Dear Sir,

We refer to the Food Price Crisis Response (FPCR) Trust Fund Grant Agreement dated October 3rd 2009 between Lao People’s Democratic Republic and the International Development Association (“Association”), acting as trustee of the FPCR Trust Fund, for the Community Nutrition Project (the Project) (Gr. No. TF095274) (FPCR Trust Fund Grant Agreement). We refer to and acknowledge with thanks receipt of your letter dated February 17th 2011, requesting the Association for modifications to the FPCR Trust Fund Grant Agreement.

We are pleased to inform you that, after due consideration, the Association concurs with the request. To give effect to such request, the Association agrees to amend the FPCR Trust Fund Grant Agreement as follows:

a. Part 1 of the Project Description, as listed in Schedule 1 is hereby replaced with “Provision of CCT Sub-Grants to Project Districts, and Financial Intermediaries for delivering CCTs to Beneficiaries and Facilities, in order to stimulate the use of Key Maternal and Child Health Services at Selected Health Facilities.”

b. Paragraph 10 of the Appendix is amended to read as follows “Incremental Operating Costs” means reasonable expenditures incurred by the Recipient in managing and coordinating the implementation of the Project, including costs of office equipment and supplies, software, translation costs, travel costs including per diems and lodging of staff, fuel costs, vehicle maintenance, communication, utilities, consumables, and training and workshops conducted in the territory of the Recipient, including purchase and publication of materials, rental of facilities, course fees, and travel, accommodation and subsistence of trainees, which
c. expenditures would not have been incurred absent the Project but excluding salaries or salary supplements of officials of the Recipient’s civil service.

d. The Appendix is amended to include: “Financial Intermediary” means an institution in the Recipient’s territory licensed to carry out financial transactions.

e. The Appendix is amended to include: “Facilities” means any Government operated health facility in the territory of the Recipient.

Except as specifically amended herein, all other provisions of the FPCR Trust Fund Grant Agreement shall remain in full force and effect.

Please confirm your agreement with this amendment by countersigning, dating and returning to us the enclosed copy of this letter. Upon receipt by the Association of the countersigned copy of this letter, this amendment shall become effective as of the date of such countersignature.

Sincerely Yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as trustee of the Food Price Crisis Response Trust Fund

/s/ Annette Dixon

Annette Dixon
Country Director, Lao PDR
East Asia and Pacific Region

AGREED:
LAO PEOPLE’S DEMOCRATIC REPUBLIC

By /s/ Khampham Khounbolin
Title: Vice Minister of Finance
Date: June 30, 2011