

USAID Grant Agreement No. 391-008-02

SPECIAL OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER TWO

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF PAKISTAN

FOR

EARTHQUAKE RECONSTRUCTION

September 24, 2007

Fiscal Data:

ODN: 391-SOAG -008-02
PA A22 PE A089
PE A090

Amount \$45,395,000 00
Amount \$ 4,605,000 00

Fund DV 07/08
Fund DV 07/08

Islamic Republic of Pakistan
City of Islamabad
Embassy of the
United States of America } SS:

I, Vice Consul of the United States of America at Islamabad, Pakistan duly commissioned and qualified, do hereby certify that the foregoing is a true and faithful copy of the original, the same having been carefully examined by me and compared with the said original and found to agree therewith word for word and figure for figure.

IN WITNESS WHEREOF I have here unto set my hand and affixed the seal of the Embassy of the United States of America at Islamabad, Pakistan, this 01 day of October, 2007

[Signature]
VICE CONSUL OF THE UNITED STATES OF AMERICA

FUNDS AVAILABLE
OFM / Accounting Section
Amount: \$ 50,000,000.00

Rom 22 SEP 2007 *or 1*

< > Context Clearance only
Posted By PAM On 09/22
Cleared By: PAM On: 09/22
MACS/PHX TRNTYP: CO/CT

AMENDMENT NUMBER TWO TO THE SPECIAL OBJECTIVE GRANT AGREEMENT
between the Government of the United States of America, acting through the United States Agency for International Development (USAID), and the Government of Pakistan, acting through the Economic Affairs Division of the Ministry of Economic Affairs and Statistics ("GOP" or "Grantee")

WHEREAS, the GOP and USAID entered into a Special Objective Grant Agreement for Earthquake Reconstruction, Grant Agreement No. 391-008, dated January 21, 2006, as subsequently amended (the "Agreement").

WHEREAS, USAID and the Grantee wish to further amend the Agreement to increase the USAID contribution by US\$50,000,000, for a total amount of US\$105,752,000.

NOW THEREFORE, the parties to the Agreement hereby agree as follows:

A. USAID Contribution:

1. **The Grant.** Section 3.1(a) is amended by deleting the amount "Fifty-Five Million, Seven Hundred Fifty-Two Thousand U.S. Dollars (US\$55,752,000)" and inserting the amount "One Hundred Five Million, Seven Hundred Fifty-Two Thousand U.S. Dollars (US\$105,752,000)" in lieu thereof.

2. **Total Estimated USAID Contribution.** Section 3.1(b) of the Agreement is deleted in its entirety and replaced by the following new Section 3.1(b):

(b) **Total Estimated USAID Contribution.** USAID's total estimated contribution to achievement of the Objective will be Two Hundred Million U.S. Dollars (US\$200,000,000), which will be provided in increments. Subsequent increments will be subject to the availability of funds to USAID for this purpose and may be provided by USAID upon written notice to the Grantee. The Parties agree that each such incremental contribution provided, if any, shall cumulatively increase the total amount of the Grant set forth in Section 3.1 and consequently may increase the Grantee's contribution under Section 3.2. The Grantee further agrees to acknowledge by written notice to USAID each such incremental contribution, if any.

2. **Illustrative Financial Plan, Annex 1, Amplified Description.** The Illustrative Financial Plan in Section III, Funding, of Annex 1, Amplified Description of the Agreement, is deleted in its entirety and replaced by Illustrative Financial Plan attached hereto as Attachment A.

B. Other Terms and Conditions: All other terms and conditions of the Agreement remain unchanged and in full force and effect.



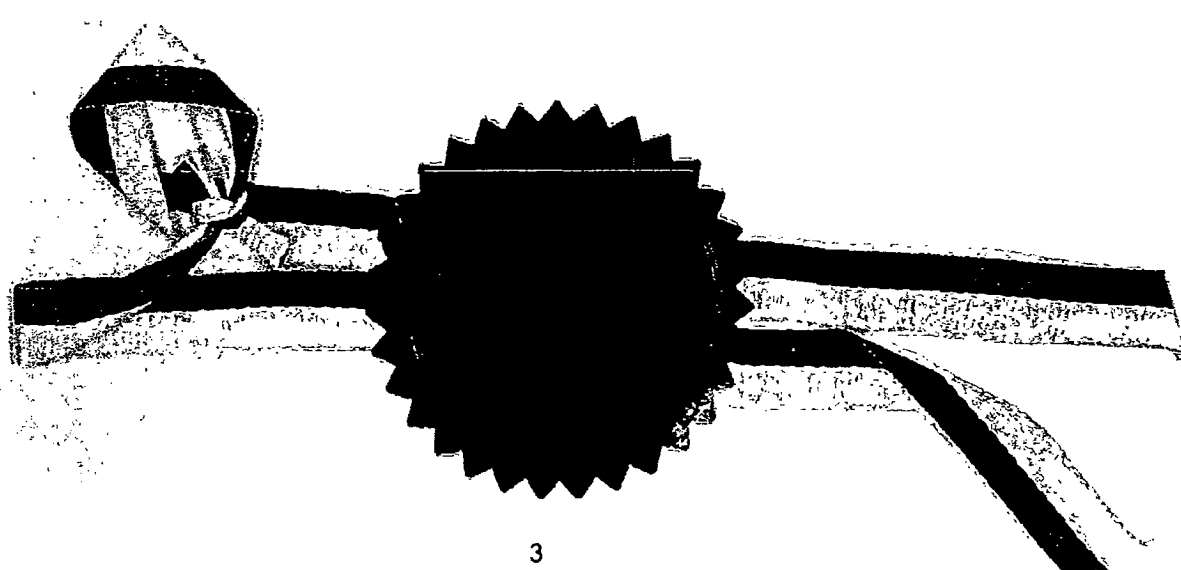
IN WITNESS WHEREOF, the United States of America and the Government of Pakistan, each acting through its duly authorized representatives, have caused this Amendment Number Two to be signed in their names and delivered as of the date shown on the cover page of this Agreement.

UNITED STATES OF AMERICA

THE ISLAMIC REPUBLIC OF PAKISTAN

By: *Anne Aarnes*
Name: Anne Aarnes
Title: Director, USAID Mission to Pakistan

By: *M. Akram Malik*
Name: M. Akram Malik
Title: Secretary, Economic Affairs Division



**Strategic Objective Grant Agreement
Amendment No. 2
Earthquake Reconstruction Program**

Illustrative Financial Plan

(in thousands US Dollars)

	FY 06		FY 07		FY 08		FY 09	
	USAID	GOP	USAID	GOP	USAID	GOP	USAID	GOP
Total Estimated Contribution	55,842	13,960	50,000	12,500	50,000	12,500	44,158	11,040
Construction and Procurement	22,887		25,470					
Technical Assistance and Capacity Building	11,925		11,925					
Restored Livelihood Opportunities	13,641		8,000					
Program Support/Operating Expenses	7,389		4,605					

The "Program Support/Operating Expenses" includes \$90K for the program related operating expenditures incurred before this agreement.

**Foreign Assistance Framework
Illustrative Financial Plan Cross-walk**

Objective: Humanitarian Assistance

Program Area: Protection, Assistance and Solutions

Program Elements	FY 2006	FY 2007	FY 2008	FY 2009
Crisis Assistance and Recovery	48,453	45,395	44,520	38,861
Program Support (Protection)	7,389	4,605	5,480	5,297
Total	55,842	50,000	50,000	44,158

Changes may be made to the Financial Plan by representatives of the Parties without formal amendment to the Agreement, if such changes do not cause USAID's contribution to exceed the amount specified in Section 3.1 of the Agreement, or the Grantee's contribution to be less than the amount specified in Section 3.2 of the Agreement