Ref: WB/CD/105/03/19/2015

H.E. Ato Sufian Ahmed
Minister
Ministry of Finance and Economic Development
Addis Ababa

Dear Ato Sufian,

Subject: Ethiopia, Multi-donor Trust Fund for General Education Quality Improvement
Project II (TF018053)

Amendment No. 1 to the Grant Agreement

We refer to the Grant Agreement ("Agreement") dated October 1, 2014, between the International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors under the Multi-donor Trust Fund ("MDTF") for the General Education Quality Improvement Project II, and the Federal Democratic Republic of Ethiopia ("Recipient").

We are pleased to inform you that the World Bank has recently received another installment of donor commitments for the MDTF activities. In order to provide these funds to the Recipient, we propose to amend the Agreement in respect of the provisions below:

1. Section 3.01 in Article III of the Agreement is amended to read as follows:

   "3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to sixty two million one hundred sixty-nine thousand five hundred fourteen United States Dollars, eighty six cents ($62,169,514.86) ("Grant") to assist in financing the Project."

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

All other provisions of the Agreement, except amended herein, shall remain in full force and effect.
Please confirm your agreement with the foregoing on behalf of the Recipient by signing, dating and returning to us the enclosed copy of this letter. Upon receipt by the World Bank of the copy of this letter countersigned by you, this amendment will become effective as of the date of the countersignature.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By
Guang Z. Chen
Country Director for Ethiopia
Africa Region

AGREED:

ON BEHALF OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By:
Authorized Representative

Name: AHMED SHIDE
State Minister

Title: ___________________________

Date: ___________________________
Annex

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in USS)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, consultants services, non-consulting services, School Grants, Training and Operating Costs under the Project</td>
<td>62,169,514.86</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>62,169,514.86</td>
<td></td>
</tr>
</tbody>
</table>

cc:  
H.E. Ato Shiferaw Shigute  
Minister  
Ministry of Education

H.E. Ato Fuad Ibrahim  
State Minister for General Education  
Ministry of Education

Ato Getachew Negera  
Treasurer and Head, Channel One Projects Coordination Unit  
Ministry of Finance and Economic Development

Ato Fisseha Aberra  
Director, International Finance Institutions Cooperation Directorate  
Ministry of Finance and Economic Development

Ato Eshetu Asfaw  
Director, for Planning and Resource Mobilization  
Ministry of Education  
Addis Ababa