Re: Sustainable Livelihoods Project II (PHRD Grant No. TF090580) -
Extension of Grant Closing Date and Reallocation of Grant Proceeds

Excellency,

Pursuant to your letter dated May 17, 2012 and the letter dated June 6, 2012 of Mr. B. Khureenbaatar, Director General, Development Financing and Cooperation Department, Ministry of Finance requesting us respectively to extend the Closing Date and to reallocate the proceeds of the above-mentioned Grant, I am pleased to inform you that the International Development Association (the World Bank), acting as administrator of grant funds provided by Japan, concurs with the said requests.

Accordingly, the World Bank:

a. has established June 30, 2013 as the later date for purpose of paragraph 2 of Section IV.B of Schedule 2 to the Japan PHRD Co-Financing Grant Agreement between Mongolia and the World Bank, dated February 4, 2008 (Grant Agreement); and

b. hereby reallocates the proceeds of the Grant allocated in the table in paragraph 2 of Section IV.A of Schedule 2 to the Grant Agreement as set out in the Attachment to this letter.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of grant funds provided by Japan

Klaus Rohland
Country Director, Mongolia

Attachment
Cc:
Mr. B. Khurenbaatar
Director General
Development Financing and Cooperation
Ministry of Finance
Mongolia

Mr. Ulziibold Yadamsuren,
Project Director
Index-Based Livestock Insurance Project
Ministry of Finance
## Revised Withdrawal Schedule

<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) Consulting Services:</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>(a) under Parts A, B and C of the Project, excluding Parts B1 and C1</td>
<td>2,901,500</td>
<td></td>
</tr>
<tr>
<td>(b) under Part D of the Project</td>
<td>422,000</td>
<td></td>
</tr>
<tr>
<td>(2) In-country Training &amp; Capacity Building under the Project, excluding Parts B1 and C1</td>
<td>581,500</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>3,905,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
Cc: U. Zachau (EAPVP); K. Rohland, H. Sun, Y. Fan, GQ. Luo, X. Chen, RF. Yuan, ZJ. Niu, YQ. Tian (EACCF); J. Roome, P. Leonard, J. Maweni, J. Nickeson (EASSD); BT. Wang (EAPCA); M. Lundell, A. Goodland, WY. Dong (EASCS); K. Funk, L. Melgaard, YN. Jia (EACCQ); C. Crepin, P. Labaste, B. Ledesma, M. Khorami, L. Anducta (EASER); C. Gevers, EO. Badarch, O. Lkhagvasuren, O. Yadmaa (EACMF); E. Sennhauser, P. Selvam (EAPCO); C. Frempong (AFTAR); EAP Safeguards Secretariat; EASSDMON; WBDocs.