June 23, 2011

CONFORMED COPY

Mr. Roberto Kreimerman
Minister of Industry, Energy and Mining
Ministry of Industry, Energy and Mining
Paysandú esq. Libertador Brig.
Gral. Lavalleja, Piso 4
Montevideo, Uruguay

Re: URUGUAY: Global Environment Facility (GEF) Trust Fund
Energy Efficiency Project (Grant No. TF053298)
Fourth Amendment to the Grant Agreement

Dear Sir:

Please refer to the GEF Trust Fund Grant Agreement (the Grant Agreement) between the República Oriental del Uruguay (the Recipient) and the International Bank for Reconstruction and Development acting as Implementing Agency of the GEF (the Bank), dated August 13, 2004, as amended on June 22, 2006, March 28, 2007 and April 13, 2010 with respect to the above-captioned Project. Please note that capitalized terms used in this letter (the “Amendment Letter”) and not defined herein have the meaning ascribed to them in the Grant Agreement.

Pursuant to your letter of December 18, 2006, requesting an amendment to the Grant Agreement, we are pleased to inform you that the Bank agrees to amend the Grant Agreement as follows:

1. Section 1.02 of the Grant Agreement is hereby amended to modify the following definitions to read as follows:

   (i) “Investment Sub-loan” or “Sub-loans” means any financing: (i) made or proposed to be made by a Financial Intermediary to a Beneficiary to: (A) refinance up to 100% of a Technical Assistance Sub-loan which was used to prepare such Investment Sub-project; and/or (B) finance up to 80 percent of the costs of implementing an Investment Sub-project; and (ii) which is eligible to be guaranteed by the UFEE; all in accordance with the criteria and procedures set forth in the Operational Manual;”

   (ii) Technical Assistance Sub-grant” means any grant made or proposed to be made by CND to a Beneficiary to finance up to 67 percent of the cost of project development studies for an Investment Sub-project; all in accordance with the criteria and procedures set forth in the Operational Manual;
2. Section 1.02 of the Grant Agreement is hereby amended to delete the definition of “Sub-loans” (and existing definitions are consequently renumbered to keep the alphabetical order).

3. Section 1.02 of the Grant Agreement is hereby amended to include the following definitions placed in alphabetical order, (and existing definitions are consequently renumbered to keep the alphabetical order):

   (i) “SIGA” means Sistema Nacional de Garantías para Empresas, the Recipient’s Guarantee Agency, created pursuant to the Recipient’s Central Bank’s Communication No. 2009-077, dated May 21, 2009.”

   (ii) “Technical Assistance Sub-grant Agreement” means the grant agreement to be entered into by CND and a Beneficiary, on terms and conditions satisfactory to the Bank.”

4. Section 3.03 (c) of the Grant Agreement is hereby amended to read as follows:

   “(c) the UFEE”

5. Section 3.03 of the Grant Agreement is hereby amended to include a subsection (d) to read as follows (as a result subsequent paragraphs are renumbered):

   “(d) Sub-grants; and”

6. Section 3.04 (a)(ii) of the Grant Agreement is hereby amended to read as follows:

   “(ii) criteria for the eligibility of: (A) Sub-loans to be guaranteed by UFEE; and (B) Sub-grants;”

7. Sections 3.04 (a) (viii) and (a) (ix) of the Grant Agreement are hereby amended to read as follows:

   “(viii) environmental safeguards applicable to Sub-projects and Part B.2 of the Project;
   (ix) model formats for the progress reports referred to in Section 3.08 (b) of this Agreement; and

8. Section 3.04 (a) of the Grant Agreement is hereby amended to include a subsection (x) to read as follows:

   “(x) guidelines for the carrying out of works under Part A of the Project.”

9. Section 3.09 (a) of the Grant Agreement is hereby amended to read as follows:

   “(a) ensure that the amounts paid to the providers of the goods or consultant services procured to carry out each Technical Assistance Sub-project consist of at least: 33 percent paid by the Beneficiary and at most 67 percent financed by the Technical Assistance Sub-grant;”
10. Section 3.10 (a) (ii) of the Grant Agreement is hereby amended to include a subsection (B) to read as follows (as a result subsequent paragraphs are renumbered):

“(B) (1) enter into a Technical Assistance Sub-grant Agreement with each Beneficiary; and (2) thereafter transfer to the Beneficiary the Technical Assistance Sub-grants, all in accordance with the provisions of the Operational Manual.”

11. Section 3.10 (a)(ii) (C) of the Grant Agreement is hereby amended to read as follows:

“(C) invest UFEE’s capital in accordance with instructions issued by the Recipient, which instructions shall be based on: (1) investment guidelines acceptable to the Bank and set forth in the Operational Manual; and (2) the operational regulations of SIGA; and (3) instructions issued by the SIGA’s administrative council;”

12. The table on Schedule 1 to the Grant Agreement is hereby amended to read in its entirety as set forth in the Annex to this Amendment Letter.

13. The heading in Section I of Schedule 3 to the Grant Agreement is hereby amended to read as follows:

“Section I. Procurement of Goods and Works”

14. Part B on Section I of Schedule 3 to the Grant Agreement is hereby amended to read as follows:

“Part B: International Competitive Bidding

Except as otherwise provided in Part C of this Section, goods and works shall be procured under contracts awarded in accordance with the provisions of Section II of the Guidelines and paragraph 5 of Appendix 1 thereto.”

15. Part C.1 on Section I of Schedule 3 to the Grant Agreement is hereby amended to read as follows:

1. National Competitive Bidding

Goods and works estimated to cost less than $250,000 equivalent per contract may be procured under contracts awarded in accordance with the provisions of paragraphs 3.3 and 3.4 of the Guidelines.”

16. Part C.2 on Section I of Schedule 3 to the Grant Agreement is hereby amended to read as follows:

“2. Shopping

Goods and works estimated to cost $50,000 equivalent or less per contract may be procured under contracts awarded on the basis of shopping
procedures in accordance with the provisions of paragraphs 3.5 and 3.6 of the Guidelines.”

17. Part C.3 on Section I of Schedule 3 to the Grant Agreement is hereby amended to read as follows:

“3. Commercial Practices

Procurement of goods and works: (a) financed by Sub-loans; or (b) under Part B.2 (a) of the Project, may be carried out in accordance with established commercial practices acceptable to the Bank pursuant to paragraph 3.12 of the Guidelines.”

18. Part D.1 on Section I of Schedule 3 to the Grant Agreement is hereby amended to read as follows:

“1. Procurement Planning

A plan setting forth the contracts for the goods and works required to carry out the Project during the initial period of at least 12 months shall be furnished to the Bank for its review and approval, in accordance with the provisions of Appendix 1 to the Guidelines. Such plan shall list the proposed methods for procurement of each contract, as permitted under this Schedule 3 of the Loan Agreement, and the related Bank review procedures. The Recipient shall update such plan annually or as needed throughout the duration of the project, always covering the next 12 months period of project implementation. Any revision proposed to such plan shall be furnished to the Bank for its prior approval. Procurement of all goods shall be undertaken in accordance with such plan as shall have been approved by the Bank, and with the provisions of said Appendix 1.”

19. Part D.2 (a) on Section I of Schedule 3 to the Grant Agreement is hereby amended to read as follows:

“(a) With respect to: (i) each contract for goods and works to be procured in accordance with the procedures referred to in Part B above; and (ii) the first two contracts for goods and works to be procured in accordance with the procedures referred to in Part C.1 above, the procedures set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines shall apply.”

Please confirm your agreement with the foregoing amendment by signing and dating this Amendment Letter in the spaces provided below. Henceforward, all the provisions of the Grant 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. The provisions set forth in this Amendment Letter shall become effective as of the date of the countersignature upon receipt by the Bank of one fully executed original of this Amendment Letter.
Please also note that the approved Restructuring Paper dated June 1, 2011 will be disclosed on the Bank’s external website.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By /s/ Penelope J. Brook
Director
Argentina, Paraguay and Uruguay
Latin America and the Caribbean Region

AGREED:

REPUBLIC OF URUGUAY

By: /s/ Roberto Kreimerman
Authorized Representative

Title: Minister

Date: July 15, 2011
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the GEF Trust Fund Grant Allocated (Expressed in Dollars)</th>
<th>% of Expenditures to be financed</th>
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<td>(1) [intentionally left blank]</td>
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<tr>
<td>(2) [intentionally left blank]</td>
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<tr>
<td>(3) Goods</td>
<td>1,621,993</td>
<td>100% of foreign expenditures, 100% of local expenditures (ex-factory cost) and 77% of local expenditures for other items procured locally</td>
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<td>(4) Consultants’ services under Parts A.1, A.3, B and C of the Project</td>
<td>2,155,009</td>
<td>87%</td>
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<td>(5) [intentionally left blank]</td>
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<td>(6) Incremental operating costs</td>
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<td>(8) Transfers to the UFEE</td>
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<td>100%</td>
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<td>(9) Works under Part A of the Project</td>
<td>74,716</td>
<td>87%</td>
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<td><strong>TOTAL</strong></td>
<td><strong>6,875,000</strong></td>
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