May 20, 2014

Secretary Md. Mejbahuddin
Economic Relations Division
Ministry of Finance
Government of the People’s Republic of Bangladesh
Dhaka, Bangladesh

Dear Secretary Mejbahuddin:

Re: National Agricultural Technology Project (Credit No. 4386-BD)
(Amendment to the Financing Agreement)

We refer to the Financing Agreement dated February 28, 2008, between the International Development Association (the Association) and the People’s Republic of Bangladesh (the Recipient) for the above-referenced Project, as amended to date. We also refer to your letters dated June 30, 2013 and September 23, 2013 requesting a restructuring of the Project in connection with the additional USAID grant co-financing for the Project.

Accordingly, the Association hereby proposes to amend the Financing Agreement as follows:

1. The objective of the Project stated in Schedule 1 to the Financing Agreement shall be amended to read as follows:

“...The objective of the Project is to improve the effectiveness of the national agricultural technology system, as measured by increase in agricultural productivity and farm income in selected districts...”

2. Section I.D of Schedule 2 to the Financing Agreement shall be amended to read as follows:

“D. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the EMF, the SMF and the relevant Safeguard Assessments and Plans.

2. Whenever an additional or revised Safeguard Assessment and Plan shall be required for any proposed Project activity in accordance with the provisions of the EMF and the SMF, as the case may be, the Recipient shall:

(a) prior to the commencement of such activity, proceed to have such Safeguard Assessment and Plan: (i) prepared in accordance with the provisions of the EMF and the SMF, as the case may be; (ii) furnished to the World Bank for review and approval; and (iii) thereafter adopted and disclosed as approved by the World Bank, in a manner acceptable to the World Bank; and

(b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Safeguard Assessment and Plan.
3. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the EMF, the SMF or any Safeguard Assessments and Plans, unless the World Bank has provided its prior approval thereof in writing, and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. Without limitation on its other reporting obligations under this Agreement, the Recipient shall collect, compile and submit to the World Bank on a bi-annual basis (or such other frequency as may be agreed with the World Bank) consolidated reports on the status of compliance with the EMF, the SMF and the Safeguard Assessments and Plans, giving details of: (a) measures taken in furtherance of the said instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

5. In the event of any conflict between the provisions of any of the EMF, the SMF or the Safeguard Assessments and Plans, and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. A new Part E shall be added to Section I of Schedule 2 to the Financing Agreement to read as follows:

“E. Anti-Corruption

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

2. Without limitation on the provisions of paragraph 1 above, the Recipient shall: (a) carry out the Governance and Accountability Action Plan in accordance with its terms; and (b) without limitation on its other reporting obligations under this Agreement, furnish to the Association on a six monthly basis a report on the status of implementation of the said plan.”
4. The table set out in Section IV.A.2 of Schedule 2 to the Financing Agreement shall be amended to read as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (Expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (Inclusive of taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works, goods, services, training and Operating Costs</td>
<td>16,146,132.73</td>
<td>74% for payments made on or before June 30, 2012</td>
</tr>
<tr>
<td>(2) CGP Grants under Part 1.A of the Project</td>
<td>2,250,000.00</td>
<td>77%</td>
</tr>
<tr>
<td>(3) SPGR Grants under Part 1.B of the Project</td>
<td>5,980,000.00</td>
<td>72%</td>
</tr>
<tr>
<td>(4) Refund of Project Preparation Advance</td>
<td>171,701.77</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Works, goods, local consultants’ services, and Operating Costs</td>
<td>8,852,165.50</td>
<td>73% for payments made on or after July 1, 2012</td>
</tr>
<tr>
<td>(b) Training and foreign consultants’ services</td>
<td>6,000,000.00</td>
<td>77% for payments made on or after July 1, 2012</td>
</tr>
<tr>
<td>TOTAL</td>
<td>39,400,000</td>
<td></td>
</tr>
</tbody>
</table>

5. The following definitions in the Appendix to the Financing Agreement shall be amended to read as follows:

""Environmental Management Framework" means the Environmental Management Framework (EMF) Report for NATP Phase - 1 Additional Financing (disclosed earlier in the name of Agricultural Research and Technology Support (ARTS) Project), incorporating an environmental management framework for the Project, furnished to the Association on December 9, 2007, revised on April 18, 2013, as such Environmental Management Framework may be amended from time to time by agreement between the Recipient and the Association."

""Social Management Framework" means the Social Assessment and Social Management Framework furnished to the Association on December 9, 2007, and revised in May 2013 to
incorporate a TPMF, as such Social Assessment and Social Management Framework may be amended from time to time by agreement between the Recipient and the Association."

6. The following new definitions shall be added to the Appendix to the Financing Agreement in the relevant alphabetical order, to read as follows:


"Governance and Accountability Action Plan" means the plan prepared by the Recipient and endorsed by the Association, dated March 14, 2013, setting forth actions and measures to be taken by the Recipient to ensure integrity, transparency and accountability in the implementation of the Project and the use of the proceeds of the Financing."

"LEA" means each of the limited environment assessments to be prepared under the Project in accordance with the EMF, pursuant to Section I.D of Schedule 2 to this Agreement, each such assessment in form and substance agreed between the Recipient and the World Bank, and defining details of potential environmental risks and adverse impacts associated with the implementation of Project activities, together with an environmental management plan defining measures to manage such risks and impacts, and "LEAs" means, collectively, all such assessments."

"Safeguard Assessment and Plan" means any LEA, SIA, and/or TPDP, prepared or to be prepared by the Recipient in accordance with the EMF and the SMF and the provisions of Section I.D of Schedule 2 to this Agreement; and "Safeguard Assessments and Plans" means, collectively, all such assessments and plans.

"SIA" means each social impact assessment to be prepared under the Project in accordance with the SMF, pursuant to Section I.D of Schedule 2 to this Agreement, each such assessment in form and substance satisfactory to the World Bank, and defining details of potential social risks and adverse impacts associated with the implementation of Project activities, together with measures to manage such risks and impacts.

"TPDP" means each Tribal Peoples Development Plan to be prepared under the Project in accordance with the SMF and TPMF, pursuant to Section I.D of Schedule 2 to this Agreement, each such plan in form and substance satisfactory to the World Bank, and containing measures to mitigate any adverse impacts of Project activities on tribal peoples and reinforcing and promoting any available development opportunities for tribal peoples under the Project, with details of, inter alia, baseline data, including an analysis of cultural characteristics, social structure and economic activities of tribal peoples; mitigation measures and activities; and the implementation schedule and responsibilities, and "TPDPs" means, collectively, all such plans.

"TPMF" means the Tribal Peoples Management Framework, incorporated within the SMF, aimed at enhancing the participation of tribal peoples in the Project, setting the guiding principles and acceptable standards and procedures for the screening of Project activities and the identification, assessment and mitigation of any potential Project-related impact on tribal peoples, and providing for the preparation of TPDPs, as such Tribal Peoples Management Framework may be amended from time to time by agreement between the Recipient and the World Bank."
All other provisions of the Financing Agreement shall remain in full force and effect.

Please confirm your agreement to the foregoing amendments by countersigning, dating, and returning to us the enclosed copy of this letter. Upon receipt by the Association of the copy of this letter countersigned by you, the amendments will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Christine E. Kimes
Acting Head of the Bangladesh Country Office
For the Country Director

AGREED:
PEOPLE’S REPUBLIC OF BANGLADESH

Authorized Representative
Name: ABDULLAH KHAN
Title: ADDL SECRETARY, EFD, MINISTRY OF FINANCE
Date: JUNE 1, 2014