May 26, 2016

Hon. Prince Hlangusemphi
Minister of Economic Planning and Development
P.O Box 602
Mbabane, H100
Swaziland

Kingdom of Swaziland: Health, HIV/AIDS and TB Project
(EU Grant No. TF011740)
Amendment No. 1 to the TF Grant Agreement

Excellency:

We refer to the Grant Agreement ("Agreement"), dated April 4, 2012, between the Kingdom of Swaziland ("Recipient") and the International Bank for Reconstruction and Development ("IBRD" or "World Bank") for the above mentioned European Union grant for the co-financing of Health, HIV/AIDS and TB Project ("Project") ("Trust Fund"). We also refer to the Recipient’s letters, dated December 2, 2014, and May 21, 2015, requesting the World Bank to: (a) amend the Agreement to reflect additional implementation arrangements; (b) reallocate the Grant proceeds; and (c) extend the Closing Date of the Trust Fund.

We are pleased to inform you that the World Bank agrees to your request and proposes to amend the Agreement as follows:

1. Section 1.A.2 in Schedule 2 to the Agreement is amended to read as follows:

   "2. Steering Committee (SC) and Sub-Steering Committee (SSC)

   (a) The Recipient shall maintain during the implementation of the Project the SC and SSC, with mandate, resources and composition satisfactory to the World Bank, chaired by the MOH Principal Secretary, and comprised of the Principal Secretaries from the DPM, the Recipient’s Ministry of Economic Planning and Development, Ministry of Public Services, MoF and other relevant ministries, and senior managers from DPM and MOH, with the participation of a representative of the European Union delegation in Mbabane as an observer.

   (b) Without limitation to sub-paragraph (a) of this paragraph, the SC and SSC shall have overall responsibility for setting policies and for providing overall strategic guidance to the Project, including approval of the Annual Work Plan and Budget by the SSC. The SC shall meet at least every six (6) months during Project implementation while the SC shall meet annually."

RCA 248423 L WUI 64145 L FAX (202) 477-6391
2. A new paragraph 7 is added in Section I.A of Schedule 2 to the Agreement to read as follows:

   “7. **Microprojects Programme (MPP)**

   (a) The Recipient shall maintain at all times during the implementation of the Project the Microprojects Programme (MPP) with a composition, mandate and resources satisfactory to the World Bank.

   (b) The MPP shall enter into a National Implementation Agreement, acceptable to the World Bank, with the MOH for the purposes of carrying out of small civil works under the Project.

   (c) Without limitation to sub-paragraph (a) of this paragraph, the MPP shall be responsible for carrying out small civil works identified under the Project, including the carrying out of the sub-contracting, procurement, implementation supervision, financial management and preparation of reports on such works and outcomes.”

3. The table in Section IV.A.2 of Schedule 2 to the Agreement is deleted in its entirety and is replaced with the Annex to this Agreement.

4. The Closing Date in Section IV.B.2. is modified to read as March 31, 2018.

5. New paragraphs 53, 54, and 55 are added in the Appendix to read as follows:

   “53. “National Implementation Agreement” means the agreement to be entered into between the MOH and the MPP for the purposes of carrying out small civil works under the Project, as the same may be amended from time to time, and such term includes all schedules to the said Agreement.

   54. “Microprojects Programme” or “MPP” means the Recipient’s agency under its Ministry of Economic Planning and Development established further to legal notice # 9 of 1999 of the legislation of the Recipient to implement small-scale community development projects, or any successor agency acceptable to the World Bank.

   55. “Sub-Steering Committee” or “SSC” means the Project’s steering committee to be established by the Recipient, as referred in paragraph 2 of Section I.A of Schedule 2 to this Agreement.”

All other provisions of the Agreement, except as amended herein, shall remain in full force and effect.
Please confirm your agreement to the amendment by countersigning, dating and returning to us the enclosed copy of this letter, while keeping one original for your records. This amendment shall become effective as of the date of countersignature of this letter.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Guang Zhe Chen
Country Director
Swaziland, Lesotho, Botswana, Namibia, South Africa, Zambia, Zimbabwe

AGREED:

KINGDOM OF SWAZILAND

By: [Signature]
Title: Minister of Economic Planning and Development
Date: 29-05-16
Annex

<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) Civil Works</td>
<td>3,493,895</td>
<td>49%</td>
</tr>
<tr>
<td>(2) Goods</td>
<td>1,422,545</td>
<td>49%</td>
</tr>
<tr>
<td>(3) Consultants’ Services</td>
<td>1,894,174</td>
<td>49%</td>
</tr>
<tr>
<td>(4) Training</td>
<td>485,051</td>
<td>49%</td>
</tr>
<tr>
<td>(5) Grants under Part C(ii) of the Project</td>
<td>820,664</td>
<td>49%</td>
</tr>
<tr>
<td>(6) Operating Costs</td>
<td>437,619</td>
<td>49%</td>
</tr>
<tr>
<td>(7) Unallocated</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>8,553,948</td>
<td></td>
</tr>
</tbody>
</table>