

ID - ACE Project
(99555)

Stefan G. Koeberle
Country Director, Indonesia

Letter No. CD-190/PNPM/VI/2012

June 20, 2012

Dra. Titik Hartini Msi
Association for Community Empowerment (ACE)
Jl. Saleh Abud. No. 6
Otista
Jakarta Timur 13330
Indonesia

Dear Ms. Hartini:

***Re: Amendment No. 3 to PSF Grant No. TF099555
PNPM Peduli Executing Organization: Association
for Community Empowerment (ACE) Project***

We refer to the Grant Agreement (“Grant Agreement”), dated June 30, 2011, as amended, between the Association for Community Empowerment (“Recipient”) and the International Bank for Reconstruction and Development (“World Bank”), acting as administrator of grant funds provided by donors under the Support Facility for National Program for Community Empowerment (TF070967) (“PSF”) for the above-mentioned project (the “Project”).

We refer also to your letter dated March 28, 2012 requesting an amendment to the Grant Agreement. The World Bank is pleased to inform you that, after due consideration, it has concurred with your request and accordingly agreed to amend the Grant Agreement to reflect: (i) the increase of the Grant amount; (ii) reallocation of Grant proceeds; and (iii) extension of closing date as follows:

- A. Increase in the Amount of the Grant.** The Grant amount is hereby increased from US\$1,284,900 to US\$1,966,800 as follows (the amended language is italicized for ease of reference):

“In response to the request for financial assistance made on behalf of the Association for Community Empowerment (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development (“World Bank”), acting as administrator of grant funds provided by donors under the Support Facility for National Program for Community Empowerment (TF070967) (“PSF”), proposes to extend to the Recipient for the benefit of the Republic of Indonesia (“Member Country”), a grant in an amount not to exceed *one million nine hundred sixty six thousand eight hundred United States Dollars (US\$1,966,800)* (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the project described in the

Annex ("Project"). This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the annex to this Agreement), the Recipient may withdraw the Grant proceeds subject to the availability of such funds."

- B. Reallocation of Grant Proceeds.** The World Bank hereby reallocates the proceeds of the Grant allocated in the table in Section 3.01 of the Annex to the Grant Agreement as set out below:

Category	Amount of the Grant Allocated (expressed in US\$)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods	18,400	100%
(2) Consultant services	55,000	100%
(3) Training and Workshops*	317,800	100%
(4) Sub-Grants under Part 1 of the Project	1,324,800	100%
(5) Direct Operational Costs*	160,400	100%
(6) Indirect Operational Costs*	90,400	100%
TOTAL AMOUNT	1,966,800	

- C. Extension of Closing Date.** The Bank has established December 31, 2013 as the later date for the purposes of Section 3.03 of the Annex to the Grant Agreement.

Except as specifically provided in this Amendment, all other terms and conditions of the Grant Agreement remain in full force and effect.


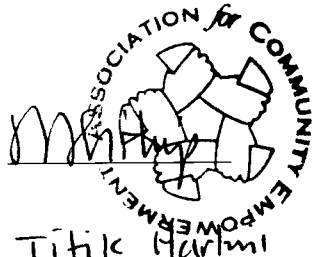
Please confirm your agreement to the foregoing by signing and dating both enclosed copies of this letter in the space provided and returning one signed copy to us. The above Amendment will become effective as of the date of the later date of countersignature of this letter by the Recipient.

Very truly yours,
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT



Stefan G. Koeberle
Country Director, Indonesia

AGREED:
ASSOCIATION FOR COMMUNITY EMPOWERMENT

By:  

Name: Titik Hartini

Title: Executive Director

Date: June 22, 2012