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TF029001

26 FEBRUARY, 2013

Ms. Susan McAdams
Director
Multilateral Trusteeship and Innovative Financing
Concessional Finance and Global Partnerships
World Bank
1818 H Street N.W.
Washington, D.C. 20433
United States

Transfer Instruction under the Contribution Agreement between the Kingdom of Norway and the International Bank for Reconstruction and Development and the International Development Association from the Donor Balance Account (TF No. 029001)

Dear Ms. McAdams,

We refer to the Contribution Agreement between the Kingdom of Norway, acting through its Ministry of Foreign Affairs, (the "Donor") and the International Bank for Reconstruction and Development ("IBRD") and the International Development Association ("IDA") (collectively, the "Bank") dated December 3, 2007 (the "Agreement") whereby the Donor made a contribution to the Donor's Balance Account (TF No. 029001) in the amount of Six Million Two Hundred Thousand United States Dollars (USD 6,200,000) (the "Contribution"). Unless otherwise defined herein, capitalized terms used but not defined in this letter have the meanings set forth in the Agreement.

Pursuant to paragraph 8 of the Agreement, we hereby instruct the Bank to transfer Two Million United States Dollars (USD 2,000,000) from the Donor's Balance Account (TF No. 029001) to the Debt Service Trust Fund for the Palestinian Authority (TF No. 072025) (the "Debt Service Trust Fund"), to be administered by IDA, in order to provide debt relief to the Palestinian Authority on credits financed by the Trust Fund for Gaza and West Bank ("TFGWB", established by Resolution No. 93-11 and IDA No. 93-7 as amended) and administered by IDA. The Donor understands that other donors are also expected to contribute to the Debt Service Trust Fund.

From the date of this Transfer Instruction until February 29 2016, IDA, as Administrator of the Debt Service Trust Fund, shall use funds transferred to the Debt Service Trust Fund and any investment income earned on such funds to repay any amounts due on any TFGWB credits outstanding as of the date of this letter in such manner as IDA may, in its discretion, determine.

Such transfer shall be made promptly following the acknowledgment of the receipt of this letter.

Please acknowledge receipt of this letter by signing, dating, and returning to us the enclosed copy of this letter.

Sincerely,
ROYAL MINISTRY OF FOREIGN AFFAIRS / KINGDOM OF NORWAY

Björn Brede Hansen
Deputy Director General
Multilateral Bank and Finance Section

ACKNOWLEDGED:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

Date: 2-27-2013

Susan McAdams
Director
Multilateral Trusteeship and Innovative Financing