Bhuiyan, Alt. Executive Director for Bangladesh, World Bank
Mr. Santosh Vaidya, Advisor to the Executive Director for Bangladesh, World Bank