

09-Jun-2023

Richard Trenchard
FAO Representative in Afghanistan
Food and Agriculture Organization of the United Nations
Viale delle Terme di Caracalla 00153
Rome, Italy

**Afghanistan: Afghanistan Emergency Food Security Project
(Grant No. TF0B8720)
Amendment No. 1 to the Afghanistan Reconstruction Trust Fund Grant Agreement**

Dear Mr. Trenchard:

We refer to (a) the Afghanistan Reconstruction Trust Fund Grant Agreement (the ARTF Grant Agreement), dated June 3, 2022, between the International Development Association (“Bank”), acting as administrator of the Afghanistan Reconstruction Trust Fund, and the Food and Agriculture Organization of the United Nations (“FAO” or “Recipient”) for the above-mentioned Afghanistan Emergency Food Security Project (the Project); and (b) your letter dated March 29, 2023, requesting the Bank to make certain changes, including those related to the release of the second tranche, monitoring indicators and reporting, and Project activities.

We are pleased to inform you that the Bank concurs with the request and accordingly amends the ARTF Grant Agreement in respect of the provisions as follows:

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

“3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed one hundred ninety-five million United States Dollars (\$195,000,000) (“Grant”) to assist in financing the Project.”

2. Part 2 of Schedule 1 is amended to read as follows:

“Part 2. Provision of Water and Resilience Services

Supporting rehabilitation and improvement of selected irrigation schemes and watershed areas through: (A) restoring damaged on-farm and off-farm irrigation systems (B) cleaning drainage canal systems; (C) carrying out riverbank protection works to protect canals and adjacent areas from flood damage; (D) implementing soil and water conservation measures, including development of small rainwater harvesting structures; (E) improving watershed management and carrying out minor repairs to upper catchment of *Karezes*; (F) building the capacity of key stakeholders; and (G) providing Cash for Work Transfers and Unconditional Cash Transfers to Selected Beneficiaries.”

3. Section I.B.1 (a) of Schedule 2 is amended to read as follows:

“(a) not later than two (2) months after Effective Date, prepare and thereafter maintain, throughout the implementation of the Project, a manual for the implementation of the Project, (“Project Implementation Manual”), in form and substance satisfactory to the Bank, containing, *inter alia*: (i) detailed description of the Project activities and institutional arrangements for their implementation, including allocation of responsibilities; (ii) monitoring, evaluation, financial, reporting, internal controls, disbursement (flow of funds), and governance procedures for the Project, including but not limited to procedures, eligibility criteria, targeting systems and requirements, detailed protocols, and distribution as well as verification mechanisms for distribution of production input packages under Part 1.A and 1.B to eligible Vulnerable Farming Households and eligible Vulnerable Households, respectively; (iii) detailed eligibility criteria, terms and conditions, approval process, disbursement, administration, and monitoring arrangements for Cash for Work Transfers and Unconditional Cash Transfers to Selected Beneficiaries under Part 2 (G) of the Project (iv) operational procedures and arrangements for monitoring compliance with Entry Criteria for Access; (v) agreed monitoring and reporting indicators based on the UN HMRIAR and monitoring and reporting arrangements for such indicators; and (vi) implementation of environmental and social instruments referred to in the ESCP; and”

4. A new Section I. F is added in Schedule 2 to read as follows:

“F. Cash for Work Transfers and Unconditional Cash Transfers

1. To achieve the objectives of Part 2(G) of the Project, the Recipient shall provide Cash for Work Transfers and Unconditional Cash Transfers to the Selected Beneficiaries, all in accordance with the procedures, eligibility criteria, amount limits, and mechanisms set forth in the Project Implementation Manual.”

5. The reference to the term “Coordination Committee” is deleted in its entirety.

6. Section II.A is amended by: (a) renumbering paragraph “2” as paragraph “3”, and (b) inserting a new paragraph “2” to read as follows:

“2. The Recipient shall ensure that each UN HMRIAR Report is furnished to the Bank in accordance with the frequency and substance specified in the Project Implementation Manual.”

7. The table in Section IV.A.1 of Schedule 2 is deleted in its entirety and is replaced with a new table set forth in Annex to this amendment letter.

8. The following definitions are added in the Appendix to read as follows:

“Cash for Work Transfer” means cash for work transfers to be provided to a Selected Beneficiary under Part 2 (G) of the Project in accordance with the eligibility criteria and procedures set out in the PIM; and “Cash for Work Transfers” means, collectively, all such cash transfers.

“Unconditional Cash Transfer” means unconditional cash transfers to be provided to a Selected Beneficiary under Part 2 (G) of the Project in accordance with the eligibility criteria and procedures set out in the PIM; and “Unconditional Cash Transfers” means, collectively, all such unconditional cash transfers.

“Selected Beneficiary” means any woman household or person selected in accordance with the eligibility criteria and procedures set out in the PIM to receive a Cash for Work Transfer or Unconditional Cash Transfer under Part 2(G) of the Project; and “Selected Beneficiaries” means all such selected households and persons.

“UN HMRIAR” means the UN Harmonized Monitoring and Reporting Indicators for Afghanistan Response, as may be amended by United Nations from time to time.

“UN HMRIAR Report” means the report to be furnished by the Recipient to the Bank based on the UN HMRIAR in accordance with the frequency and substance specified in the Project Implementation Manual.””

9. The remaining definitions in the Appendix are renumbered accordingly with the insertions above.

Except as specifically amended in this letter, all other terms and conditions of the ARTF Grant Agreement shall remain in full force and effect.

The Bank shall disclose this letter and related information in accordance with the World Bank’s Policy on Access to Information. By agreeing to this letter, the Recipient consents to the disclosure of this letter and related information.

Please confirm the agreement of the Recipient to the amendment set out above by countersigning and dating both copies of this amendment letter and returning one countersigned copy to us. Upon receipt by the Bank of the copy of this amendment letter duly countersigned by the authorized representative of the Recipient, said amendment shall become effective as of the date of countersignature of this amendment letter.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By Melinda Good
Melinda Good
Country Director for Afghanistan
South Asia Region

AGREED:

**THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
(for the benefit of Afghanistan)**

By: Richard Trenchard
Authorized Representative
Name: Richard Trenchard

Title: FAO Representative - Afghanistan

Date: 09-Jun-2023

Revised Disbursement Table as part of Section IV.A.1 of Schedule 2 of the ARTF Grant Agreement

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (exclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Cash for Work Transfers, Unconditional Cash Transfers, Training, and Operating Costs under Parts 1, 2, 3(B), 3(C), 3(D), and 3(E) of the Project	185,700,000	100%
(2) Indirect Costs (5%) under Part 3(A) of the Project	9,300,000	100%
TOTAL AMOUNT	195,000,000	