Ms Isabel M. Guerrero
Regional Vice President
South Asia Region
The World Bank
1818 H St., NW.
Washington, DC 20043
USA

Third Amendment to the Administration Agreement between the Government of Australia (AusAID) and the International Bank for Reconstruction and Development and the International Development Association concerning the Australian Trust Fund for “Policy Facility for Decentralization and Service Delivery in South Asia” (Trust Fund No. TFO 70649) (AusAID Agreement 40155)

Dear Ms. Guerrero

1. I refer to the Administration Agreement between the Government of Australia, the Australian Agency for International Development (AusAID) (the “Donor”) and the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), (collectively, the “Bank”) regarding the Australian Trust Fund for “Policy Facility for Decentralization and Service Delivery in South Asia” (No.TF070649) (the “Trust Fund”) signed by the Bank’s Authorised Representative on November 9, 2006, and by the Donor’s Authorised Representative on November 21, 2006 (the “Administration Agreement”), as amended.

2. We are pleased to inform you of the intention of the Donor to make an additional grant contribution to the Trust Fund in the amount of one million three hundred and fifty thousand Australian Dollars (AUD 1,350,000) (the “Additional Grant Contribution”) as a top up payment to the existing payment of six million one hundred and fifty thousand Australian Dollars (AUD 6,150,000) and extend the Completion Date referred to in Article 3, Section 3.01 of the Administration Agreement to 30 June 2013. With this Additional Grant Contribution, the total amount allocated by the Donor to the Trust Fund will now aggregate to seven million five hundred thousand Australian Dollars (AUD 7,500,000).

3. The Administration Agreement is amended by deleting the existing Article 3, Section 3.01 and replacing it with new Article 3, Section 3.01 as follows:

“Section 3.01 The Grant funds may be used to finance expenditures for the Project commencing on November 15, 2006 and ending on June 30, 2013. The Bank may make disbursements of the Grant funds for up to four (4) months after such latter date for expenditures incurred on or before such date, in accordance with the Bank’s applicable policies and procedures.”
4. In view of this Additional Grant Contribution, the existing payment schedule in Section 2.01 of Article 2 of the Administration Agreement is amended to read as follows:

- Upon confirmation by the Bank of this Administration Agreement 1,250,000 Australian Dollars
- In Year Two 1,500,000 Australian Dollars
- In Year Three 750,000 Australian Dollars
- In Year Four 1,150,000 Australian Dollars
- In Year Five 750,000 Australian Dollars
- In Year Six 2,100,000 Australian Dollars

5. All other provisions of the Administration Agreement will continue to remain in force and effect.

6. We propose this letter shall, upon your confirmation in the manner indicated below, constitute amendment to the Administration Agreement between the Bank and the Donor.

Yours sincerely,

For the GOVERNMENT OF AUSTRALIA, represented by the Australian Agency for International Development

Date: 29/2/12

Name: Paul Nichols
Title: ADG, South Asia Branch, AusAID
FMA Act S.44 Delegate

CONFIRMED AND AGREED

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

Date: 3/2/12

Authorised Representative
South Asia Region
The World Bank