Mr. William Chong Wong  
Secretary  
Secretaría de Estado en el Despacho de Finanzas  
Tegucigalpa, M.D.C.  
Republic of Honduras

Re: HONDURAS: Project Preparation Advance No. Q6460  
(Advance for the Preparation of Second Land Administration Project)  
Amendment to the Advance Agreement

Dear Sir,

We refer to the Advance Agreement for the Preparation of the Second Land Administration Project between the International Development Association (the “Association”) and Republic of Honduras (the “Recipient”) dated March 9, 2010 (“Advance Agreement”). Capitalized terms used in this amendment letter (the “Amendment Letter”) and not defined herein have the meaning ascribed to them in the Agreement.

Pursuant to your letter dated October 1, 2010 whereby the Recipient requests to extend the Refinancing Date, and to amend the Advance Agreement to incorporate a new definition of the term “Operating Costs”, we are pleased to inform you that the Association agrees to your request.

Accordingly, the Association has established November 30, 2011 as the later date for purposes of Article 3.03 of the Annex to the Advance Agreement.

In addition, the Association proposes to amend the Advance Agreement as follows:

1. Section I.5 of the Appendix to the Advance Agreement is hereby amended to read in its entirety as follows:

“Operating Costs” means the incremental expenses incurred on account of Project implementation, including office supplies, leasing of vehicles and office space, operation and maintenance of vehicles and equipment for cadastral activities, salaries of PCU staff (not financed as consultant services) and security personnel, insurance costs, office administration costs, utilities, travel, transportation, lodging, and per diem for staff carrying out field trip activities.
Please confirm your agreement with the foregoing amendment by signing and dating this letter in the spaces provided below. This Amendment Letter shall be executed in two counterparts, each of which shall be an original. The provisions of this Amendment Letter shall become effective as of the date of countersignature, upon receipt by the Association of one fully executed original of this Amendment Letter. Thenceforward, all other provisions of the Advance Agreement, except as amended through this letter shall remain in full force and effect.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Laura Frigenti
Acting Country Director
Central America Country Management Unit
Latin America and the Caribbean Region

AGREED:

REPUBLIC OF HONDURAS

By: /s/ William Chong Wong
Authorized Representative

Name: William Chong Wong

Title: Secretario de Estado Finanzas

Date: November 24, 2010