June 16, 2013

S.E. Monsieur Ilyas Moussa Dawaleh  
Ministre de l’Économie et des Finances  
Chargé de l’Industrie et de la Planification  
Ministère de l’Économie et des Finances  
Chargé de l’Industrie et de la Planification  
République de Djibouti  
(Transmission par télécopie : 253 21 35 65 01)  
(Transmission par courrier électronique: cabinet@mefip.gov.dj)

RE: Republic of Djibouti: JSDF Grant No. TF097217  
Crisis Response - Employment and Human Capital Social Safety Net Project Grant  

Amendment to the Grant Agreement

Excellency:

We refer to the Grant Agreement (the “Agreement”) dated December 23, 2010 (“Agreement”), between the Republic of Djibouti ("Recipient") and the International Development Association (“World Bank”).

We also refer to your letter dated April 20, 2013, requesting specific amendments to the Agreement. Please note that capitalized terms used in this letter (“Amendment Letter”) and not defined herein have the meaning ascribed to them in the Agreement.

We are pleased to inform you that the World Bank accedes to your request and proposes, through this Amendment Letter, to amend the Agreement as follows:

1. Sub-paragraphs (i), (ii) and (iii) of Section 2.06(a) of the Annex to the Agreement are amended to read as follows:


(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).”
2. Sub-paragraph (ii) of Section 2.06(c) of the Annex to the Agreement is amended to read as follows:

“(ii) The following methods other than International Competitive Bidding, which may be used for goods and works for those contracts specified in the Procurement Plan: (A) National Competitive Bidding using Standard Bidding Documents acceptable to the Bank; (B) Shopping; (C) Direct Contracting; (D) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the World Bank; and (E) Community Participation in Procurement according to procedure acceptable to the Bank.”

3. The table set forth under Section 3.01 of the Annex to the Agreement is deleted in its entirety and replaced with the table as shown in the Attachment to this Amendment Letter.

Please confirm your agreement with the foregoing amendments by signing and dating this Amendment Letter in the spaces provided below. Henceforward, all other provisions of the Agreement, except as amended through this Amendment Letter shall remain in full force and effect. This Amendment Letter shall be executed in two counterparts each of which shall be an original.

Upon confirmation, please return one fully executed original to us. The provisions set forth in this Amendment Letter shall become effective as of the date of countersignature upon receipt by the World Bank of the countersigned original of this Amendment Letter.

Sincerely,

[Signature]

Hartwig Schafer
Director
Djibouti, Egypt and Yemen Country Department
Middle East and North Africa Region

CONFIRMED AND AGREED

REPUBLIC OF DJIBOUTI

LE MINISTRE DE L'ÉCONOMIE ET DES FINANCES, CHARGÉ DE L'INDUSTRIE

By

[Signature]

Minister of Economy and Finance

Date 14 JUL 2013
### SECTION 3.01 OF THE ANNEX TO THE AGREEMENT - REVISED TABLE

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>539,755</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Consultant’s Services, including Audit</td>
<td>970,340</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Training and Workshops</td>
<td>116,695</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Sub-projects</td>
<td>1,888,918</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Incremental Operating Costs</td>
<td>124,292</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,640,000</strong></td>
<td></td>
</tr>
</tbody>
</table>