November 13, 2013

Honorable Claver Gatete
Minister for Finance and Economic Planning
Ministry of Finance and Economic Planning

Dear Honorable Gatete:

Rwanda: Land Husbandry, Water Harvesting and Hillside Irrigation Project
(Credit Number 4674-RW)
Amendment to the Financing Agreement

We refer to the Financing Agreement (the Agreement) for the above-mentioned Project, dated February 8, 2010 (as amended) between the Republic of Rwanda (the Recipient) and the International Development Association (the Association). We also refer to your letter dated October 23, 2013 requesting harmonization in the procurement guidelines and reallocation of the proceeds of the Financing.

We are pleased to inform you that the Association concurs with your request and proposes to amend the Agreement as follows:

1. Schedule 2 to the Agreement is amended by adding a new Section “VI” to read as follows:

   “VI: Transitional Provisions in respect of Procurement

   Notwithstanding the provisions of Section I.B (Anti-Corruption) and Section III (Procurement) of this Schedule 2 and to the extent that: (a) the procurement of any goods, works, consultants’ services, training or Non-consultant services is financed, at least in part, out of the proceeds of the Financing; and (b) the procurement was initiated on or after November 1, 2011, the provisions of: (i) Guidelines: Procurement of Goods, Works and Non-consulting Services under IDA Credits and Grants by Association Borrowers” published by the Bank in January 2011; (ii) Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by Association Borrowers” published by the Association in January 2011; and (iii) Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants” dated October 15, 2006 and revised in January 2011, shall apply to such procurement.

2. The table set forth in Section IV. A. 2 of Schedule 2 to the Agreement is deleted in its entirety and replaced with the table set forth in the Annex to this letter.

3. Section I of the Appendix to the Agreement is amended by:-

   (a) introducing a new definition immediately after paragraph 28 as follows:

   “29. “Non-consulting services” means services bid and contracted on the basis of the performance of a measurable physical output, and for which performance standards can be clearly identified and consistently applied and includes the provision of technical assistance, supervision and advisory
services for the implementation of land husbandry activities for which payments are pegged on the land area (hectares) completed.”

(b) renumbering the current paragraphs “29”- “48” as “30”- “49”.

All other provisions of the Agreement, except as herein amended, shall remain in full force and effect.

Please indicate your agreement with the foregoing amendment by countersigning on the two original copies of this letter and returning one original countersigned copy to us. Upon receipt by the Association of this countersigned copy, this amendment shall become effective as of the date of its countersignature.

Yours Sincerely

INTERNATIONAL DEVELOPMENT ASSOCIATION

Diariétou Gaye
Country Director for Rwanda
Africa Region

CONFIRMED:

REPUBLIC OF RWANDA

By: CLAVIER GATE
Authorized Representative

Name: CLAVIER GATE

Title: MINISTER OF FINANCE & ECONOMIC PLANNING

Date: 3RD DEC 2013
### Annex

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>4,270,000</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan and Budget</td>
</tr>
<tr>
<td>(2) Works</td>
<td>11,700,000</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan and Budget</td>
</tr>
<tr>
<td>(3) Consultant Services</td>
<td>3,700,000</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan and Budget</td>
</tr>
<tr>
<td>(4) Training</td>
<td>1,000,000</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan and Budget</td>
</tr>
<tr>
<td>(5) Project Preparation Advance</td>
<td>200,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(6) Unallocated</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(7) Operating Costs</td>
<td>300,000</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan and Budget</td>
</tr>
<tr>
<td>(8) Non-consultancy services</td>
<td>1,000,000</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan and Budget</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>21,400,000</strong></td>
<td></td>
</tr>
</tbody>
</table>