His Excellency Shukry Bishara  
Minister of Finance and Planning  
Ministry of Finance and Planning  
Palestinian National Authority  
Ramallah  
West Bank and Gaza

Trust Fund for Gaza and West Bank  
Finance for Jobs Project  
(Grant No. TF0A1490)

Amendment to the Grant Agreement

We refer to the grant agreement (the “Agreement”) for the above-referenced project, between Palestine Liberation Organization (for the benefit of the Palestinian Authority) (the “Recipient”) and the International Development Association (the “World Bank”) acting as administrator (the “Administrator”) of the Trust Fund for Gaza and West Bank (the “Trust Fund”), dated March 10, 2016.

Pursuant to your letter dated February 7, 2017, requesting the World Bank for specific amendments to the Agreement, we propose to amend the Agreement as follows:

1. The table in Section IV.A.2 of Schedule 2 to the Agreement is 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>(1) Matching Grants under Part A of the Project</td>
<td>1,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, consultants’ services, Management Fees, Training and Incremental Operating Costs under Part B and C the Project</td>
<td>3,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>$5,000,000</td>
<td></td>
</tr>
</tbody>
</table>
2. The following new paragraph 8 is added to Appendix 1 after paragraph 7 and the subsequent paragraphs are to be renumbered accordingly:

"8. "Management Fees" means the fees associated with administering Parts A and B of the Project to be payable to the PIA, subject to review and approval of the World Bank."

All other provisions of the Agreement, except as amended herein, shall remain in full force and effect.

Please indicate your acknowledgement of, and agreement with, the foregoing amendments to the Agreement on behalf of the Recipient by countersigning and dating the two original copies of this letter and returning one countersigned original to us. The amendments to the Agreement shall become effective as of the date of countersignature of this letter.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Samira Hillis
Acting Country Director
West Bank and Gaza

ACKNOWLEDGED AND CONFIRMED:

PALESTINE LIBERATION ORGANIZATION
(for the Benefit of the Palestinian Authority)

[Signature]

Name: Shakry Bishara
Title: Minister - MDFSP
Date: 20 July, 2014