CONFORMED COPY

The Honorable Dr. Kenny D. Anthony
Prime Minister and Minister of Finance
Ministry of Finance
Greaham Louisy Administrative Building
Waterfront
Castries
Saint Lucia, West Indies

Re: Saint Lucia: OECS Skills for Inclusive Growth Project (Credit No. 4300 SLU)
Amendment to the Financing Agreement

Dear Prime Minister:

We refer to the Financing Agreement between Saint Lucia (the Recipient) and the International Development Association (the Association) dated June 21, 2007 (the Agreement). We also refer to your letter dated November 3, 2011, requesting for an amendment to the Agreement.

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

1. Schedule 2: Sections II.1 (a) and (b) are deleted and replaced with the following:

   “1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than forty five days after the end of the period covered by such report.”

2. Schedule 2: Section III.A.1 and Section III.B are amended to read as follows:

   “1. **Goods, Non-consultants Services and Works.** All goods, Non-consultants Services and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.”
“B. Particular Methods of Procurement of Goods, Non-consultants Services and Works

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, Non-consultants Services and works shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Non-consultants Services and Works. The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, Non-consultants Services and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
</tbody>
</table>

3. The table set forth in Section IV.A.2 of Schedule 2 to the Agreement is deleted and replaced with the table set forth in the Attachment to this Letter.

4. The Closing Date set forth in Section IV.B.2 of Schedule 2 to the Agreement shall be September 15, 2013.

5. A new definition of “Stipend to Trainees” is added under the table in Section IV.A.2 of Schedule 2 to the Agreement to read as follows:

“(b) “Stipend to Trainees” means the cost associated with per diem allowances and transportation costs provided to Trainees during their traineeship.”

6. A new definition of “Non-consultants services” is added (in its corresponding alphabetical order) to the Appendix to the Agreement:

“Non-consultant Services” means services which will be bid and contracted on the basis of performance of measurable physical outputs, such as the logistical service expenses for capacity building events, printing of training materials and media campaigns.”

All other provisions of the Agreement, as amended herein, shall remain in full force and effect.
Please indicate your agreement with the foregoing amendment to the Agreement on behalf of the Recipient by countersigning and dating the two original copies of this letter and returning one countersigned original to us. The amendments to the Agreement shall become effective as of the date of countersignature of this letter.

Sincerely,

By /s/ Françoise Clottes
Director
Caribbean Country Management Unit
Latin America and the Caribbean Region

CONFIRMED:

SAINT LUCIA

By:  /s/ Kenny D. Anthony
    Authorized Representative

Title:  Prime Minister and Minister of Finance

Date:  December 14, 2011
The table set forth in Section IV.A.2 of Schedule 2 to the Agreement is replaced with the following:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants’ services, Non-consultant Services, Operating Costs for the Project (except as covered by Category (2) below) and Stipend to Trainees</td>
<td>1,968,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Unit Cost of Training</td>
<td>432,000</td>
<td>67.5% up to SDR 64,735; 75% thereafter</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>2,400,000</td>
<td></td>
</tr>
</tbody>
</table>