CONFORMED COPY

June 29, 2010

H.E. Minister Fayza Aboulnaga
Minister of International Cooperation
Ministry of International Cooperation
8 Adly Street
Cairo, Arab Republic of Egypt

Excellency:

Re: Secondary Education Enhancement Project (Credit Number 3194-EGT)
Amendment to the Development Credit Agreement

We refer to the Development Credit Agreement dated April 19, 1999 between the Arab Republic of Egypt (the Borrower) and International Development Association (the Association) for the above-referenced Project (the Development Credit Agreement). We further refer to the letters dated December 1, 2009, and June 22, 2010 from your Excellency on behalf of the Borrower, requesting an extension of the Closing Date to enable the Project to fully meet its development objectives.

We are pleased to inform you that, after due consideration, the Association concurs with your request and establishes June 30, 2012 as the later date for purposes of Section 2.03 of the Development Credit Agreement.

In addition, to enhance efficiency in Project implementation, we propose to amend the Development Credit Agreement as follows:

1. Part A, Section I of Schedule 3 to the Development Credit Agreement shall be amended to read as follows:

   “Part A: General

   Goods and works required for the Project and to be financed out of the proceeds of the Credit shall be procured in accordance with the requirements set forth or referred to in Section I of the ‘Guidelines: Procurement under IBRD Loans and IDA Credits’ published by the Bank in May 2004 and revised in October, 2006 and May 2010, and with the provisions of Section I of this Schedule.”

2. Part A, Section II of Schedule 3 to the Development Credit Agreement is amended to read as follows:

   “Part A: General

   Consultants’ services required for the Project and to be financed out of the proceeds of the Credit shall be procured in accordance with the requirements set forth or referred to in
Sections I and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006 and May 2010, and with the provisions of Section II of this Schedule.”

Except as specifically amended in accordance with the provisions of paragraphs 1 and 2 of this letter of amendment, all other provisions of the Development Credit Agreement shall remain in full force and effect.

Please confirm your agreement to the foregoing on behalf of the Borrower by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully signed original of this letter to us. This letter of amendment shall become effective as of the date hereof upon receipt by the Association of a duly countersigned copy of this letter of amendment.

Sincerely yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ A. David Craig
   Director
   Egypt, Yemen and Djibouti Country Department
   Middle East and North Africa Region

CONFIRMED
ARAB REPUBLIC OF EGYPT

By: /s/ Fayza Aboulnaga
   Minister of International Cooperation

Date: ___________________________
Supplemental Letter

ARAB REPUBLIC OF EGYPT

June 30, 2010

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: Credit No. 3194-EGT (Secondary Education Enhancement Project)
Performance Monitoring Indicators

Dear Sirs and Mesdames:

We refer to the Development Credit Agreement, dated April 19, 1999 between the Arab Republic of Egypt (the Borrower) and the International Development Association (the Association) for the above-captioned Project (as amended to this date, the “Development Credit Agreement”). For the purposes of paragraph 3 of Schedule 4 to the Development Credit Agreement, we shall maintain policies and procedures adequate for us to monitor and evaluate the Project in accordance with the performance Monitoring Indicators set forth in the attachment to this letter.

Very truly yours,

ARAB REPUBLIC OF EGYPT

By ___________________________
Authorized Representative

Attachment
**Project Development Objective (PDO):**
To establish the basis for an equitable education system by improving the quality and opportunity in secondary education through: a) increasing access to general secondary education through upgrading commercial schools to technological general schools and providing flexible options for study within and between branches of the system; b) better aligning curricula and assessment with the skills needs of employers and higher education; c) providing professional development for teachers and administrators on new technologies, curricula, assessment and management techniques; and d) by strengthening institutional capacity.

<table>
<thead>
<tr>
<th>PDO Level Results Indicators*</th>
<th>Core</th>
<th>D=Dropped</th>
<th>C=Continue</th>
<th>N=N=New</th>
<th>R=R=Revised</th>
<th>Unit of Measure</th>
<th>Project Starting Baseline</th>
<th>Cumulative Target Values**</th>
<th>Frequency</th>
<th>Data Source/Methodology</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indicator One:</strong> Share of general secondary students increases from 30% to 40%</td>
<td></td>
<td>R</td>
<td>Percent</td>
<td>30%</td>
<td></td>
<td></td>
<td></td>
<td>40%</td>
<td>40%</td>
<td>Annual</td>
<td>Regular reporting by MoE</td>
</tr>
<tr>
<td><strong>Indicator Two:</strong> At least 70% of school management teams in project schools are judged competent in duties as outlined in new job criteria</td>
<td></td>
<td>R</td>
<td>Percent</td>
<td>Neither performance measurement tool nor criteria are available</td>
<td></td>
<td></td>
<td></td>
<td>50%</td>
<td>70%</td>
<td>Annual</td>
<td>Special purpose survey</td>
</tr>
</tbody>
</table>

**INTERMEDIATE RESULTS**

<table>
<thead>
<tr>
<th>Intermediate Level Results Indicators</th>
<th>Core</th>
<th>D=Dropped</th>
<th>C=Continue</th>
<th>N=N=New</th>
<th>R=R=Revised</th>
<th>Unit of Measure</th>
<th>Project Starting Baseline</th>
<th>Cumulative Target Values**</th>
<th>Frequency</th>
<th>Data Source/Methodology</th>
<th>Responsibility for Data Collection</th>
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<tbody>
<tr>
<td><strong>Component one</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td><strong>Intermediate Result indicator One:</strong> A core curriculum framework developed, including the curriculum for core subject areas.</td>
<td></td>
<td>R</td>
<td>Document</td>
<td>There is no curriculum framework</td>
<td>Draft Curriculum Framework ready for validations</td>
<td>Curriculum Framework Developed and validated</td>
<td></td>
<td></td>
<td>Annual</td>
<td>Report of working groups</td>
<td>PPMU</td>
</tr>
</tbody>
</table>
### Intermediate Result indicator Two: At least 30% of project schools comply with minimum accreditation standards with respect to infrastructure and learning equipment.

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<tbody>
<tr>
<td></td>
<td>N</td>
<td>Percent</td>
<td>No baseline data available</td>
<td>15%</td>
<td>30%</td>
<td>Annual</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Accreditation methodology developed by Accreditation Agency</td>
<td>PPMU using instrument provided by Accreditation Agency</td>
<td></td>
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</table>

### Intermediate Result indicator Three: Core subject matter teachers in participating schools master the new curriculum framework

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<tbody>
<tr>
<td></td>
<td>N</td>
<td>Number</td>
<td>Teachers have not been trained in new curriculum</td>
<td>5,000</td>
<td>11,000</td>
<td>Annual</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PPMU using level 3 evaluation instrument</td>
<td>PPMU</td>
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### Component Two

#### Intermediate Result indicator One: Board of Trustees set up in all project schools

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<tbody>
<tr>
<td></td>
<td>R</td>
<td>Number</td>
<td>Schools do not have Board of Trustees</td>
<td>315</td>
<td>315</td>
<td>Annual</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>School visits</td>
<td>PPMU</td>
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#### Intermediate Result indicator Two: School Administrators are competent on the use of ICT for enhanced management.

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<tbody>
<tr>
<td></td>
<td>N</td>
<td>Number</td>
<td>0</td>
<td>1,500</td>
<td>3,500</td>
<td>Annual</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PPMU using level 3 evaluation instrument</td>
<td>PPMU</td>
<td></td>
</tr>
</tbody>
</table>
Cleared with and cc: Gatti (MNSHD); Hoi-Chan (LEGEM); Malenko (CTRDM)

cc: Mmes./Messrs. Akhtar, Cruz De Kostner (MNAVP); Craig, Boubacar, El Husseini, Abdel Hamed (MNC03); Mpoj-Kamulayi, Png (LEGEM); Brown (CTRFC), Devictor, Runanqwa (MNCA3); Mbi (MNACS); Steel, Nobakht, Hamaide (MNADE); Tayler, Hamed, Prada, (MNAPR); El-Shorbagi, Elshabrawy (MNAFM); Jorgensen, Ezzine, Franklin, Champion, Jackson (MNSHD); Haque (MNSHH); Gamal El-Din (MNSHE); EGY Country Team; IRIS (P050484).
Copy:

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