Mr. Iqbal Mahmood
Senior Secretary
Economic Relations Division (ERD)
Ministry of Finance
Block 8, Room 3
Sher-e-Bangla Nagar
Dhaka

Dear Mr. Mahmood:

Health Sector Development Program (Grant No. TF011556)
Amendment to the Grant Agreement

We refer to the Grant Agreement, dated March 28, 2012, between the People’s Republic of Bangladesh (the Recipient) and the International Development Association (the World Bank), acting as administrator of the Bangladesh Health Sector Development Program Multi-Donor Trust Fund, for the above-mentioned Project (the Grant Agreement).

We are pleased to inform you that we have received additional contributions from the Donors to the above-mentioned trust fund and from USAID for the Project. Accordingly, the World Bank proposes to amend the Grant Agreement as follows:

1. All references in the Grant Agreement to “BHSDP MDTF Grant Number TF011556” shall be amended to read as “BHSDP MDTF Grant Number TF011556 and USAID Trust Fund Grant Number TF012281”.

2. All references in the Grant Agreement to “International Development Association, acting as administrator of the Bangladesh Health Sector Development Program Multi-Donor Trust Fund” shall be amended to read as “International Development Association, acting as administrator of the Bangladesh Health Sector Development Program Multi-Donor Trust Fund and the USAID Support to the Bangladesh Health Sector Development Program Trust Fund”.

3. Paragraphs (B) and (C) of the first Whereas clause of the Preamble to the Grant Agreement are amended to read as follows:

“(B) pursuant to: (i) an agreement dated December 5, 2011, between the World Bank and the United Kingdom of Great Britain and Northern Ireland, acting through the Department of International Development (DFID) in respect of an amount of up to Pounds Sterling 93,420,000 to be contributed by DFID; (ii) an agreement dated December 5, 2011, between the World Bank and the Swedish International Development Cooperation Agency (Sida) in respect of an amount of up to Swedish Kroner 400,000,000 to be contributed by Sida; and (iii) an agreement dated May 10, 2012, between the World Bank and the Government of Australia, acting through the Australian Agency for International Development (AusAID) in respect of an amount of up to Australian Dollars 32,850,000 to be contributed by AusAID (each such agency, a Donor), the Donors have agreed to
contribute funds for co-financing the Project, and the World Bank has agreed to administer, on behalf of each of the Donors, their respective contributions, jointly through a Multi-Donor Trust Fund to be used to finance in part the costs of carrying out the Project under the terms and conditions of this Agreement;

“(C) Canada, through the Canadian International Development Agency (CIDA), and Germany through the Kreditanstalt für Wiederaufbau (KFW); each having satisfied itself of the feasibility and priority of the Project, have also committed to provide, in the near future, assistance in the financing of the Project;”

4. A new paragraph (D) is added to the first Whereas clause of the Preamble to the Grant Agreement reading as follows:

“(D) pursuant to an agreement dated February 5, 2012, between the World Bank and the United States Agency for International Development (USAID) in respect of an amount of up to U.S.$40,000,000 to be contributed by USAID for co-financing the Project, the World Bank has agreed to administer USAID’s contribution through a Single-Donor Trust Fund to be used to finance in part the costs of carrying out the Project under the terms and conditions of this Agreement; and”

5. The second Whereas clause of the Preamble to the Grant Agreement is amended to read as follows:

“WHEREAS: the World Bank has agreed, on the basis of the foregoing, to extend the Multi-Donor Trust Fund Grant and the USAID Trust Fund Grant to the Recipient under the terms and conditions set forth in this Agreement.”

6. Section 3.01 of the Grant 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) a grant in an amount equal to forty eight million seven hundred sixty four thousand five hundred and fifteen United States Dollars (U.S.$48,764,515) (“Original MDTF Grant”); (b) a grant in an amount equal to eighteen million five hundred thirty six thousand five hundred and eighty United States Dollars (U.S.$18,536,580) (“Additional MDTF Grant”); and (c) a grant in an amount equal to seven million and six hundred thousand United States Dollars (U.S.$7,600,000) (“USAID Trust Fund Grant”), to assist in financing the Project.”

7. All references in the Grant Agreement to the “Grant” shall be deemed to refer to the Original MDTF Grant, the Additional MDTF Grant, and the USAID Trust Fund Grant collectively.

8. The table in paragraph 2 of Section IV.A of Schedule 2 to the Grant Agreement is amended to read as set forth in the attachment to this letter.

9. Paragraph 2 of Section IV.B of Schedule 2 to the Grant Agreement is amended to read as follows:

“2. (a) The Closing Date for the Original MDTF Grant and Additional MDTF Grant referred to in Section 3.06(c) of the Standard Conditions is December 31, 2016.”
(b) The Closing Date for the USAID Trust Fund Grant referred to in Section 3.06(c) of the Standard Conditions is June 30, 2016.

Except as specifically amended by this letter of amendment, all other provisions of the Grant Agreement shall remain unchanged and in full force and effect.

Please confirm your agreement to the foregoing on behalf of the Recipient by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully signed original of this letter to us.

Upon receipt by the World Bank of the copy of this letter of amendment duly countersigned by the authorized representative of the Recipient, the above amendments to the Grant Agreement shall become effective as of the date of countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Ellen Goldstein
Country Director

CONFIRMED:

PEOPLE'S REPUBLIC OF BANGLADESH

By:

Name: ARASTOO KHAN

Title: ADDL SECRETARY, ERD

Date: Sep 12, 2012

cc: Mr. Md. Humayun Kabir, Senior Secretary, Ministry of Health and Family Welfare
### Revised Withdrawal Schedule

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Original MDTF Grant Allocated (expressed in USD)</th>
<th>Amount of the Additional MDTF Grant Allocated (expressed in USD)</th>
<th>Amount of the USAID Trust Fund Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Eligible Expenditures under the Project</td>
<td>48,764,515</td>
<td>18,536,580</td>
<td>7,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>48,764,515</td>
<td>18,536,580</td>
<td>7,600,000</td>
<td></td>
</tr>
</tbody>
</table>