June 27, 2011

Her Excellency
E. Viviana Caro Hinojosa
Minister of Development Planning
Palacio de Comunicaciones, Piso 5
Ave. Mariscal Santa Cruz, esq. Oruro
La Paz, Bolivia

Re: BOLIVIA: GPOBA Grant Agreement TF090206-IFC, TF090207-DFID
Decentralized Electricity for Universal Access Project
Third Amendment to the Grant Agreement

Excellency:

Please refer to the Grant Agreement dated June 26, 2007, as amended, between the Republic of Bolivia (“Recipient”) and the International Development Association (“World Bank”), acting as administrator of the Global Partnership on output-based Aid (“GPOBA”). In this letter (Amendment Letter) all terms defined in the Grant Agreement have the same meaning as therein set forth.

Pursuant to your request by letter No. MPD/VIPFE/DGGFE/UOF-000275/2011 040835 dated Feb 3, 2011, as well as our discussions on the subject, we are pleased to inform you that the World Bank has established March 31, 2013 as the later date for purposes of Section IV.B.2 of Schedule 2 to the Grant Agreement. In addition, the World Bank hereby agrees to amend the Grant Agreement so as to: (a) decrease the length of the service contract for the solar home systems; and (b) reallocate the proceeds of the Grant among the disbursement Categories.

Consequently the Grant Agreement is amended as follows:

1. Section I.B.2 (e) (i) of Schedule 2 is amended to read in its entirety as follows:

“(i) the obligation of the private sector service providers to: (A) market and install the solar home systems; (B) provide satisfactory service to users for at least two (2) years starting immediately after installations of the solar home systems; (C) carry out at least one visit a year to each user; (D) provide specified market development services; and (E) perform basic monitoring and evaluation tasks; and”

2. The table in Section IV.A.2 of Schedule 2 to the Grant Agreement is amended to read in its entirety as set forth in the attachment to this Amendment Letter.

All provisions of the Grant Agreement, except as amended herein, shall remain in full force and effect.
Please confirm your agreement with the foregoing amendment by signing and dating this Amendment Letter in the spaces provided below. This Amendment Letter shall be executed in two counterparts each of which shall be an original. Upon confirmation please return one fully executed original to us. The provisions set forth in this Amendment Letter shall become effective as of the date of the countersignature.

Please also note that the restructuring paper dated June 15, 2011 will be disclosed on the World Bank’s external Website.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Laura Frigenti
Acting Director
Bolivia, Chile, Ecuador, Peru and Venezuela
Latin America and the Caribbean Region

AGREED:

REPUBLIC OF BOLIVIA

By /s/ E. Viviana Caro Hinojosa

Title: Minister of Development Planning

Date: July 8, 2011

Copy: Ing. Luis Fernando Vincenti, Minister of Hydrocarbon and Energy
Lic. Harley Rodríguez, Vice Minister of Public Investment and External Financing
Ing. Roberto Peredo, Vice Minister of Electricity and Alternative Energies
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant (TF090207 –DFID) Allocated (expressed in USD)</th>
<th>Amount of the Grant (TF090206 –DFID) Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Expenditures under Service Management Contracts under Part 1 of the Project</td>
<td>1,380,000</td>
<td>3,220,000</td>
<td>100% of allocated OBA payments for solar home electricity systems</td>
</tr>
<tr>
<td>(2) Goods, services, Workshops and Subsidies under Part 2 of the Project</td>
<td>90,000</td>
<td>103,805</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Consultant services, including audits, Training and Operating Costs under Part 3 of the Project</td>
<td>82,500</td>
<td>298,695</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>1,552,500</td>
<td>3,622,500</td>
<td>100%**</td>
</tr>
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