June 29, 2011

H.E. Mr. Abdulkarim I. Al Arhabi
Deputy Prime Minister for Economic Affairs and
Minister of Planning and International Cooperation
Ministry of Planning and International Cooperation
P. O. Box 175
Sana’a, Republic of Yemen

Re: PPCR Grant No. TF097544
Preparation of a Strategic Pilot Program for Climate Resilience Project
Amendment to the Strategic Climate Fund Trust Fund Grant Agreement

Excellency,

We refer to the Strategic Climate Fund Trust Fund Grant Agreement (Grant Agreement) between Republic of Yemen (the Recipient) and the World Bank (the Association), acting as the implementing agency of the Pilot Program for Climate Resilience (PPCR) under the Strategic Climate Fund Trust Fund (SCFTF), dated August 22, 2010 and countersigned September 4, 2010. We also refer to recent discussions with the implementing agency, Environmental Protection Agency, regarding amendment of the Grant Agreement.

We are pleased to inform you that the World Bank, after due consideration, has acceded to this request. Accordingly, the Grant Agreement is hereby amended as follows:

1. Section 2.03 (b) of the Annex to the Grant Agreement is amended to read as follows:

“(b) The Recipient shall carry out the Project, through the PCU, and with the assistance of the Working Group, in accordance with the requirements, criteria, organizational arrangements and operational procedures set forth in the FM Manual, and shall not assign, amend, abrogate or waive any provisions of the FM Manual, without prior approval of the World Bank.”

2. Section 2.03(d) of the Annex to the Grant Agreement is removed in entirety and Section 2.02 (e) is consequently renumbered accordingly.
All the terms and conditions of the Grant Agreement that have not been amended hereby shall remain unchanged and in full force and effect.

Please confirm your agreement with the foregoing by signing and dating the confirmation on the enclosed copy of this Letter Agreement and returning it to the Association.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By/s/ A. David Craig
Country Director
Yemen, Egypt and Djibouti
Middle East and North Africa Region

AGREED AND CONFIRMED:

REPUBLIC OF YEMEN

Name: Abdulkarim I. Al Arhabi
Title: Deputy Minister for Economic Affairs and
       Minister of Planning and International Cooperation
       Ministry of Planning and International Cooperation