Multi-Donor Trust Fund
Project Agreement

for

Poverty Reduction Fund Project II

(Amending and Restating the Original Project Agreement)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION
Acting as Administrator of the Multi-Donor Trust Fund for the
Lao Poverty Reduction Fund Support Facility

and

POVERTY REDUCTION FUND

Dated August 17, 2015
PROJECT AGREEMENT

AGREEMENT dated August 17, 2015, entered into between the INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as Administrator of the Multi-Donor Trust Fund for the Lao Poverty Reduction Fund Support Facility ("MDTF"), and the POVERTY REDUCTION FUND ("Project Implementing Entity").

WHEREAS (A) the World Bank agreed to extend to the Recipient the Original MDTF Grant to assist in financing the Original Project in accordance with the terms and conditions of the Original MDTF Grant Agreement, and the Project Implementing Entity agreed to carry out the Original Project in accordance with the Original MDTF Project Agreement; and

(B) in accordance with Section 3.03 of the Original MDTF Grant Agreement, the World Bank has received additional contributions from Australia for the Project into the MDTF in the amount of two million four hundred thousand Dollars ($2,400,000); and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing to increase the total amount of the Grant made available to the Recipient pursuant to Section 3.01 of the Amended and Restated MDTF Grant Agreement to sixteen million nine hundred thousand Dollars ($16,900,000), upon the terms and conditions set forth in this Agreement and the Amended and Restated MDTF Grant Agreement.

NOW THEREFORE the Association and the Project Implementing Entity hereby agree to amend and restate the Original MDTF Project Agreement, with effect from the Effective Date of this Agreement, to read as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in the Amended and Restated MDTF Grant Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Amended and Restated MDTF Grant Agreement or the Standard Conditions.

ARTICLE II — PROJECT

2.01. The Project Implementing Entity declares its commitment to the objectives of the Project described in Schedule 1 to the Amended and Restated MDTF Grant Agreement ("Project"). To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of Article II of the Standard
Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the World Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to the Amended and Restated IDA Project Agreement, which is hereby incorporated by reference and shall apply, mutatis mutandis, to this Agreement. The Project Implementing Entity undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement, provided that for the purposes of this Agreement: (1) the references to the “Financing” in said Sections shall be construed as references to the Grant provided for under this Agreement; (2) the references to the “Association” in said Sections shall be construed as references to the World Bank; and (3) the reference to Section 4.08 of the General Conditions in Section II.A of the Schedule to the Amended and Restated IDA Project Agreement shall be construed as reference to Section 2.06 of the Standard Conditions.

ARTICLE III — TERMINATION

3.01. This Agreement shall terminate on the date twenty (20) years after the date of this Agreement.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative is the Executive Director of the Poverty Reduction Fund.

4.02. The World Bank’s Address is:

International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America

Facsimile:
1-202-477-6391

4.03. The Project Implementing Entity’s Address is:

Poverty Reduction Fund
Nahaidiew Road
P.O. Box 4625
Vientiane
Lao People’s Democratic Republic

Facsimile:
856-21-26-1481

AGREED at Vientiane, Lao People’s Democratic Republic, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION
Acting as Administrator of the Multi-Donor Trust Fund for the Lao Poverty Reduction Fund Support Facility

By

[Signature]
Authorized Representative

Name: Ulrich Zachau
Title: Country Director

POVERTY REDUCTION FUND

By

[Signature]
Authorized Representative

Name: Bounkhouang Souvannaphanh
Title: