December 16, 2014

Maria Van Berlekom
Head of Development Cooperation, Sida Tanzania
Mirambo St./Garden Avenue
P.O. Box 9274
Dar es Salaam, Tanzania

ADMINISTRATION AGREEMENT FOR SWEDISH SUPPORT TO ELECTRICITY ACCESS AND REGULATION IN TANZANIA (TF071411)
EXTENSION OF COMPLETION DATE

Dear Ms. Berlekom:

We refer to the Administration Agreement (the “Agreement”) dated December 17, 2009, as amended to date, between Sweden, represented by the Swedish International Development Cooperation Agency ("Sida" or "Donor"), and the International Bank for Reconstruction and Development ("IBRD") and the Development Association ("IDA") (collectively the “Bank”) for the Trust Fund ("Trust Fund No. 071411") ("Project") to Support the Electricity Access and Regulation in Tanzania. We also refer to a recent discussion between Sida and the Bank to extend the completion date of the Project for a period of 18 months and the work plan agreed upon to serve as the guideline for this future work (Attachment 1).

Therefore, we propose to amend Article 3 of the Agreement as follows:

"ARTICLE 3

Commencement and Completion Dates

Section 3.01 The Grant funds may be used to finance expenditures for the Project commencing on January 1, 2010 and ending on June 30, 2016

All other terms of the Agreement, except amended herein, shall remain the same.

The Bank will disclose this Agreement and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Agreement, Sida consents to the disclosure of this Agreement and related information on this Trust Fund.

Sincerely,

Maria Van Berlekom
Head of Development Cooperation, Sida Tanzania
Mirambo St./Garden Avenue
P.O. Box 9274
Dar es Salaam, Tanzania
Please confirm your agreement with the foregoing, on behalf of the Donor by countersigning and
dating the form of confirmation on the two original copies of this letter, and returning one original, as
countersigned to us. Upon receipt by the Bank of the copy of this letter countersigned by you, the
amendment shall be effective as of the date of the countersignature by the authorized representative of the
Donor.

Sincerely,
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/
INTERNATIONAL DEVELOPMENT ASSOCIATION

CONFIRMED AND ACCEPTED:

SWEDEN
(Represented by the Swedish International Development Cooperation Agency – Sida)

By: ____________________________

Name: [Name]
Title: Director, Global Energy and Extractives Directorate
Date: 11/11/2017

Attachment 1: Work Plan for Preparation of New Rural Electrification Project in Tanzania
ATTACHMENT 1: WORK PLAN FOR PREPARATION OF NEW RURAL ELECTRIFICATION PROJECT IN TANZANIA

1. The proposed new project, "Rural Electrification Expansion Project" (REEP), is expected to have development objectives that will seek (i) to expand grid and increase significantly the number of rural electricity connections to households, businesses and other facilities, and (ii) to scale-up renewable energy use in the generation of electricity. As such, it will support initiatives to extend the national grid to unelectrified communities and promote the continued progression of off-grid and small-power producer based electrification.

2. The resources from the Trust Fund funded by the Swedish International Development Assistance will be used to support the preparation, appraisal, and approval of the REEP. It will also support the necessary analytical activities that will be required during the implementation of REEP to newly planned operation. The estimated budget for these activities is US$2.85 million. An approximate break-down of this budget is summarized in the table below.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Estimated Budget (US$)</th>
</tr>
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<tbody>
<tr>
<td>Review of the current rural electrification institutional framework of</td>
<td>$350,000</td>
</tr>
<tr>
<td>Tanzania, roles and coordination among Ministry of Energy and Minerals,</td>
<td></td>
</tr>
<tr>
<td>Rural Energy Agency (REA) and Tanzania Electricity Supply Company (TANESCO), and prepare implementation arrangements and coordination that will be required for REEP.</td>
<td></td>
</tr>
<tr>
<td>Review of the current rural electrification and subsidy policy framework and prepare an analysis about the effectiveness of the current policy framework. Based on the review and analysis, provide an assessment of areas for policy dialogue that would be implemented under REEP.</td>
<td>$250,000</td>
</tr>
<tr>
<td>Consultations with stakeholders and coordination among stakeholders and donors a scope for REEP, identification with REA and TANESCO potential subprojects for grid extension and preparation of technical and economic assessments of potential subprojects to be used for the preparation of feasibility studies by REA and TANESCO</td>
<td>$250,000</td>
</tr>
<tr>
<td>Assessment of skill requirements and preparation of a draft organizational structure for a Project Preparation Facility for consideration by REA, MEM and TANESCO, including a description of roles and responsibilities, budget and a first year training plan</td>
<td>$350,000</td>
</tr>
<tr>
<td>Preparation of financial and economic analyses for REEP</td>
<td>$250,000</td>
</tr>
<tr>
<td>Design of financing mechanisms to be implemented under REEP to support small power producers and off-grid electrification while promoting synergies and resources from other donors and the government</td>
<td>$350,000</td>
</tr>
<tr>
<td>Capacity building activities required for REA, based on the results of the skills assessment for setting up a project preparation facility within REA. Some resources will be held in reserve to assist in overcoming any support considered necessary but not covered by above activities</td>
<td>$350,000</td>
</tr>
<tr>
<td>Other activities for REEP preparation; additional resources can be used for establishment of the REA Project Preparation Facility.</td>
<td>$700,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,850,000</strong></td>
</tr>
</tbody>
</table>