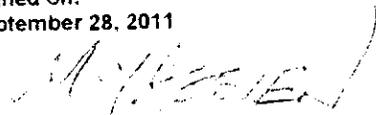


Amendment No. 7 to

USAID Assistance Agreement No. 278-EO/CT-11

BETWEEN THE
UNITED STATES OF AMERICA
AND
THE HASHEMITE KINGDOM OF JORDAN
FOR
ECONOMIC GROWTH

Certified Conformed Copy of Agreement
Signed on:
September 28, 2011



Mohammad Yassien
Deputy Director
Office of Program Management

DATED: September 28, 2011

APPN:
BPC:
RCN:

FUNDS AVAILABLE	
DOCTYPE: CO/OB	DIST: 278-M
BBFY: 2011	EBFY: 2012
FUND: ES-278	EOCC: 4/00700
ELEM: A14/A061	DATE: 9/28/11
AMT: \$184,000,000.00	DONE BY: JR

278-EO/CT-11-ES-11/12

USAID Assistance Agreement No. 278-EO/CT-11

Amendment No. 7

To

THE USAID ASSISTANCE AGREEMENT FOR ECONOMIC GROWTH

BETWEEN The Hashemite Kingdom of Jordan (the "Grantee" or "GOJ"), acting through the Ministry of Planning and International Cooperation, and the United States of America, acting through the United States Agency for International Development ("USAID").

WHEREAS, on September 17, 2007, the Grantee and USAID (the "Parties") entered into an Assistance Agreement for the Cash Transfer Program (the "Agreement") whereby USAID granted to the Grantee One Hundred and Sixteen Million United States ("U.S.") Dollars (\$116,000,000); and

WHEREAS, on September 25, 2008, the Parties amended the Agreement for the Cash Transfer Program to provide the Grantee additional USAID grant funding of Two Hundred Forty-Six Million, Forty Four Thousand, Ninety-Seven U.S. Dollars (\$246,044,097); and

WHEREAS, on February 24, 2009, the Parties amended the Agreement for the Cash Transfer Program to provide the Grantee additional USAID grant funding of Seventy Million U.S. Dollars (\$70,000,000); and

WHEREAS, on September 28, 2009, the Parties amended the Agreement for the Cash Transfer Program to provide the Grantee additional USAID grant funding of One Hundred Fifty-Nine Million, Five Hundred Thousand U.S. Dollars (\$159,500,000); and

WHEREAS, on September 29, 2010, the Parties amended the Agreement for the Cash Transfer Program to provide the Grantee additional USAID grant funding of One Hundred Sixty-Three Million U.S. Dollars (\$163,000,000); and

WHEREAS, on January 12, 2011, the Parties amended the Agreement for the Cash Transfer Program to provide the Grantee additional USAID grant funding of Thirty-One Million U.S. Dollars (\$31,000,000); and

WHEREAS, on July 24, 2011, the Parties amended the Agreement for the Cash Transfer Program whereby USAID deleted section 5.3.6 FY 2010 Cash Transfer, Policy Reform Conditions Precedent; and

WHEREAS, the Parties now wish to amend the Agreement to, among other things, provide additional USAID grant funding of One Hundred Eighty-Four Million U.S. Dollars (\$184,000,000).

NOW THEREFORE, the Parties hereby agree to further amend the Agreement as follows:

1. **Article 3: Contributions of the Parties, Section 3.1. USAID Contribution, Subsection (a) The Grant**, is amended by deleting the amount of Seven Hundred Eighty-Five Million, Five Hundred Forty-Four Thousand, Ninety- Seven U.S. Dollars (\$785,544,097) and replacing it with Nine Hundred Sixty-Nine Million Five Hundred Forty-Four Thousand, Ninety-Seven U.S. Dollars (\$969,544,097).

2. **Article 5: Conditions Precedent to Disbursement, Section 5.2. FY 2010 Cash Transfer, General Conditions Precedent**, is hereby deleted and replaced in its entirety as follows:

Section 5.2. FY 2011 Cash Transfer, General Conditions Precedent. Prior to disbursement of One Hundred Eighty-Four Million U.S. Dollars (\$184,000,000) envisaged under this Agreement, or prior to the issuance by USAID of documentation pursuant to which such disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to USAID, in form and substance satisfactory to USAID:

(a) Evidence that the Grantee has established the Separate Dollar Account described in Article 8 of this Agreement, together with the Grantee's certification that such a bank account has been established and will be maintained as required by this Agreement and/or subsequent Implementation Letters ("ILs").

(b) Evidence that the Grantee has established the Local Currency Account described in Article 9 of this Agreement, together with the Grantee's certification that such an account has been established and will be maintained as required by this Agreement and/or subsequent ILs.

3. **Article 5: Conditions Precedent to Disbursement, Section 5.3. FY 2010 Supplemental Cash Transfer, Policy Reform Conditions Precedent**, is hereby deleted and replaced in its entirety as follows:

Section 5.3. FY 2011 Cash Transfer, Policy Reform Conditions Precedent. Prior to the disbursement of the FY 2011 cash transfer, or prior to the issuance by USAID of documentation pursuant to which such disbursement will be made, the Grantee shall, except as the Parties may otherwise agree in writing, meet the following policy reform and related conditions precedent and furnish to USAID, in form and substance satisfactory to USAID, evidence of the following actions:

5.3.1. Amend the Crime Prevention Law to limit the duration of administrative detention and proscribe the use of administrative detention for the protection of honor crime victims.

5.3.2. Reduce opportunities for the exploitation of foreign workers.

5.3.3. Draft of the Insolvency and Bankruptcy Law submitted by the Minister of Industry and Trade to Cabinet for approval.

5.3.4. Institutionally strengthen family planning services at the Ministry of Health and improve integration and implementation of family planning policies.

5.3.5. Implement safeguards for protected areas.

5.3.6. Implement a Single Window Program at the Jordan Free Zones Corporation.

5.3.7. The Cabinet of Ministers approves new tourism law replacing Tourism Law No. 20/1988.

5.3.8. Legalize home-based companies & small and medium enterprises in the City of Amman.

5.3.9. Allow the issuance and renewal of municipal professional licenses for three years and implement risk-based inspection system.

5.3.10. Revise Organic Budget Law and related laws to enhance public sector fiscal management.

5.3.11. Issue a requisite, comprehensive set of regulations supporting the implementation of the Temporary Income Tax Law and the Temporary Amended General Sales Tax Law.

5.3.12. Expand the Golden List (GL) program to more efficiently facilitate the testing and examination of imported goods.

5.3.13. Cabinet of Ministers approves new Public-Private Partnership (PPP) Law.

5.3.14. Assure the institutional independence of the Jordanian Audit Bureau.

5.3.15. Allow mobile registration of Iraqi refugees.

5.3.16. Waive school fees and book costs for Iraqi children.

5.3.17. Increase the Independence of Miyahuna.

5.3.18. Establishment of a National Council to Adopt and Implement a New Water Strategy.

5.3.19. Complete the transfer of all engineering, construction related, and maintenance responsibilities, including preventive maintenance, from the Ministry of Health (MOH) and Ministry of Education (MOE) to the Directorate of Government Buildings (DGB) at the Ministry of Public Works and Housing (MOPWH) according to bylaw 64/2007; expand and strengthen the maintenance department at DGB, and provide resources to improve the functionality and level of responsiveness for school and health facility maintenance needs.

4. Article 5: Conditions Precedent to Disbursement, Section 5.5. Terminal Dates for Conditions Precedent, is hereby deleted and replaced in its entirety by:

Section 5.5. Terminal Dates for Conditions Precedent.

- (a) The terminal date for meeting the conditions specified in Section 5.1 is 60 days from the date of this Agreement or such later date as USAID may agree to in writing before or after the above terminal date. If the conditions precedent in Section 5.1 have not been met by the above terminal date, USAID may, at any time, terminate this Agreement by written notice to the Grantee.
- (b) The terminal date for meeting the conditions specified in Sections 5.2 and 5.3 is 120 days from the date of this Agreement or such later date as USAID may agree to in writing before or after the above terminal date. If the conditions precedent in Sections 5.2 and 5.3 have not been met by the above terminal date, USAID may, at any time, cancel the undisbursed balance of the Grant, and terminate this Agreement by written notice to the Grantee.
- (c) Should any one or more of the conditions precedent in Section 5.3 numbered 5.3.1 – 5.3.4, inclusive, not be met as determined by USAID by the terminal date defined in Section 5.5(b), USAID may, at its discretion, withhold up to 35% of the FY 2011 cash transfer.
- (d) Should any one or more of the conditions precedent in section 5.3 numbered 5.3.5 – 5.3.19, inclusive, not be met as determined by USAID by the terminal date defined in Section 5.5(b), USAID may, at its discretion, withhold up to 65% of the FY 2011 cash transfer.

5. **Article 8: General Terms and Conditions Relating to Use of the Cash Transfer, Section 8.1, Use of the Cash Transfer**, is hereby amended as follows:

The opening clause of paragraph (a) is hereby deleted and replaced in its entirety with the following: "The cash transfer provided under Amendment No. 7 to this Agreement shall be utilized by the Grantee to cover payments and/or reimbursements for payments made during the period from January 1, 2012 to April 30, 2013 in the following categories, in order of precedence:"

6. **Article 9: General Terms and Conditions relating to the Local Currency Account Associated with the Cash Transfer, Section 9.2. Deposit into the Local Currency Account**, is hereby deleted and replaced with a new Section 9.2 as follows:

"For the total cash transfer under Amendment No. 7, the local currency equivalent of the total value of the cash transfer will be deposited into the Local Currency Account in two installments as described below or as the Parties may otherwise agree in writing through an exchange of ILs. Two equal installments, each in the amount of the Jordanian Dinar equivalent of U.S. Dollars Ninety-Two Million (\$92,000,000), will be made within 15 working days from December 1, 2011 and March 1, 2012, calculated at the highest legally obtainable rate of exchange as determined by the Central Bank of Jordan, which, as of the date of deposit, is not unlawful in Jordan."

7. **Article 10: Trust Fund Account** shall be amended to read as follows:

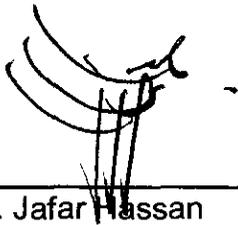
Insert a new paragraph (d), Article 10 as follows:

"(d) For the FY 2011 cash transfer, the Grantee shall transfer from the Local Currency Account the equivalent of Two Million Five Hundred Thousand U.S. Dollars (\$2,500,000) in Jordanian Dinar to the USAID Trust Fund Account established pursuant to the Commodity Import Program Agreement between the Parties dated September 23, 1993, as amended. The Jordanian Dinar shall be provided at the highest legally obtainable exchange rate as determined by the Central Bank of Jordan, as of the date of deposit, in two equal installments of the equivalent of one million two hundred fifty thousand U.S. Dollars each, with one installment due on May 1, 2012 and the other due on October 1, 2012. These funds will help meet a portion of USAID administrative expenses beginning October 1, 2012 through September 30, 2013."

8. Attachment No. 1 to Annex 1 to the Agreement is deleted and hereby replaced in its entirety with the revised Attachment No. 1 attached hereto.

9. Except as amended herein, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the Parties, each acting through their duly authorized representative(s), have caused this Amendment to be signed in their names and delivered as of the day and year first above written.

BY: 

H.E. Dr. Jafar Hassan
Minister of Planning and International
Cooperation

BY: 

Stuart E. Jones
U.S. Ambassador

BY: 

Kevin A. Rushing, D.V.M.
Acting Mission Director

ILLUSTRATIVE OBJECTIVE BUDGET

Amendment No. 7

USAID Assistance Agreement No. 278-EO/CT-11
ECONOMIC GROWTH, CASH TRANSFER
 Amplified Description
 (US\$)

PROGRAM AREA	OBLIGATIONS TO DATE		ESTIMATED LIFE OF PROJECT FUNDING
	PREVIOUS OBLIGATION USAID	THIS AMENDMENT	
Macroeconomic Foundation for Growth	785,544,097	184,000,000	1,200,000,000
TOTAL	785,544,097	184,000,000	1,200,000,000