Dear Madam:

We refer to the above-mentioned Letter Agreement (the "Agreement") dated November 3, 2008, between the International Bank for Reconstruction and Development and the International Development Association (collectively, "World Bank"), acting as administrator of grant funds provided by various donors under the Multi Donor Trust Fund for support to ASARECA ("ASARECA Trust Fund"), and the Association for Strengthening Agricultural Research in Eastern and Central Africa ("ASARECA" or "Recipient"), as amended. We also refer to the understanding reached with the Recipient to: (i) provide additional financing in the amount of $12,934,641 for new activities under the Project, bringing the total Grant amount to $70,100,895; and (ii) extend the Closing Date of the Project. Therefore:

1. The first paragraph of the Agreement is amended to read as follows:

"In response to the request for financial assistance made on behalf of the Association for Strengthening Agricultural Research in Eastern and Central Africa ("ASARECA" or "Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development and the International Development Association (collectively, "World Bank"), acting as administrator of grant funds provided by various donors under the Multi Donor Trust Fund for support to ASARECA (the "ASARECA Trust Fund"), proposes to extend to the Recipient a grant in an amount not to exceed seventy million one hundred thousand eight hundred ninety five United States Dollars (US$70,100,895) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project"). This Grant is funded out of
the abovementioned multi-donor trust fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Recipient may withdraw the Grant proceeds subject to the availability of the said funds.”

2. **A new sub-paragraph (h) is added to Section 2.01** of the Annex to the Agreement to read as follows:

“(h) ASARECA’s Knowledge and Information

Carrying out by ASARECA of a program aimed at establishing a knowledge and information hub with a view to increase competitiveness of the agricultural sector in Eastern and Central Africa, such program to include: (i) generating and exchanging knowledge; (ii) networking and developing new ideas; (iii) promoting technologies, innovation and management practices; (iv) collecting, analyzing and producing data and information to support discourse and advocacy for agriculture and related trade policy issues; and (v) building platforms to generate and disseminate knowledge and information acquired, and facilitate learning.”

3. The table set forth in Section 3.01 of the Annex to the Agreement is amended to read as follows:

<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>(1) Goods, services, and Training and Workshops for Sub-projects under Part (a) of the Project</td>
<td>44,163,564</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, consultants’ services (including audits), Training and Workshops, and Operating Costs under Parts (b) to (h) of the Project</td>
<td>25,937,331</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>70,100,895</td>
<td></td>
</tr>
</tbody>
</table>

4. Section 2.10 a (i) through a (iii) of the Annex to the Agreement is amended as follows:

(i) Section I of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”), in the case of goods and works;
(ii) Sections I and IV of the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 ("Consultant Guidelines") in the case of consultants' services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines ("Procurement Plan").

Please confirm your agreement with the foregoing, on behalf of the Recipient, by signing and dating both originals of this amendment letter and returning one original to us for our records. Upon receipt by the World Bank of one of the originals of this amendment letter duly countersigned by you, this amendment letter will become effective as of the date of your countersignature.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By

For Colin Bruce
Director, Strategy, Operations and Regional Integration
Africa Region

AGREED:

Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA)

By

Name FINA OPIO
Title EXECUTIVE DIRECTOR, ASARECA
Date: 31/12/2013