H.E. Mohammad Omar Zakhilwal  
Minister of Finance  
Ministry of Finance  
Kabul  
Islamic Republic of Afghanistan

Excellency:

Re: Afghanistan HIV/AIDS Prevention Project  
Amendment to Financing Agreement  
(Grant No. H328-AF)

We refer to the Financing Agreement for the Afghanistan HIV/AIDS Prevention Project dated September 2, 2007 (the “Financing Agreement”) between Islamic Republic of Afghanistan (the “Recipient”) and the International Development Association (the “Association”). We also refer to the letter dated May 24, 2010 from the Director General Budget and Acting Deputy Minister of Finance requesting the Association to restructure the Project in order to extend the Closing Date, cancel Part 4(2) of the Project, expand the number of cities covered under Part 3 of the Project and modify the performance monitoring indicators.

The Association hereby agrees to amend the Financing Agreement as follows:

All capitalized terms used in this amendment letter (the “Amendment Letter”) have the same meanings assigned to them in the Financing Agreement.

1. Part 4(2) of the Project as described in Schedule 1 is deleted in its entirety and Part 3 of the Project as described in Schedule 1 is amended to add additional cities for coverage by the Project. The new Schedule 1 is set out in the Attachment to this Amendment Letter.

2. Schedule 2 Section IV.B (2) is amended to read as follows:

“2. The Closing Date is June 30, 2012.”

3. The performance monitoring indicators for the Project referred to in paragraph 1 of Section II.A of Schedule 2 to the Financing Agreement are amended as set out in the letter of even date herewith from the Recipient to the Association.

All terms of the Financing Agreement not hereby amended shall remain in full force and effect.
Please confirm your agreement to the amendments proposed above by signing and dating the form of confirmation on the enclosed two copies of this Amendment Letter and returning one copy to us.

Sincerely,

By/s/ Nicholas J. Krafft
Country Director for Afghanistan
South Asia Region

CONFIRMED

ISLAMIC REPUBLIC OF AFGHANISTAN

By/s/ Omar Zakhilwal
Title: Minister of Finance
Date: July 21, 2010
“SCHEDULE 1

Project Description

The objective of the Project is to slow down the spread of HIV/AIDS and build up the Recipient’s capacity to respond to the epidemic by: (i) achieving a behavioral change in High Risk Groups; and (ii) improving knowledge of HIV/AIDS prevention mechanisms and reducing stigma related to HIV/AIDS of the Recipient’s general population.

The Project consists of the following parts:

Part 1: Communication and Advocacy

Planning and implementing advocacy and communication activities aimed at creating a policy environment that enables the scaling up of targeted interventions for HIV/AIDS prevention in High Risk Groups, including: (i) carrying out targeted audience research and surveys; (ii) developing training and information packages; and (iii) coordinating high-level meetings, workshops and training sessions for, inter alia, service providers, private practitioners and journalists.

Part 2: Strengthening of HIV/AIDS Surveillance

Developing and implementing a second generation surveillance system in order to: (i) map and estimate the size of High Risk Groups; (ii) collect biological and behavioral data from representative samples of their population; and (iii) determine HIV/AIDS dynamic and the trajectory and magnitude of the epidemic in the country.

Part 3: Targeted Interventions for High Risk Behaviors

Supporting targeted interventions in approximately 6 major cities in order to prevent further spread of HIV/AIDS among High Risk Groups, by promoting safe behavioral practices and implementing comprehensive harm reduction packages, including, inter alia, the establishment and operation of drop-in-centers providing social support, needle and syringe exchange, condom distribution, care, and referral for voluntary confidential counseling and testing.

Part 4: Project Management and Innovation Initiative

Strengthening the institutional capacity of: (i) MOPH in order to manage, implement, monitor and evaluate the Project; and (ii) HACCA in order to coordinate the Recipient’s Multi-Sector HIV/AIDS Response.