

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER FIVE

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN

FOR

**THE STRATEGIC OBJECTIVE OF A BETTER EDUCATED AND HEALTHIER
POPULATION**

Dated as of: September 18, 2006

APPN:
BPC:
RCN:

**AMENDMENT NO. FIVE
TO
STRATEGIC OBJECTIVE GRANT AGREEMENT**

AMENDMENT NUMBER FIVE TO THE STRATEGIC 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 the Islamic Republic of Afghanistan (hereinafter referred to as the "Grantee" or the "GOA"), acting through the Ministry of Finance, dated as of September 18, 2006

WHEREAS, the Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") for the strategic objective of "A Better Educated and Healthier Population" (USAID Grant Agreement No. 306-07-00) dated September 19, 2005 and subsequently amended the SOAG as of:

- September 30, 2005 (Amendment No. 1);
- April 6, 2006 (Amendment No. 2);
- May 11, 2006 (Amendment No. 3); and,
- June 28, 2006 (Amendment No. 4).

The SOAG as so amended is referred to hereinafter as the "Agreement."

WHEREAS, USAID and the Grantee wish to amend the Agreement further to: (a) increase the USAID contribution by **Fifty Million Eight Hundred Eighty Four Thousand Eight Hundred Forty Three** United States (U.S.) Dollars (U.S.\$ **50,884,843.00**); (b) provide a mechanism for certain revisions to the illustrative financial plan; and (c) update the illustrative financial plan;

NOW, THEREFORE, the Parties hereto hereby agree that the Agreement shall be amended as follows:

1. The first sentence in Section 3.1(a), The Grant, of the Agreement is deleted in its entirety and the following is substituted therefor: "To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, hereby grants to the Grantee under the terms of this Agreement not to exceed **Two Hundred Six Million Four Hundred Seventy Nine Thousand Eight Hundred Thirty and Seventy Hundreths** United States (U.S.) Dollars (U.S.\$ **206,479,830.70**) (the 'Grant')."
2. Article III, Funding, of Annex 1 to the Agreement is amended by adding, at the end thereof, the following sentence:

"In addition, after such financial plan has been approved by the Parties or a revised financial plan has been approved by the Parties through an amendment to this Agreement or an Implementation Letter, changes between line items of such approved financial plan currently in effect may be made by USAID without prior consultation with the Grantee, provided that such changes do not, in the aggregate, affect more than fifteen percent (15%) of

USAID's contribution under this Agreement, as specified in Section 3.1 (a) of the Agreement."

3. The illustrative financial plan set forth in Attachment 1 to Annex 1 to the Agreement is deleted and the updated illustrative financial plan included as Attachment A to this Amendment is substituted therefor.

All other terms and conditions of the Agreement remain unchanged and in full force and effect. This Amendment is prepared in both English and Dari (capitalized terms not defined in this Amendment shall have the meanings ascribed thereto in the Agreement). In the event of ambiguity or conflict between the two versions, the English language version will control.

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

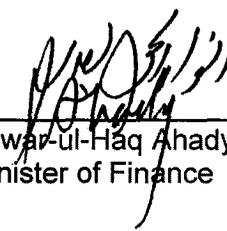
THE UNITED STATES OF AMERICA

THE ISLAMIC REPUBLIC OF AFGHANISTAN

By: 

Name: Leon S. Waskin

Title: Director, USAID Mission to Afghanistan

By: 

Name: Anwar-ul-Haq Ahady

Title: Minister of Finance

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010

In Thousands of U.S. Dollars

Objective and Activities	Amount Obligated prior to Amendment No. 5		Amount Obligated in Amendment No. 5		Cumulative Obligations in FY 2005 - FY 2006 *		Amount Remaining to be Obligated in FY 2007 - FY 2010 **		Total Estimated Contribution	
	USAID	Grantee	USAID	Grantee	USAID	Grantee	USAID	Grantee	USAID	Grantee
A BETTER EDUCATED AND HEALTHIER POPULATION USAID Grant Agreement No. SOAG-306-07-00										
Increase Access of Women and Children Under 5 to Quality Basic Health Services, especially in rural and Underserved Areas	85,000		207,224		107,507		332,928		440,250	
Increase Access of Children, Youth, and Adults to Quality Teaching and Suitable Learning Environments ***	687,750		30,150		98,883		374,887		473,850	
USAID Program Support	1,000				1,000		23,110		25,100	
TOTAL OBJECTIVE 7:	165,995	79,100	50,986	-	206,490	79,100	722,720	791,000	939,200	870,100

NOTE * - References to "FY" refer to the USG fiscal year for the USAID contribution and the GOA contributions beginning in the second half of Afghan year 1384

NOTE ** - These funds are subject to the availability of funds to USAID and the Grantee and the other conditions set forth respectively in Section 3.1 (b) and Section 3.2 (b) of the Agreement

NOTE *** - The illustrative financial plan previously included a line item for "Pre-existing Mortgages"; however, the funds in that line item are now included in the relevant programmatic line items indicated above