Hon. Matia Kasaija  
Minister of Finance, Planning and Economic Development  
Ministry of Finance, Planning and Economic Development  
P.O Box 8147  
Kampala

Re: Uganda: GPOBA - Grid-Based OBA Facility Project (TF010096)  
Amendment to the Grant Agreement

Dear Hon. Minister:

We refer to the Grant Agreement (the “Agreement”) between the Republic of Uganda ("Recipient") and the International Development Association ("World Bank"), acting as administrator of the Global Partnership on Output-based Aid ("GPOBA"), dated June 21, 2012, for the above referenced project ("Project"). We also refer to your letter dated November 13, 2014, requesting for amendments to the Grant Agreement.

We are pleased to inform you that, after due consideration, the World Bank concurs with your request and consequently the Agreement is hereby amended as set forth below:

1. Section IV.2 of Schedule 2 to the Agreement is amended to read as follows:

   “2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy for: (a) Pre-Paid Meters; and (b) Post-Paid Meters</td>
<td>5,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>5,500,000</td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this Section, the term:

(a) “Subsidy for Pre-Paid Meters” means subsidy covered by this Agreement which account for 100% of expenditures incurred by the Recipient to finance the electricity connection costs of an Eligible Household, payable upon the World Bank’s written notification to the Recipient that it has accepted as satisfactory an Output Verification Report confirming that such electricity connection is working, which is hereby deemed an Eligible Expenditure for purposes of Section 3.06 of the Standard Conditions.
(b) "Subsidy for Post-Paid Meters" means subsidy covered by this Agreement which account for: (i) 67% of expenditures incurred by the Recipient to finance the electricity connection costs of an Eligible Household, payable upon the World Bank’s written notification to the Recipient that it has accepted as satisfactory an Output Verification Report confirming that such electricity connection is working and is accounted for; and (ii) 33% of expenditures incurred by the Recipient to finance the electricity connection costs of an Eligible Household, payable upon the World Bank’s written notification to the Recipient that it has accepted as satisfactory an Output Verification Report confirming use of service for at least 3 months according to billing records, which is hereby deemed an Eligible Expenditure for purposes of Section 3.06 of the Standard Conditions."

2. Paragraph twenty of the Appendix to the Agreement is amended to read as follows:

"20. “Subsidy” means the subsidy for Pre-Paid Meters and the Post-Paid Meters, respectively and “Subsidies” means, collectively, all such Subsidies."

Except as specifically amended by this letter, all other provisions of the Agreement shall remain in full force and effect.

Please confirm your agreement with the proposed Amendment, on behalf of the Recipient, by countersigning and dating the two original copies of this Amendment and returning one countersigned and dated original to us. Upon receipt by the World Bank of the countersigned and dated original copy, this Amendment shall become effective as of the date of countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]
Philppe Dongier
Country Director for Uganda

AGREED.

REPUBLIC OF UGANDA

By: [Signature]
Name: H. Marie Kaaija (MP)
Title: Minister of finance, Planning & Economic Development
Date: 26 March 2015