March 6, 2013

H. E. Dr. Salam Fayyad
Prime Minister and Minister of Finance
Palestinian Authority
Ramallah

Re: Sweden Grant Agreement Related to the North Gaza Emergency Sewage Treatment Project (TF056186)
Amendment to the Trust Fund Grant Agreement

Excellency:

We refer to the Sweden Grant Agreement between the Palestine Liberation Organization (for the benefit of the Palestinian Authority) (the Recipient) and the International Development Association acting as administrator (the Administrator) of the Grant provided by the Kingdom of Sweden (the Donor) dated January 18, 2006, as amended (the Sweden Grant Agreement).

1. We are pleased to inform you that the Administrator has received commitment from the Donor for an additional contribution to the Trust Fund. Accordingly, we propose to amend the Sweden Grant Agreement as follows:

   The amount defined as “Sweden Grant” in the third paragraph of the Preamble and in Section 2.01 of the Sweden Grant Agreement is amended to reflect the increase of the amount of overall grant funds by an additional four million nine hundred thousand Swedish Kronor (SEK 4,900,000) and shall read “forty four million one hundred thousand Swedish Kronor (SEK 44,100,000)”.

2. The table in paragraph 1 of Schedule 1 is amended as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Sweden Grant Allocated (expressed in Swedish Kronor)</th>
<th>Percentage of Eligible Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works</td>
<td>25,763,547</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods</td>
<td>18,336,453</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>44,100,000</td>
<td></td>
</tr>
</tbody>
</table>
3. Except as specifically amended by this Amendment Letter, all provisions of the Sweden Grant Agreement remain the same.

4. We propose that this letter shall constitute an amendment to the Sweden Grant Agreement. Please confirm your acceptance to the foregoing, on behalf of the Recipient, by signing and dating the two originals, retaining one original for your records and returning the other original to the Administrator. Upon receipt by us of the original Amendment Letter countersigned by you, this Amendment Letter will become effective as of the date of your countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

Mariam Sherman
Country Director
West Bank and Gaza

CONFIRMED:

PALESTINE LIBERATION ORGANIZATION
(for the Benefit of the Palestinian Authority)

By: 

Name: Dr. Salam Fayyad
Title: Prime Minister and Minister of Finance
Date: 11/03/2013