April 28, 2013

Secretary Md. Abul Kalam Azad
Economic Relations Division (ERD)
Ministry of Finance
Block 8, Room 3
Sher-e-Bangla Nagar
Dhaka

Dear Secretary Azad:

Health Sector Development Program
(BHSDP MDTF Grant No. TF011556 and USAID Trust Fund Grant Number TF012281)
Amendment to the Grant Agreement

We refer to the Grant Agreement, dated March 28, 2012, between the People’s Republic of Bangladesh (the “Recipient”) and the International Development Association (the “World Bank”), acting as administrator of the Bangladesh Health Sector Development Program Multi-Donor Trust Fund and the USAID Support to the Bangladesh Health Sector Development Program Trust Fund, for the above-mentioned Project (the Grant Agreement); as amended.

We are pleased to inform you that we have received the second tranche payment from the U.S. Agency for International Development (USAID) in the amount of U.S.$12,000,000, and additional contributions from the United Nations Population Fund (UNFPA) in the amount of U.S.$3,000,000, and from the Government of Canada as represented by the Minister for International Cooperation acting through Canadian International Development Agency (CIDA) in the amount of CAD Dollars 24,000,000 (each such agency, a “Donor”). Based on the contributions received, we are proposing to add U.S.$25,957,000 to the Bangladesh Health Sector Development Program Multi-Donor Trust Fund and U.S.$11,403,600 to the USAID Support to the Bangladesh Health Sector Development Program Trust Fund. Accordingly, the World Bank proposes to amend the Grant Agreement as follows:

1. Paragraph (B) of the first Whereas clause of the Preamble to the Grant Agreement are amended to read as follows (emphasis added):

“(B) pursuant to: (i) an agreement dated December 5, 2011, between the World Bank and the United Kingdom of Great Britain and Northern Ireland, acting through the Department for International Development (DFID) in respect of an amount of up to Pounds Sterling 93,420,000 to be contributed by DFID; (ii) an agreement dated December 5, 2011, between the World Bank and the Swedish International Development Cooperation Agency (Sida) in respect of an amount of up to Swedish Kroner 400,000,000 to be contributed by Sida; (iii) an agreement dated May 10, 2012, between the World Bank and the Government of Australia, acting through the Australian Agency for International Development (AusAID) in respect of an amount of up to Australian Dollars 32,850,000 to be contributed by AusAID; (iv) an agreement dated November 18, 2012, between the World Bank and Kreditanstalt für Wiederaufbau (KfW) in respect of an amount of up to
Euro 12,500,000; (v) an agreement dated December 19, 2012, between the World Bank and the United Nations Population Fund (UNFPA) in respect of an amount of U.S.$3,000,000; and (vi) an agreement dated March 13, 2013, between the World Bank and the Government of Canada as represented by the Minister for International Cooperation acting through Canadian International Development Agency (CIDA) in the amount of CAD dollars 64,000,000, (each such agency, a Donor), the Donors have agreed to contribute funds for co-financing the Project, and the World Bank has agreed to administer, on behalf of each of the Donors, their respective contributions, jointly through a Multi-Donor Trust Fund to be used to finance in part the costs of carrying out the Project under the terms and conditions of this Agreement.”

2. Paragraph (C) of the first Whereas clause of the Preamble to the Grant Agreement is deleted.

3. Paragraph (D) of the first Whereas clause of the Preamble to the Grant Agreement is renumbered as (C).

4. Section 3.01 of the Grant Agreement is amended to read as follows (emphasis added):

“3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement: (a) a grant in an amount equal to forty-eight million seven hundred sixty-four thousand five hundred and fifteen United States Dollars (U.S.$48,764,515) ("Original MDTF Grant"); (b) a grant in an amount equal to eighteen million five hundred thirty-six thousand five hundred and eighty United States Dollars (U.S.$18,536,580) ("First Additional MDTF Grant"); (c) a grant in an amount equal to seven million and six hundred thousand United States Dollars (U.S.$7,600,000) ("USAID Trust Fund Grant"); (d) a grant in an amount equal to forty two million five hundred sixty six thousand United States Dollars (U.S.$42,566,840) ("Second Additional MDTF Grant"); (e) a grant in amount equal to eleven million four hundred and three thousand six hundred and fifty seven thousand United States Dollar (U.S.$25,957,000) ("Third Additional MDTF Grant"), to assist in financing the Project.”

5. The table in paragraph 2 of Section IV.A of Schedule 2 to the Grant Agreement is amended to read as set forth in the Attachment to this letter.

Except as specifically amended by this letter of amendment, all other provisions of the Grant Agreement shall remain unchanged and in full force and effect.

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 signed original of this letter to us.
April 28, 2013

Upon receipt by the World Bank of the copy of this letter of amendment duly countersigned by the authorized representative of the Recipient, the above amendments to the Grant Agreement shall become effective as of the date of countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By
Salman Zaheer
Acting Country Director

CONFIRMED:

PEOPLE’S REPUBLIC OF BANGLADESH

By:

Name: ARASTOO KIRAN
Title: ADDL. SECRETARY, ECON RELATIONS DIVISION
Date: May 8, 2013

cc: Secretary, Ministry of Health and Family Welfare
Joint Chief (Planning Wing), Ministry of Health and Family Welfare
Attachment
People’s Republic of Bangladesh
Grant Nos. TF011556 & TF012281
Revised Withdrawal Schedule

<table>
<thead>
<tr>
<th>Category</th>
<th>MDTF Grant Allocated (expressed in U.S.$)</th>
<th>First Additional MDTF Grant Allocated (expressed in U.S.$)</th>
<th>Second Additional MDTF Grant Allocated (expressed in U.S.$)</th>
<th>Third Additional MDTF Grant Allocated (expressed in U.S.$)</th>
<th>USAID Trust Fund Grant Allocated (expressed in U.S.$)</th>
<th>Percentage of Expenditures to be Financed (exclusive of Taxes)</th>
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</thead>
<tbody>
<tr>
<td>(1) Eligible Expenditures under the Project</td>
<td>48,764,515</td>
<td>18,536,580</td>
<td>42,566,840</td>
<td>25,957,000</td>
<td>7,600,000</td>
<td>100%</td>
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<td>TOTAL AMOUNT</td>
<td>135,824,935</td>
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April 28, 2013