Dear Sirs,

Re: PEOPLE'S REPUBLIC OF BANGLADESH: IFAD Loan No. 2000000721 (National Agricultural Technology Program - Phase 2 Project) (NATP Phase 2)

1. I refer to the Cooperation Agreement dated 20 May 1978 between the International Bank for Reconstruction and Development and the International Development Association (the "Association") and the International Fund for Agricultural Development (the "Fund").

2. I also refer to the National Agricultural Technology Program - Phase 2 Project (NATP Phase 2) (the "Project") which is to be jointly co-financed by the Fund and the Association under an Agreement between the People's Republic of Bangladesh (the "Borrower") and the Fund dated 7 August 2016 (the "Fund Financing Agreement") and an Agreement between the Borrower and the Association dated 24 May 2016 (the "Association Financing Agreement"). An executed copy of the Fund Financing Agreement and Association Financing Agreement are attached as an Annex to this Letter of Appointment (also referred as "Cooperation Agreement").

3. For the purpose of the Project, and with the agreement of the Borrower, as set forth in Section C of the Fund Financing Agreement, the Fund hereby appoints the Association to act as the Cooperating Institution within the meaning of Article III (The Cooperating Institution) of the Fund's "General Conditions for Agricultural Development Financing" dated 29 April 2009 (the "General Conditions"), except for Section 3.02(a) of Article III, and subject to and in accordance with the contractual terms and conditions on which the Fund provides financing for the Project. The Association hereby accepts such appointment.

4. In this Letter of Appointment, which shall serve as the Cooperation Agreement pursuant to Section 3.03 of the General Conditions, unless the context otherwise requires, the term "Fund Financing Agreement" also refers to the General Conditions, as incorporated therein.

5. The Fund and the Association shall fully cooperate to ensure an effective coordination of their respective actions in connection with, and the achievement of, the purposes of the Fund Financing. To this end, inter alia:

(a) the Fund shall promptly inform the Association about the progress made towards the signing and effectiveness of the Fund Financing Agreement and shall notify the Association when the Fund Financing Agreement enters into force and effect, including the list of authorized signatories of the Borrower to withdraw proceeds out of the Fund Financing Agreement;

International Development Association
Washington, D.C.
the Fund shall promptly inform the Association and exchange views whenever it is proposed:

(i) to modify materially the Financing Agreement related to the Fund Financing; or

(ii) to take any action under Sections 12.01 (Suspension by the Fund), 12.02 (Cancellation by the Fund), 12.05 (Acceleration of Maturity), 12.06 (Other Remedies) of the General Conditions or Section D of the Fund Financing Agreement.

the Fund shall promptly inform the Association of: (a) any amendment(s) to the Fund Financing Agreement; (b) any suspension, cancellation or acceleration or repayment in advance of maturity of any amount of the Fund Financing; (c) any refund of withdrawals used to finance ineligible expenditures under the Fund Financing Agreement;

d) notwithstanding sub-paragraph (b) above, the Fund shall retain its independent right of decision and action under the Financing Agreement with respect to any such matter;

e) the Fund authorizes the Association to declare ineligible expenditures out of the proceeds of the Fund Financing, including requesting the Borrower to refund the amount related to such ineligible expenditures; and

(f) on request from the Fund, the Association shall furnish to the Fund reports on the execution of the Project.

6. (a) The Fund shall pay the Association an annual amount of thirty thousand US Dollars (US$30,000) for each year of the Project implementation up to the Financing Closing Date (as defined in the General Conditions) for the recovery of the costs incurred by the Association for the services provided to the Fund in its role as the Cooperating Institution as described in this Letter of Appointment and in accordance with the following schedule: The first payment will be made on a pro rata basis from the date of the signature of this Cooperation Agreement up to June 30, 2018. If the period is less than 12 months. Subsequent payments will be made on the 1st July of each year covering a 12-month period. The last annual payment will be made on a pro rata basis, covering the period from the 1st of July up to the Project financing closing date as specified in the IFAD Financing Agreement, if the period if less than 12 months.

(b) All payments to the Association hereunder shall be made in full when due, upon submission of an invoice by the Bank. Payment shall be made, in United States Dollars, in immediately available funds, without any deductions whatsoever for taxes, duties, charges or other withholdings, and notwithstanding any pending dispute between the Fund and the Association, to such account as the Association may from time to time designate in writing.

7. The Association shall administer all procurement financed from the proceeds of the Fund Financing, in accordance with Section III of Schedule 2 of the Association Financing Agreement.

8. It is agreed that in each disbursement of the co-financing of the Fund and the Association for the Project, the amount disbursed from the financing of the Fund shall be equivalent to financing percentage stated in the IFAD Fund Agreement and the Association Financing Agreement respectively.
9. (a) The Association shall process each application for withdrawal from the Fund Financing submitted by the Borrower to the Association to determine the amounts which the Borrower is entitled to withdraw from the Fund Financing in conformity with the relevant provision(s) of the Fund Financing Agreement.

(b) The Association shall promptly advise the Fund of the amount which the Borrower is entitled to withdraw from the Fund Financing. The Fund shall make appropriate arrangements to make the necessary payments of such amounts.

(c) From time to time, the Fund shall inform the Association of the amounts available for withdrawal from the Fund Financing.

(d) The Association shall submit to the Fund within six months after the end of the country fiscal year the Project’s audited financial statements to be submitted by the Borrower to the Association. In addition, the Association shall provide the Fund, within two months after receipt of the Project’s audited financial statements, with its written comments on the quality of the audit report, financial statements as well as the action plan to address internal control issues, if any, identified during the audit.

10. The Fund hereby authorises the Association to enter into special commitments, on behalf and for the account of the Fund, to pay amounts out of the proceeds of the Fund Financing in respect of the cost of goods, works or services required for the Project and to be financed out of the Fund Financing. Any such special commitment shall, once it has been notified to the Fund, constitute an obligation on the part of the Fund to pay, notwithstanding any subsequent suspension or cancellation of the Fund Financing, the amount to be disbursed out of the proceeds of the Fund Financing in fulfilment of such special commitment.

11. The Fund and the Association shall each be entitled to terminate this appointment at any time by written notice to the other party, whereupon this appointment shall terminate six months after the date of such notice. Upon receipt of such notice, the Fund and the Association shall take all appropriate steps to terminate in an orderly manner the activities then ongoing under the Cooperation Agreement and to settle promptly all outstanding matters. Notwithstanding the termination or expiration of this Cooperation Agreement, the provisions of this Cooperation Agreement relating to the obligation of the Fund to pay to the Association for the services performed prior to the date of termination or expiration of the Cooperation Agreement shall continue in full force and effect.

12. This Letter of Appointment shall enter into full force and effect as from the date of countersignature hereof.

13. Please confirm your agreement with the foregoing by signing the two copies of this Letter and returning one signed original to the Fund for its records.
Yours sincerely,

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

Périn L. Saint Ange
Associate Vice-President
Programme Management Department

CONFIRMED:
INTERNATIONAL DEVELOPMENT ASSOCIATION

Authorized Representative

Date: July 27, 2012

cc: Mr. Kazi Shofiqul Azam, Secretary, Economic Relations Division
    Ms. Mahmuda Begum, Additional Secretary, Economic Relations Division
    Ms. Sultana Afroz, Additional Secretary and Wing Chief, Nordic and Coordination, Economic Relations Division