January 18, 2015.

Senior Secretary Mohammad Mejbahuddin
Economic Relations Division
Ministry of Finance
Sher-e-Bangla Nagar
Dhaka, Bangladesh

Dear Senior Secretary Mejbahuddin:

**Bangladesh: Climate Resilient Participatory Afforestation and Reforestation Project**
**Amendment to the Bangladesh Climate Change Resilience Fund**
**Grant Agreement – TF014026**

1. We refer to the Grant Agreement between the People’s Republic of Bangladesh (the “Recipient”) and the International Development Association (the “World Bank”), acting as manager of the Bangladesh Climate Change Resilience Fund, dated February 27, 2013 for the above-referenced Project (the “Grant Agreement”). We also refer to the letter dated November 10, 2014 from your office requesting certain amendments to the Grant Agreement.

2. We are pleased to inform you that the after due consideration to the request received from your office, we hereby amend the Grant Agreement as follows:

   (a) The table under Section IV.A.2 of Schedule 2 to the Grant Agreement is amended to read as follows, **emphasis added**:

<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) Goods, works, non-consulting services, consultants’ services, <strong>Training</strong>, and Incremental Operating Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) under Parts 1, 3 and 4 of the Project</td>
<td>30,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(b) under Part 2 of the Project</td>
<td>3,020,000</td>
<td>93.8%</td>
</tr>
<tr>
<td>(2) Sub-grants under Parts 2 (d) and 2(e) of the Project</td>
<td>780,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>33,800,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

C.
(b) The Definition under Item No. 19 of the Appendix to the Grant Agreement is amended to read as follows:

"19. “Incremental Operating Costs” means the reasonable costs incurred on account of the implementation of the Project for incremental Project Staff, operation and maintenance of vehicles (fuel, maintenance and insurance), repair and maintenance of office building including repair and maintenance of furniture and equipment (photocopier, computer and computer accessories and supplies) used exclusively for the Project, local travel and subsistence allowance, renting of vehicles, office utilities, office supplies and stationeries, printing, souvenirs, events, workshops, rental of office buildings, bank charges, advertising costs or any other operational costs agreed with the World Bank but excluding salaries of the Recipient’s civil servants.”

3. Except as specifically amended in this letter, all other terms and conditions of the Grant Agreement shall remain in full force and effect.

4. The World Bank shall disclose this Amendment in accordance with the Bank’s Policy on Access to Information. By entering into this Amendment, the Recipient consents to such disclosure.

5. Please confirm your agreement to the foregoing on behalf of the Recipient by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully countersigned original of this letter to us. The above amendment to the Grant Agreement shall become effective as of the date of this letter, and upon receipt by the Bank of a duly countersigned original of this letter by the authorized representative of the Recipient.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Christine E. Kimes
Acting Head of Bangladesh Country Office
For the Country Director

CONFORMED:
PEOPLE'S REPUBLIC OF BANGLADESH

By: KAZIM SHOFIQUL AZAM
Name: Additional Secretary
Date: 22-1-2015