December 3, 2013

Mr. Abdusalom Kurbanov  
Minister  
Ministry of Finance  
Dushanbe  
REPUBLIC OF TAJIKISTAN

Re: Tajikistan: Grant No. TF098826  
Rapid Social Response Trust Fund Grant for Targeting and Payment of Social Assistance Project  
Amendment to the Grant Agreement

Dear Mr. Kurbanov,

We refer to the Grant Agreement (the “Agreement”) between the Republic of Tajikistan (the “Recipient”) and the International Development Association (the “Association”), acting as the administrator of grant funds provided under the Rapid Social Response Trust Fund, dated July 15, 2011. We also refer to your request of September 27, 2013 to amend the Agreement.

We are pleased to inform you that the Association concurs with your request to restructure the Project. We note that your letter also requested extension of the Project for additional four months. We understand, however, that after consultations between the Association’s and Recipient’s representatives, it was agreed that there was no need for an extension. The Association agrees, therefore, to amend the Agreement as follows:

1. Article II, Project Execution, Sec. 2.01, Project Objectives and Description, Part B is hereby restated as follows:

   **Part B: Payment of Targeted Social Assistance in Pilot Districts**

   Provision of poverty-targeted social assistance benefits to qualified households in ten pilot districts, namely Istaravshan, Khujand, Ayni, Gissar, Fayzabad, Yavan, Nurek, Kurgan-Tyube, Farkhor, Shugnan, with the total sum of qualified demand for the poverty-targeted social assistance payments in said ten districts exceeding nine million nine hundred (9,900,000) Somonis in the budget year 2013.
2. Article III, Withdrawal of Grant Proceeds, Sec. 3.01, Eligible Expenditures, is hereby amended as follows:

3.01 Eligible Expenditures. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects) dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in below. The table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Consultants’ Services, Non-consulting Services and Training</td>
<td>1,250,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Social assistance benefits under Part B of the Project</td>
<td>500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Operating Costs</td>
<td>450,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>2,200,000</td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of this Schedule:

(a) "Training" means expenditures for Project related study tours, training courses, seminars, workshops and other training activities not included under goods or service providers’ contracts, including costs of training materials, space and equipment rental, travel and per diem costs of trainees and trainers; and

(b) "Operating costs" means incremental operating costs incurred by EOP on account of Project implementation, management and monitoring, including salaries of contractual staff on the Project, office and equipment maintenance and repair, television and radio time, advertisements and announcements in newspapers, wireless connections, electricity, telephone, heat and water bills, as well as vehicle maintenance and repair, local travel, communication, translation and interpretation, bank charges, social charges, the costs of audits for EOP, and other miscellaneous costs directly associated with the Project, but excluding salaries of employees or staff of the Recipient’s civil service, all based on periodic budgets acceptable to the World Bank.
3. Article III, Withdrawal of Grant Proceeds, Sec. 3.02, Withdrawal Conditions is hereby amended as follows:

(a) for payments made prior to the date of countersignature of this Agreement by the Recipient; or

(b) under Category (2) for the social assistance benefits until the Recipient furnishes evidence satisfactory to the World Bank that (a) a budget line for payment of said benefits has been included by the Recipient in its national budget for 2013; (b) combined applications for the social assistance benefits in 2013 will lead to a sum of qualified demand for targeted social assistance payments in the ten districts identified in Part B of Section 2.01 above, exceeding 9,900,000 Somonis; and (c) Recipient disbursed social assistance benefits in year 2013 in a sum equal at least 9,900,000 Somonis.

All sections of the Agreement that have not been amended hereby shall remain unchanged and in full force and effect.

Please confirm your agreement with the foregoing by signing and dating the confirmation on the enclosed copy of this Amendment Letter and returning it to the Association. This Amendment Letter shall become effective upon the date of its countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Agata E. Pawlowska
Acting Regional Director
Central Asia

AGREED:

REPUBLIC OF TAJIKISTAN

By:

Abdusalom Qurbonov

Title: Minister of Finance

Date: 12.12.2013