

**USAID GRANT AGREEMENT NO. 497-021.01**

**THIRD AMENDMENT**

**TO**

**STRATEGIC OBJECTIVE GRANT AGREEMENT**

**BETWEEN**

**THE GOVERNMENT OF THE REPUBLIC OF INDONESIA**

**AND**

**THE GOVERNMENT OF THE UNITED STATES OF AMERICA**

**FOR**

**ECONOMIC GROWTH AND JOB CREATION**

**IN**

**INDONESIA**

**Dated: AUGUST 22, 2008**

Third Amendment dated AUGUST 22, 2008 to the Strategic Objective Grant Agreement dated May 7, 2005 between the Republic of Indonesia ( the "Grantee") and the United States of America, acting through the United States Agency for International Development ("USAID") (collectively, the "Parties") for Economic Growth and Job Creation in Indonesia.

SECTION 1. The Agreement, previously amended, is hereby further amended as follows:

A. Article 3, Contribution of the Parties, is amended as follows:

i. Section 3.1 (USAID Contribution) is amended as follows:

a. Section 3.1(a) is amended by deleting "Fifty Six Million Nine Hundred Fifty Five Thousand Six Hundred Thirty Four United States ("U.S.") Dollars (\$56,955,634)" and substituting "Eighty Two Million Seven Hundred Ten Thousand Six Hundred Fifty Two United States ("U.S.") Dollars (\$82,710,652)" in lieu thereof.

b. Section 3.1(b) is amended by deleting "Seventy Three Million Eight Hundred Thousand U.S. Dollars (\$73,800,000) and substituting "Eighty Two Million

Seven Hundred Ten Thousand Six Hundred Fifty Two U.S. Dollars (\$82,710,652)”

in lieu thereof.

ii. Section 3.2 (Grantee Contribution) is deleted in its entirety and the following is substituted in lieu thereof:

“The USAID Contribution under Section 3.1, as planned, will be funded with Economic Support Funds. As such, the Grantee is not legally required to make a contribution to this Agreement. However, the Grantee agrees that it will endeavor to provide or cause to be provided any contribution, including in-kind contributions, necessary to achieve the Objective under this Agreement.”

B. The following paragraph at Section E.4. (Coordination) of Annex 1, Amplified Description is deleted in its entirety:

“USAID implementing partners may enter into working groups and memoranda of understanding with appropriate implementing GOI agencies, including local governments, to facilitate program implementation provided such actions do not contravene the terms and conditions of this Agreement [or] any contract, grant, cooperative agreement or other type of agreement entered into by USAID and its partners to implement this Objective. USAID and the Grantee acknowledge that such arrangements do not constitute a legally binding commitment on the Government of the Republic of Indonesia [or] the Government of the United States.”

C. The Attachment (Illustrative Financial Plan) to Annex 1, Amplified Description, is deleted in its entirety and the attached Attachment (Illustrative Financial Plan) to Annex 1, Amplified Description is substituted in lieu thereof.

SECTION 2. Except as specifically amended or modified herein, the Agreement shall remain in full force and effect in accordance with all of its terms.

SECTION 3. Effectiveness. This Third Amendment shall enter into force when signed by both Parties hereto.

IN WITNESS WHEREOF, the Republic of Indonesia and the United States of America, each acting through its respective duly authorized representatives, have caused this Third Amendment to be signed in their names and delivered as of the day and year first above written.

**FOR THE GOVERNMENT OF  
REPUBLIC OF INDONESIA**

**FOR THE GOVERNMENT OF  
UNITED STATES OF AMERICA**



BY: \_\_\_\_\_  
Dr. Slamet Seno Adji, MA  
Deputy for Economic Affairs  
BAPPENAS

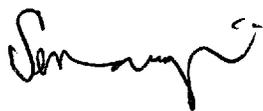


BY: \_\_\_\_\_  
Walter North  
Mission Director, Indonesia  
United States Agency for  
International Development

**ILLUSTRATIVE FINANCIAL PLAN  
STRATEGIC OBJECTIVE GRANT AGREEMENT  
FOR  
ECONOMIC GROWTH AND JOB CREATION**

BUDGET ELEMENT	USAID			
	Obligation To Date	FY 2008 Obligation	Total Obligation	Total Planned Contribution
<b>1. Program Areas</b>  Financial Sector Safety and Soundness Improved and Institutions Strengthened  Business Climate Improved for Enterprise Development, Trade and Job Creation	54,599,166	25,049,620	79,648,786	79,648,786
<b>2. Administrative and Program Support</b>  Evaluation and Audit Staffing & Logistics for Administrative Support	2,356,468	705,398	3,061,866	3,061,866
<b>Total Strategic Objective Agreement</b>	<b>56,955,634</b>	<b>25,755,018</b>	<b>82,710,652</b>	<b>82,710,652</b>

Clearance by:



Dr. Slamet Seno Adji, MA  
Deputy for Economic Affairs  
BAPPENAS