



November 6, 2020

Antonio Malouf  
Minister of Economy  
Ministry of Economy  
Guatemala City; Guatemala, C.A.

Subject: Extension of the Millennium Challenge Account Threshold Program Grant Agreement

Dear Minister Malouf:

The purpose of this Implementation Letter is to extend the Completion Date of the Millennium Challenge Account Threshold Program Grant Agreement (the "**Agreement**"), dated April 8, 2015, between the United States of America, acting through the Millennium Challenge Corporation ("**MCC**"), and the Republic of Guatemala ("**Guatemala**"), acting through its government (the "**Government**," and, collectively with MCC, the "**Parties**"). Capitalized terms used in this letter are defined in the Agreement and retain the same meaning in this letter unless otherwise noted.

Pursuant to section 6.1 of the Agreement, unless the Parties agree otherwise, the Completion Date is December 31, 2020. While the Program would be able to achieve some of its Objectives by this Completion Date, additional months of implementation would significantly improve the expected results of the Program. Therefore, in accordance with section 7.7(b) of the Agreement, I propose that we agree to extend the Completion Date from December 31, 2020 to March 5, 2021. If both of the following conditions have been met to MCC's satisfaction, prior to January 22, 2021, then the Completion Date shall be further extended to August 31, 2021.

1. The Government provides a copy of a signed Ministerial Decree implementing the new teacher recruitment and selection system that includes a test of candidates knowledge of the subject that they will teach for at least Math, Communication and Language, and Natural Sciences along with a timeline for its implementation; AND
2. (a) The Guatemalan Congress approves a budget that includes Q800,000 for 2021 and Q8,000,000 in 2022 to fund for the Government's contribution to provide 1,000 teachers scholarships to obtain their degree of Profesorado en Enseñanza Media; or (b) The Minister of Finance delivers to MCC a letter of commitment to provide the funds in (a) above.

If the Completion Date is extended, the scope of the Agreement and all other terms and provisions of the Agreement will remain unchanged and in full force and effect, except as stated herein. The proposed modification (a) is consistent in all material respects with the Program Objective and the Project Objectives, (b) will not cause the amount of the Grant to exceed the aggregate amount specified in section 2.1(a) of the Agreement, and (c) will not cause the Government's responsibilities or contribution of resources to be less than as specified in the Agreement.

at



**MILLENNIUM**  
CHALLENGE CORPORATION  
UNITED STATES OF AMERICA

If you agree with the extension of the Completion Date as proposed in this letter, please indicate your agreement by signing and dating both originals of this letter and return one signed original to me. The terms of this letter and the extension of the Completion Date will enter into force upon your signature.

We are available to discuss the proposed extension and other aspects of the Program at your convenience.

Sincerely,

MILLENNIUM CHALLENGE CORPORATION

Thomas Kelly  
Acting Vice President  
Department of Policy and Evaluation  
MCC

Acknowledged and agreed:

By:

Title:

ROBERTO ANTONIO MALOUF MORALES  
MINISTRO DE ECONOMÍA

Date:

**19 NOV. 2020**

OK