Dr. Ellias E. Ngalande  
*Executive Director*  
Macroeconomic and Financial Management Institute  
Of Eastern and Southern Africa (MEFMI)  
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ZIMBABWE

**Amendment to the Letter Agreement for the Debt Management Facility for Low Income Countries (DMF), Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) DMF Grant No. 094787**

Dear Dr. Ngalande:

1. We refer to the Grant Agreement between the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), (collectively, the “World Bank”), acting as administrator of grant funds provided by the Multi-Donor Trust Fund (TF No.071202) (“MDTF”) under the Debt Management Facility (“DMF”) for Low-Income Countries (“LICs”) to the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (“MEFMI”) (the “Recipient”), dated July 22, 2009 as amended (the “Agreement”) by which the World Bank made a Grant in the amount of sixty one thousand seven hundred and fourteen United States Dollars (US$ 61,714) (the “Grant”) to the Recipient.

2. We also refer to your letter dated July 11, 2011, requesting the World Bank to: (i) increase the Grant amount by fifty five thousand eight hundred and eighteen United States Dollars (US$ 55,818); (ii) modify Article 2.01 of Annex 1 (Standard Provisions Applicable to the Multi-Donor Trust Fund TF071202) related to the Project Objectives and Description (iii) revise the table relating to the Eligible Expenditures under Section 3.01 of the Agreement to reflect the revised amount of the Grant; and (iv) extend the Closing Date of the Grant from July 13, 2011 to July 13, 2012.
3. We are happy to inform you that the World Bank has considered your requests and has agreed to amend the Agreement as follows:

A) The first paragraph of the Agreement shall be deleted in its entirety and replaced by the following:

“I am pleased to inform you that the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), (collectively the “World Bank”), acting as administrator of grant funds provided by the Multi-Donor Trust Fund (TF No. 071202) (“MDTF”) under the Debt Management Facility (“DMF”) for Low-Income Countries (“LIC”), proposes to extend to the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI), a provider of technical assistance and policy advice on debt management related issues (“the Recipient”) a grant in an amount not to exceed two hundred twenty six thousand eight hundred and ninety seven United States Dollars (US$ 226,897) (“the Grant”) on terms and conditions set forth or referred to in this letter agreement (“the Agreement”) to assist in the financing of the activities described in Section 2.01 of the Annex (“the Project”). This Grant is funded out of the above mentioned 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) Article 2.01 of the Agreement, shall be deleted in its entirety and replaced by the following:

“2.01. Project Objectives and Description. The objective of the Project is to strengthen debt management capacity and institutions in developing countries in the context of the DMF. The Grant will finance missions and related outputs (related to Debt Management Performance Assessment (DeMPA), Medium Term Debt Management Strategies (MDTS), or Reform Plans), the delivery of training events and the training of the Recipient’s staff members on DMF work program-related topics”.1 In particular, the Project will finance the following activities in support of the objectives of the Debt Management Facility:

1. Providing country background information to the mission's task team leader (TTL) 2 on debt management before the mission, including information on fiscal policy, monetary policy and legal framework related to debt management, as well as related technical assistance programs if available;

2. Drafting a summary of country strengths and weaknesses with respect to debt management, based on the above identified background information before the mission;

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1 World Bank’s client countries drive the application of the DMF activities. The exact number of missions will therefore depend on client countries’ demand. The Project Implementation Unit (PIU) will coordinate the missions and training schedules.

2 It is understood and agreed that the task team leader of each activity in which the Recipient’s staff or its external consultants participate is a staff member of the World Bank or, in the case of an MTDS mission, either a World Bank or IMF staff member.
3. Preparing part of the write-up of the report during the mission as agreed with the TTL;

4. Providing inputs to the TTL for wrap-up presentations during the mission;

5. Incorporating peer review comments in the report and providing additional information to the TTL after the mission, as requested; and

6. Participating in training events related to the DMF’s work program (participants from the Recipient should be staff members who were not previously trained in the topic covered under the previous training event).”

7. Preparing and delivering of one training event in collaboration with the Bank’s Project Implementation Unit (PIU), which includes the following tasks:

Prior to the training event:

a. developing a short course brochure to distribute to the training participants;

b. inviting up to 27 participants from selected governments to participate in the training in coordination with the respective TTL;

c. maintaining participant records, preparing name tags and registration sheets, receiving participants, and putting in place logistical arrangements;

d. translating course related material and preparing a course folder in coordination with the TTL;

e. arranging and paying for travel and accommodation of participants;

f. preparing a course evaluation questionnaire.

During the training event:

g. distributing hand outs and course materials;

h. monitoring participation;

i. coordinating the workshop to facilitate attendance and preparedness of participants; and

j. providing other, logistical support as needed.

After the training:

Submitting to the TTL a brief summary of observations of the training’s effectiveness based on the evaluation questionnaire administered to that effect. The summary should be written in English and delivered to the TTL not later than one week after the completion of the training.

8. The Recipient acknowledges that all materials (Debt Management Tool, brochures, reports, software) provided by the Bank to be used for the implementation of activities under this Grant may not be altered, modified, revised, or reproduced by the Recipient without the prior approval of the Bank. The Recipient acknowledges that these materials provided by the Bank are intended for use by the Recipient only for the activities under this Grant. The Recipient understands and agrees that it may not use the Bank’s name in
any manner whatsoever that conveys or suggests, directly or indirectly, endorsement or support by the Bank of the products or services of the Recipient outside of this Grant’

C) The table in Section 3.01 of the Agreement shall be deleted in its entirety and replaced with the following:

<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>Travel, Services, Training</td>
<td>206,476</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs</td>
<td>2,0421</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>226,897</td>
<td></td>
</tr>
</tbody>
</table>

D) Section 3.03 of the Agreement shall be deleted in its entirety and replaced by the following:

“Withdrawal Period. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is changed to July 30, 2012.”

4. All other terms of the Agreement shall remain the same.

5. The World Bank will disclose this Amendment and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Amendment, the Recipient consents to disclosure of this Amendment and related information on this Trust Fund.
6. Please confirm your agreement to 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. Following receipt by the World Bank of the copy of this Amendment countersigned by you, this Amendment will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

/s/ Jeffrey D. Lewis
Director
Economic Policy and Debt Department

CONFIRMED AND AGREED:

Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI)

By: /s/ Ellias Ngalande
   Authorized Representative

Ellias E. Ngalande (PhD)
Executive Director

Date: July 25, 2011