Ethiopia Country Office
Africa Avenue, Bole Road
Addis Abeba, Ethiopia

July 23, 2015

H. E. Sufian Ahmed
Minister of Finance and Economic Development
Federal Democratic Republic of Ethiopia
Addis Ababa
Ethiopia

Dear Ato Sufian,

Ethiopia: Promoting Basic Services Program – Phase III Project
(Grant No. TF013952)

Amendment No. 2 to the Multi Donor Trust Fund Grant Agreement

We refer to the Multi Donor Trust Fund Grant Agreement (the “Agreement”), dated February 12, 2013, between the Federal Democratic Republic of Ethiopia (the “Recipient”) and the International Development Association (the “World Bank”) for the above mentioned Project (“Project”). We also refer to your letter, dated April 17, 2015, informing your decision on the reduction of DFID’s contribution for the Project.

Therefore, we propose to amend the Agreement as follows:

1. Section 3.01 in Article III of the Agreement is amended to read as follows:

   “3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to four hundred fifty-three million six hundred forty thousand United States Dollars (US$453,640,000) to assist in the financing of the Project.”

2. The table in Part A.2 of Section II.A.2 in Schedule 2 to the Agreement is deleted in its entirety and is replaced with the table shown in Annex 1 to this Amendment Letter.

3. All other provisions of the Agreement, excepted amended herein, shall remain in full force and effect.
This letter shall constitute an amendment to the Agreement between the Recipient and the Bank. Please confirm your agreement with 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 Bank. Upon receipt by the Bank of the original Amendment Letter countersigned by you, this Amendment Letter will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Greg Toulmin
Acting Country Director for Ethiopia
Africa Region

AGREED:

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By: Ahmed Shide

Name: AHMED SHIDE

Title: State Minister

Date: ____________________________
## Annex 1

<table>
<thead>
<tr>
<th>Categories</th>
<th>Amount of the Grant Allocated (expressed in US$)</th>
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<tbody>
<tr>
<td>(1) Subprogram A</td>
<td>431,490,000</td>
</tr>
<tr>
<td>(2) Subprogram B.1</td>
<td>4,400,000</td>
</tr>
<tr>
<td>(3) Subprogram B.2</td>
<td>12,400,000</td>
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<tr>
<td>(4) Subprogram B.3</td>
<td>5,350,000</td>
</tr>
<tr>
<td>(5) Unallocated</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>453,640,000</strong></td>
</tr>
</tbody>
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