Hi: Excellency  
Carlos Enrique Cáceres Chávez  
Minister of Finance  
Ministry of Finance  
Boulevard de los Héroes # 1231  
San Salvador, El Salvador, C.A.

Re: Republic of El Salvador: IDF Grant for Strengthening Fiscal Management  
and Public Sector Transparency Project - Grant Agreement TF092367

Amendment to the Grant Agreement

Excellency:

Please refer to the Grant Agreement entered into between the Republic of El Salvador (the “Recipient”) and the International Bank for Reconstruction and Development (the “World Bank”) on July 29, 2008 (the “Grant Agreement”). In this Amendment Letter, all the terms defined in the Grant Agreement have the same meaning as therein set forth.

We are pleased to inform you that pursuant to the letters STP-AAF-209/2012 and STP-AAF-211-2012 from the Financing Administrative Coordinator of the Technical Secretariat of the Presidency requesting to: (i) incorporate a new Project Activity under Part 3 of the Project as described in Article 2.01 to the Grant Agreement; and (ii) reallocate a portion of the Grant proceeds amongst the disbursement Categories set forth in the table under Article 3.01 to the Grant Agreement, the World Bank hereby proposes to amend the Grant Agreement as follows:

1. Part III (a) of Article 2.01 to the Grant Agreement is hereby changed to add a new Project Activity and shall read in its entirety as follows:

   “(g) Provision of technical assistance to pilot and evaluate a fiscal computer program which will assist to promote transparency between taxpayers and the Government.”

2. The table under paragraph 3.01 to the Grant Agreement is hereby amended and replaced to read in its entirety as follows:

Washington, D.C., July 5th 2012
<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>(I) Goods</td>
<td>69,000</td>
<td>100%</td>
</tr>
<tr>
<td>(II) Consultants' Services including Audit</td>
<td>305,000</td>
<td>100%</td>
</tr>
<tr>
<td>(III) Training and Workshops</td>
<td>27,800</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>401,800</td>
<td></td>
</tr>
</tbody>
</table>

Please indicate your agreement with the foregoing by countersigning and dating the form of confirmation on the two originals of this letter provided to you and returning one countersigned original to us.

The provisions of this Amendment Letter will become effective as of the countersignature date upon receipt by the Bank of one fully executed original of this Amendment Letter.

Please also note that this Amendment Letter will be disclosed on the Bank’s external website.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

C. Felipe Jaramillo
Director
Central America
Latin America and the Caribbean Region

AGREED AND CONFIRMED:

REPUBLIC OF EL SALVADOR

By: _____________________________________________________________

(Authorized Representative)

Name: **CARLOS ENRIQUE CACERES**

Title: **MINISTRO DE HACIENDA**

Date: **S.S. 16 DE JULIO DE 2012**
DGICP-UAL-674 /2012
San Salvador, 16 de julio de 2012

Asunto: Remisión original firmado de Modificación al Convenio de Donación IDF-Grant TF092367.

Doctor
Fabrizio Zarcone
Representante del Banco Mundial en El Salvador
Presente

Para los efectos consiguientes, tengo el agrado de remitirle adjunto un ejemplar original firmado de Modificación al Convenio de Donación IDF-Grant TF092367 por un monto de US$401,800.00, denominado “Fortalecimiento de la Administración Fiscal y Transparencia del Sector Público”, ejecutado por la Secretaría Técnica de la Presidencia.

Aprovecho la ocasión para saludarlo cordialmente,

[Signature]

Estima C. Ministro de Hacienda.
Director General de Hacienda y Creativo Público
Ministerio de Hacienda