H.E. Hazrat Omar Zakhilwal  
Minister of Finance  
Ministry of Finance  
Islamic Republic of Afghanistan  
Kabul, Afghanistan

Excellency:

May 13, 2012

Re: Afghanistan Reconstruction Trust Fund Grant Agreement (TF093962)  
Second Education Quality Improvement Project (EQUIP II)

Third Amendment - Increase of Grant Amount

1. I refer to the Afghanistan Reconstruction Trust Fund Grant Agreement dated April 14, 2009 (the “Grant Agreement”) between the Islamic Republic of Afghanistan (the “Recipient”) and the International Development Association, in its capacity as the administrator of the Afghanistan Reconstruction Trust Fund (the “ARTF”) for the Second Education Quality Improvement Project (“EQUIP-II” or the “Project”), as amended by letters dated June 27, 2010 and July 24, 2011.

2. I further refer to the proposal recently approved on March 19, 2012 by the ARTF’s Management Committee, providing additional funds for the financing of EQUIP-II in the amount of twenty three million United States Dollars (US$23,000,000).

3. I am therefore pleased to propose that the Grant Agreement be amended as follows:

(i) Section 3.01 of the Grant Agreement is hereby amended to read:

“The Administrator 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 one hundred fifty eight million United States Dollars ($158,000,000) (the “Grant”) to assist in the financing the Project.”

(ii) The table in paragraph A.1 of Section IV of Schedule 2 to the Grant Agreement is hereby amended to read:

<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, works, consultants’ services, School Grants, training and Incremental Operating Costs* for the Project</td>
<td>158,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>158,000,000</td>
<td></td>
</tr>
</tbody>
</table>

Public Disclosure Authorized
4. Unless the context otherwise required, and except where otherwise defined in this amendment letter, all capitalized terms contained herein shall have the meaning given to them in the Grant Agreement.

5. All terms and conditions of the Grant Agreement that have not been amended pursuant to this amendment letter shall remain unchanged and in full force and effect.

6. Please confirm your agreement to the amendment set out above by signing, or arranging for an authorized representative of the Recipient to sign, the form of confirmation set out below, returning one fully executed original of this amendment letter to us at your earliest convenience and retaining one original for your records. Upon receipt by the International Development Association of this countersigned copy, this amendment shall become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION
(Acting as Administrator of the Afghanistan Reconstruction Trust Fund)

[Signature]
Robert J. Saum
Country Director for Afghanistan and Bhutan
South Asia Region

CONFIRMED and AGREED:

ISLAMIC REPUBLIC OF AFGHANISTAN

Signature: [Signature]
Name: DR. OMAR ZAKHILWAL
Title: MINISTER OF FINANCE
Date: MAY 20, 2012
cc:  H.E. Farooq Wardak, Minister of Education, Ministry of Education  
Dr. Mohammad Mustafa Mastoor, Deputy Minister of Finance, MOF  
Mr. Ahmad Javed Jalali, Director General Budget, Ministry of Finance  
Dr Sayed Hamidullah, Deputy Minister, Administration and Finance, MOE  
Mohammad Sarwar Azizi, Chief of Staff & Senior Technical Advisor to the Minister, MOE  
Mr. Ziaulhaq Safi, Financial Management Director, MOE  
Mr. Abdul Hanifi, Procurement Director, MOE  
Dr. Seddiq Weera, EQUIP Director and Senior Advisor to the Minister, MOE  
Ms. Susan Wardak, Senior Policy Advisor & General Director of Teacher Education, MOE  
Dr. Amir Mohammad, EQUIP Regional Coordinator, MOE 

Mr. Sid Ahmed Dib, Executive Director for Afghanistan, The World Bank  
Mr. Samiullah Ibrahimi, Advisor to Executive Director, The World Bank
Cleared with and bcc: Shen (TACT/CTRTF); Anthony Cholst (SASAA); Zhao (SAC01)
bcc: Messrs./Mmes.: Afghanistan CMU (SAC01); Zhu (SARVP); O’Brien (SARDE); Van Tilburg (LEGES); Redaelli (SASEP); Kabul Procurement (SARPS); Narayan, Farooq (SARFM); Dar, de Silva, Farahi, Haidary, Qurishi, Graitge (SASHD)

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