STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER SIX

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF PAKISTAN

FOR

EDUCATION SECTOR REFORM SUPPORT PROGRAM

September 24, 2007

Fiscal Date:
ODN: 391-SOAG -003-06

PA A12 P E: A055 Amount $18,723,000 00 Fund DV 07/08
Amount $ 9,329,000 00 Fund: ES 07/08
P E A056 Amount $ 7,826,497 00 Fund DV 07/08
Amount $ 4,369,777 00 Fund ES 07/08

Funds Available
OFM / Accounting Section
Amount: $ 40,248,774.00

2 2 SEP 2007
Posted by: Date: 09/21
Cleared by: Date: 09/21
MACS: RX X TRNTP: C0C7
AMENDMENT NUMBER SIX 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 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 Strategic Objective Grant Agreement for the Education Sector Reform Support Program, Grant Agreement No. 391-G-00-02-00001-00, dated August 9, 2002, as subsequently amended (the "Agreement").

WHEREAS, USAID and the Grantee wish to further amend this Agreement to increase the USAID contribution by US$40,248,274 for a total amount of US$200,603,046, and extend the Completion Date to September 30, 2008.

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

A. USAID Contribution:

1. The Grant. Section 3.1(a) of the Agreement is amended by deleting the amount "One Hundred Sixty Million, Three Hundred Fifty-Four Thousand, Seven Hundred Seventy-Two U.S. Dollars (US$160,354,772)" and inserting the amount "Two Hundred Million, Six Hundred Thirty Thousand, Forty-Six U.S. Dollars (US$200,603,046)" 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 Fifty-Five Million, Two Hundred Thirty Thousand, Eight Hundred Fifty-One U.S. Dollars (US$255,230,851), 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.

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

C. Completion Date: Section 4(a) of the Agreement is deleted in its entirety and replaced by the following:

(a) The Completion Date, which is September 30, 2008, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all the activities necessary to achieve the Objective and Results will be completed.

D. 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 Six to be signed in their names and delivered as of the date shown on the cover page of this Amendment.

UNITED STATES OF AMERICA

By: Anne Aames
Name: Anne Aames
Title: Director, USAID Mission to Pakistan

THE ISLAMIC REPUBLIC OF PAKISTAN

By: M. Akram Malik
Name: M. Akram Malik
Title: Secretary, Economic Affairs Division
Strategic Objective Grant Agreement
Amendment No. 6
Education Sector Reform Support Program

Illustrative Financial Plan

(in US$ millions)

<table>
<thead>
<tr>
<th>Education Program</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
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<tr>
<td>USAID Contribution - excluding AID/W withholdings:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>USAID Contribution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Basic Education</td>
<td>$15.358</td>
<td>$21.500</td>
<td>$27.417</td>
<td>$50,029</td>
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<td>- Higher Education</td>
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<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
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<td>Program Management</td>
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<td>AID/W Withholdings:</td>
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<td></td>
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<tr>
<td>Fulbright –USAID Scholarship Program</td>
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<td>$0.0</td>
<td>$15,000</td>
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<td>IT Cost Recovery</td>
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<td>Parking Fines</td>
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<tr>
<td>Total Estimated USAID Contribution</td>
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<td>$28.000</td>
<td>$66.673</td>
<td>$63.952</td>
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<tr>
<td>GOP Contribution</td>
<td>8 (Rs. billion)</td>
<td>9 (Rs. billion)</td>
<td>12 (Rs. billion)</td>
<td>14 (Rs. billion)</td>
<td>17 (Rs. billion)</td>
<td>18.9 (Rs. billion)</td>
</tr>
</tbody>
</table>

*Government of Pakistan’s Higher Education Commission will contribute an additional $9.5 million each year from 2006 to 2010 to Fulbright-USAID Scholarship program.
Objective: Investing in People
Program Area: Education

<table>
<thead>
<tr>
<th>Program Elements</th>
<th>FY 2007</th>
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<tbody>
<tr>
<td>Basic Education</td>
<td>$28,052,000</td>
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<tr>
<td>Higher Education</td>
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<tr>
<td><strong>Objective Total</strong></td>
<td><strong>$59,748,274</strong></td>
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</table>

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.