CONFORMED

November 23, 2010

Her Excellency Clotilde Nizigama
Minister of Finance
Ministry of Finance
Bujumbura
Republic of Burundi

Re: Republic of Burundi: Third Economic Reform Support Grant
Multi-Donor Trust Fund Grant No. TF095937
Amendment to the Trust Fund Grant Agreement

Excellency:

We refer to the Trust Fund Grant Agreement (the Agreement) between the Republic of Burundi (the Recipient) and the International Development Association (the Association) acting as Administrator of the Multi-Donor Trust Fund for co-financing of the Third Economic Reform Support Grant dated January 5, 2010 with regard to the above-captioned Grant. Please note that the capitalized terms used in this letter (Amendment Letter) and not defined herein have the meaning ascribed to them in the Agreement.

We are pleased to inform you that the Association proposes, through this Amendment Letter, to amend the Agreement as follows:

1. The first paragraph of the Agreement is hereby amended to read as follows:

   “AGREEMENT dated January 5, 2010 entered into between the REPUBLIC OF BURUNDI (“Recipient”) and the INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association” or “World Bank”), acting as administrator of the Multi-Donor Trust Fund for Co-financing of the Third Economic Reform Support Grant (“ERSG III”) in respect of grant funds provided to said trust fund (“Trust Fund”) by Norway and the Netherlands, for the purpose of providing additional financing in support of the Program (as defined in the Appendix to this Agreement). The World Bank has decided to provide this financing on the basis, inter alia, of: (a) the actions which the Recipient has already taken under the Program and which are described in Section I of the Schedule to this Agreement; and (b) the Recipient’s maintenance of an appropriate macroeconomic policy framework. The Recipient and the World Bank therefore hereby agree as follows:”
2. Paragraph 2.01 of Article II of the Agreement is hereby amended to read as follows:

   “2.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to twenty two million eight hundred eighty one thousand four hundred ninety two United States dollars (US$22,881,492) (“Grant”) to assist in financing the Program.”

3. The table in Part B of Section II of the Schedule to the Agreement is hereby amended to read as follows:

<table>
<thead>
<tr>
<th>“Allocations”</th>
<th>Amount of the Grant Allocated (Expressed in United States Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Tranche</td>
<td>9,881,492</td>
</tr>
<tr>
<td>Second Tranche</td>
<td>13,000,000</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>$22,881,492</strong></td>
</tr>
</tbody>
</table>

4. Paragraph 6 of Section I of the Appendix to the Agreement is deleted and replaced by a new paragraph which reads as follows:

   “3. “First Tranche” means the first amount of the Financing allocated to the category entitled “First Tranche” in the Table set forth in Part B of Section II of the Schedule to this Agreement.”

5. A new Paragraph 7 of Section I of the Appendix to the Agreement is hereby added and read as follows:

   “7. “Second Tranche” means the new amount of the Financing allocated to the category entitled “Second Tranche” in the Table set forth in Part B of Section II of the Schedule to this Agreement.”

6. Paragraphs 3, 4, 5 and 7 are renumbered to read as follows:

   “4”, “5”, “6” and “8”.

Please confirm your agreement with the foregoing amendments by signing and dating this Amendment Letter in the spaces provided below. Henceforward, all other provisions of the Agreement, except as amended through this Amendment Letter shall remain in full force and effect. 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 countersignature upon receipt by the Association of the countersigned original of this Amendment Letter.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By _//S// John M. McIntire _________
    John M. McIntire
    Country Director for Burundi
    Africa Region

AGREED:

REPUBLIC OF BURUNDI

By: ___//s// Clotilde Nizigama _________
    Authorized Representative

Name: Clotilde Nizigama

Title: Minister of Finance

Date: November 25, 2010