



CONFORMED COPY

Stefan G. Koeberle
Country Director, Indonesia

Letter No. CD-247/JRF/VI/2011

June 9, 2011

Mr. Gerard Howe
Head, Department for International Development (DFID)
British Embassy
Jalan M.H. Thamrin no. 75
Jakarta 10310

Dear Mr. Howe:

***Re : Java Reconstruction Fund (TF070639) - Extension of Trust Fund and
Amendment No. 4 to Contribution Agreement***

We refer to the trust fund administration agreement (No. TF070639), dated October 20, 2006, as amended (“Contribution Agreement”) between United Kingdom of Great Britain and Northern Ireland, acting through the Department for International Development (the “Donor”) and the International Bank for Reconstruction and Development (“IBRD”) and International Development Association (“IDA”, and collectively with IBRD, the “Bank”), acting as Trustee (the “Trustee”) for the Java Reconstruction Fund (“JRF”), relating to the contribution by the Donor to the JRF. Capitalized terms used but not defined in this amendment have the meanings given to them in the Contribution Agreement.

The Donor and the Bank have agreed to amend the Contribution Agreement as set out below (the “Amendment”).

1. Sub-paragraphs (a) and (l) of Section 2.1 (Definitions) of the Annex to the Contribution Agreement (Standard Provisions) are amended as follows (the amended language is italicized for ease of reference):

“(a) “Action Plan” means the Republic of Indonesia’s Action Plan for Yogyakarta-Central Java Reconstruction and Rehabilitation *and any other action plan for Natural Disasters in Affected Areas.*”

“(l) “Natural Disasters” means i) the Yogyakarta and Central Java earthquake, ii) the earthquake and tsunami in West Java, and *iii) the eruption of Mt. Merapi.*”

2. Section 6 of the Annex to the Contribution Agreement (Standard Provisions) is amended as follows (the amended language is italicized for ease of reference):

“6. Administrative Cost Recovery

6.1. In order to assist in defrayment of the costs of administration and other expenses incurred by the Bank under this Arrangement, the Bank may, following deposit of the Contribution by the Donor, deduct from the Contribution and retain for the Bank's own account an amount not exceeding 0.32% of the Contribution. In addition, an amount not

exceeding 4.0 % of the Contribution will be allocated under the TF to cover the actual cost of (a) management of the Program; and (b) implementation support provided under individual Projects.”

3. Section 14.1 of the Annex to the Contribution Agreement (Standard Provisions) is amended to extend the Disbursement Deadline of the Trust Fund as follows (the amended language is italicized for ease of reference):

“14.1 It is expected that the Contribution funds will be fully disbursed by the Trustee in accordance with the provisions of this Arrangement by *December 31, 2012*. The Bank will only disburse Contribution funds for the purpose of this Agreement after such date with the written approval of the Donors.”

4. All other provisions of the Contribution Agreement remain the same.

Please confirm your agreement to the Amendment on behalf of the Donor by signing and dating as indicated below both originals of this Amendment, and keeping one original for your files and returning the other to us for our records. Upon receipt by the Trustee of a fully signed original of this Amendment, this Amendment will become effective as of the last date of signature of corresponding amendments by all donors to the JRF.

It is understood that this Amendment is not an international treaty. It is an administrative arrangement between the Donor and the Bank.

Sincerely yours,
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT /
INTERNATIONAL DEVELOPMENT ASSOCIATION,
acting as Trustee of the Java Reconstruction Fund

/s/ Stefan G. Koeberle
Country Director, Indonesia

CONFIRMED AND AGREED

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

By: /s/ Gerald Howe

Name: Mr. Gerard Howe

Title: Head, Department for International Development (DFID)

Date: June 21, 2011