

USAID Grant Agreement No. 306-06-16

AMENDMENT NUMBER SIXTEEN

TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN (IRoA)

FOR

**THE STRATEGIC OBJECTIVE OF A DEMOCRATIC GOVERNMENT WITH BROAD
CITIZEN PARTICIPATION**

Dated as of: December 4, 2008

AMENDMENT NUMBER SIXTEEN

TO

THE STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER SIXTEEN 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 "GIRoA"), acting through the Ministry of Finance, dated as of December 4, 2008.

WHEREAS, the Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") for the Strategic Objective of "A Democratic Government with Broad Citizen Participation" (USAID Grant Agreement No. SOAG-306-06-00) dated September 19, 2005 and subsequently amended that SOAG on:

- September 30, 2005 (Amendment No. 1);
- April 6, 2006 (Amendment No. 2);
- May 11, 2006 (Amendment No. 3);
- June 28, 2006 (Amendment No. 4);
- September 18, 2006 (Amendment No. 5);
- April 07, 2007 (Amendment No. 6);
- July 2, 2007 (Amendment No. 7);
- July 23, 2007 (Amendment No. 8);
- September 19, 2007 (Amendment No. 9);
- September 30, 2007 (Amendment No. 10);
- April 10, 2008 (Amendment No. 11);
- June 22, 2008 (Amendment No. 12);
- August 27, 2008 (Amendment No. 13);
- September 21, 2008 (Amendment No. 14); and,
- September 25, 2008 (Amendment No. 15);

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

WHEREAS, USAID and the Grantee desire to further amend the Agreement to: (a) increase the USAID contribution by **One Hundred Forty Three Million** United States ("U.S.") Dollars (**U.S. \$143,000,000.00**); and (b) update the illustrative financial plan to reflect certain adjustments and to cross reference and cross-walk the original SOAG budget information against the new USAID standardized program budget structure.

WHEREAS, USAID and IROA acknowledge that programming decisions for the use of these funds shall be made in coordination with the appropriate Ministry, and such decisions shall be recorded in PILs with countersignature by the relevant Minister and the Minister of Finance.

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

1. The first sentence in Section 3.1(a) of the Agreement is deleted in its entirety and the following substituted in lieu thereof: "(a) The Grant. 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 **Six Hundred Twenty One Million Nine Hundred Forty Eight Thousand Two Hundred Two United States (U.S.) Dollars (U.S.\$ 621,948,202.00)** (the 'Grant')."

2. The first sentence in paragraph (b) of Section 3.1 of the Agreement is deleted in its entirety and the following substituted in lieu thereof: "(b) Total Estimated USAID Contribution. USAID's total estimated contribution to achievement of the Objective will be U.S. \$621,948,202, which will be provided in increments."
3. The illustrative financial plan set forth in Attachment 1 to Annex 1 to the Agreement is deleted and the updated illustrative financial plan attached hereto as Attachment A and Attachment B to this Amendment is substituted in lieu thereof.

Except as further amended herein, all other terms and conditions of the Agreement remain in full force and effect. Capitalized terms not defined in this Amendment shall have the meanings ascribed thereto in the Agreement. This Amendment is prepared in both English and Dari. In the event of ambiguity or conflict between the two versions, the English language version will control.

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

FOR THE UNITED STATES OF AMERICA

FOR THE ISLAMIC REPUBLIC OF
AFGHANISTAN

By: 

Name: Michael J. Yates, Ph.D.
Title: Mission Director
USAID/Afghanistan

By: 

Name: Anwar-ul-Haq Ahady
Title: Minister of Finance

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010

Amendment No. 16

In Thousands of U.S. Dollars

Objective and Activities	Amount Obligated prior to Amendment No. 16	Amount Obligated in Amendment No. 16	Cumulative Obligations in FY 2005 - FY 2009 *	Amount Remaining to be Obligated/Realigned in FY 2009 - FY 2010 **	Total Estimated Contribution ***
A DEMOCRATIC GOVERNMENT WITH BROAD CITIZEN PARTICIPATION					
USAID Grant Agreement No. SOAG-306-06-00					
Build Capacity of the Formal Justice System****	50,205	15,000	65,205	-	65,205
Strengthen Election and Political Process ****	160,475	56,000	208,475	-	208,475
		(8,000)		-	
Strengthen Institutions for Good Governance****	227,614	68,000	303,614	-	303,614
		8,000		-	
Increase the Presence and Performance of the Non-government Sector****	37,136	4,000	41,136	-	41,136
USAID Program Support	3,518		3,518	-	3,518
TOTAL OBJECTIVE 6:	478,948	143,000	621,948	-	621,948

NOTE * -- References to "FY" refer to the USG fiscal year

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

NOTE *** -- Total Estimated Contribution after proposed realignments.

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

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010
Amendment No. 16
In Thousands of U.S. Dollars

Objective	Program Area	Old Activity/Intermediate Results (IR) Title	Amount Obligated prior to Amendment No. 16	Amount Obligated in Amendment No. 16	Cumulative Obligations in FY 2005 - FY 2009*	Amount Remaining to be Obligated/Realigned in FY 2009 - FY 2010**	Total Estimated Contribution	
A DEMOCRATIC GOVERNMENT WITH BROAD CITIZEN PARTICIPATION								
JSAID Grant Agreement No. SOAG-306-06-00								
2. Governing Justly and Democratically	1	Rule of Law & Human Rights	50,499	15,000	65,499	-	65,499	
	2	Good Governance	Good Governance	230,249	68,000	306,249	-	306,249
					8,000			
	3	Political Competition & Consensus-Building	Political Competition & Consensus-Building	160,770	(8,000)	208,770	-	208,770
					56,000			
4	Civil Society	Civil Society	27,419	4,000	31,419	-	31,419	
4. Economic Growth	6	Private Sector Competitiveness	Capacity Development Program	10,011	-	10,011	-	10,011
TOTAL OBJECTIVE 6:			478,948	143,000	621,948	-	621,948	

OTE * -- References to "FY" refer to the USG fiscal year.

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