His Excellency Mr. Tabu Abdallah Manirakiza  
Minister of Finance, Budget and Privatization  
Ministry of Finance, Budget and Privatization  
Bujumbura, BURUNDI

Re: BURUNDI: Financial and Private Sector Development Project  
IDA Grant No. H5360-BI; IDA Grant No. H6590-BI  
Second Amendment to the Financing Agreements

Excellency:

We refer to the Financing Agreement between the Republic of Burundi ("Recipient") and the International Development Association ("Association"), dated February 16, 2010 ("Original Financing Agreement"), the Financing Agreement between the Recipient and the Association, dated May 4, 2011 ("Additional Financing Agreement"), and the Amendment to the Financing Agreements, dated February 27, 2014 ("First Amendment Letter") (collectively, the "Financing Agreements") for the above referenced Project ("Project"). Please note that the capitalized terms used in this letter ("Second Amendment Letter") and not defined herein have the meaning ascribed to them in the Financing Agreements as applicable.

We also refer to your letters dated June 2, 2015 and October 15, 2015 and the conclusions of the review of the Project virtually carried out jointly between the Recipient and the Association on July 28, 2015. We are pleased to inform you that the Association proposes, through this Amendment Letter, to amend the Financing Agreements as follows:

1. Part 2 (a) of Schedule 1 to the Original Financing Agreement is hereby deleted in its entirety.
2. Part 3(d)(ii) of Schedule 1 to the Original Financing Agreement as amended in the First Amendment letter is hereby further amended and shall hereby read as follows:
   "(ii) training of magistrates presiding over the commercial court."
3. Section IV.A.2 of Schedule 2 to the Original Financing Agreement is hereby amended to read as follows:
   "The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

1
<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, consultants’ services (including for audits), and Training for the Project excluding Part 1(b)(ii)</td>
<td>5,145,935</td>
<td>100%</td>
</tr>
<tr>
<td>(2) (a) Goods, consultants’ services and Training for Part 1(b)(ii) of the Project – first installment</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(b) Goods, consultants’ services and Training for Part 1(b)(ii) of the Project – second installment</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Operating Costs</td>
<td>878,452.66</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Refund of Preparation Advance</td>
<td>171,319.05</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(5) Unallocated</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(6) Goods, Minor Works, consultants’ services, Training and Operating Costs for the Project</td>
<td>5,804,293.29</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>12,000,000</td>
<td></td>
</tr>
</tbody>
</table>

4. Sections IV.B.2 of Schedule 2 to the Original Financing Agreement and Additional Financing Agreement, respectively are hereby further amended to read as follows:

“The Closing Date is January 31, 2017.”

Please confirm your agreement with the foregoing amendment by signing and dating this Second Amendment Letter in the spaces provided below. All other provisions of the Financing Agreements, except as amended herein, shall remain in full force and effect.

This Second Amendment Letter shall be executed in two counterparts each of which shall be an original and shall become effective upon receipt by the Association of one countersigned original of this Second Amendment Letter.

Sincerely

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Country Director for Burundi
Africa Region

2
AGREED:

REPUBLIC OF BURUNDI

By: [Signature]

Name: [Signature] LLAH MANIRAKIZA
Title: MINISTER
Date: 29/10/2015