April 17, 2015

Mr. Yang Shaolin
Director-General
International Economic
and Financial Cooperation Department
Ministry of Finance
Sanlihe,
Beijing 100820
People’s Republic of China

Re: China: Anhui Shaying River Channel Improvement Project
Loan Number 8036-CN
Amendment to Loan Agreement

Dear Mr. Yang:

We refer to the Loan Agreement between the People’s Republic of China (the Borrower) and the International Bank for Reconstruction and Development (the Bank) dated June 3, 2011 (the Loan Agreement) and the Project Agreement of the same date between the Bank and Anhui Province (the Project Agreement) for the Anhui Shaying River Channel Improvement Project (the Project).

We also refer to your letters dated April 21, 2014, and April 2, 2015, respectively, requesting certain amendments to the legal documents and an extension of the closing date for the Loan. We are pleased to inform you that the Bank concurs with the requests, and accordingly amends the Loan Agreement as set forth below:

1. Part B of Schedule 1 is amended to add new paragraphs 3 and 4 to read as follows:

“3. Construction of a second lock on the Shaying River, adjacent to the existing Yingshang Lock.

4. Upgrading and expansion of the existing Yangqiao lock on the Quan River.”

2. Section II.A.1 of Schedule 2 is amended to read as follows (emphasis added):

“1. The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of the indicators set forth in the Results Framework. Each Project Report shall cover the period of one calendar semester,
and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report."

3. The table in Section IV.A.2 of Schedule 2 is amended to read as set forth in the Annex to this letter.

4. Section IV.B.2 of Schedule 2 is amended to read as follows (emphasis added):

"2. The Closing Date is December 31, 2017."

5. Appendix 1, Section I, Definitions:

(a) The definition of “Environmental Management Plans” is revised to read as follows (emphasis added):

"11. “Environmental Management Plans” or the acronym "EMP" means collectively, each of the Environmental Management Plans, dated September 1, 2010, and September 2014, adopted by the Project Implementing Entity (Anhui), which plans set out the environmental protection measures in respect of the Project, as well as administrative and monitoring arrangements to ensure the implementation of said plans, as said plans may be revised from time to time with the prior written agreement of the Bank, and such term includes all schedules and agreements supplemental thereto; and “Environmental Management Plan” means, individually, any of the Environmental Management Plans.”

(b) The definition of “Consultant Guidelines” is revised to read as follows:

"9. “Consultant Guidelines” means: (a) except as provided in subparagraph (b) below, “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 and revised on July 2014; and (b) in the case of contracts financed or to be financed, in whole or in part, out of the proceeds of the Loan, and for which the invitation to bid was issued prior to the date of this Letter of Amendment to Loan Agreement, “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 (incorporating the revisions, as applicable, of October 2006 and May 2010).”

(c) The definition of “Procurement Guidelines” is revised to read as follows:

"17. “Procurement Guidelines” means: (a) except as provided in subparagraph (b) below, the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 and revised on July 2014; and (b) in the case of contracts financed or to be financed, in whole or in part, out of the proceeds of the Loan, and for which the invitation to bid was issued prior to the date of this Letter of Amendment to Loan Agreement, “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004” (incorporating the revisions, as applicable, of October 2006 and May 2010).”
(d) The definition of “Resettlement Action Plans” is revised to read as follows (emphasis added):

“21. “Resettlement Action Plans” or the acronym “RAPs” means, collectively, each of the Resettlement Action Plans, dated August 24, 2010, December 2014 for Part B.3 of the Project, and June 2014 for Part B.4 of the Project, adopted by the Project Implementing Entity (Anhui), which plans set out, inter alia: (a) the principles and procedures governing land acquisition, resettlement, compensation and rehabilitation of Displaced Persons on account of the execution of the Project; and (b) reporting and monitoring arrangements to ensure compliance with said plans, as said RAPs may be revised from time to time with the prior written agreement of the Bank; and “Resettlement Action Plan” means, individually, any of the Resettlement Action Plans.”

(e) A new paragraph 22 as follows is introduced and the subsequent paragraph is renumbered accordingly:

“22. “Results Framework” means the Borrower’s framework, dated October 23, 2014 and agreed with the Bank, setting forth the indicators and targets for purposes of monitoring and evaluation of the progress of the Project, as the same may be revised from time to time with the prior written agreement of the Bank, and such term includes any annexes, appendices, or schedules to such framework.”

Except as specifically amended in this letter, all other terms and conditions of the Loan Agreement shall remain in full force and effect. The Project Agreement is similarly being amended as reflected in an amendment letter to the Project Agreement of even date herewith.

Please confirm your agreement to the foregoing on behalf of the Borrower by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully countersigned original of this letter to us. This amendment letter shall become effective as of the date of the last countersignature of the two amendment letters (including this one) prepared further to the above-mentioned requests, upon receipt by the Bank of: (a) a duly countersigned original of this letter by the authorized representative of the Borrower; (b) a duly countersigned original of the amendment letter to the Project Agreement by the authorized representative of Anhui Province.

Yours sincerely,

Mara Warwick
Acting Country Director, China
East Asia and Pacific Region
CONFIRMED:
PEOPLE'S REPUBLIC OF CHINA

By: [Signature]
Authorized Representative

Name: Yang Yingming

Title: Deputy Director-General

Date: May 8, 2016

cc:
Mr. Chen Shulong
Vice Governor
Anhui Provincial Government
People's Republic of China

Mr. Luo Jie
Deputy Director of PMO
Anhui Provincial Transport Department
8th Floor, Huayi Mansion
No. 95 Shouchun Road
Hefei, Anhui Province
People's Republic of China
<table>
<thead>
<tr>
<th>Category</th>
<th>Allocated Amount (expressed in US$)</th>
<th>Percentage of Expenditures to be financed (inclusive of taxes)</th>
</tr>
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<tbody>
<tr>
<td>(1) Civil works under Part A of the Project</td>
<td>35,000,000</td>
<td>45%</td>
</tr>
<tr>
<td>(2) Civil works under Part 3 of the Project</td>
<td>54,680,000</td>
<td>67%</td>
</tr>
<tr>
<td>(3) Equipment and goods under Part A of the Project</td>
<td>3,990,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Plants and equipment under Part C of the Project</td>
<td>3,820,000</td>
<td>60%</td>
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<tr>
<td>(5) Technical study and training</td>
<td>780,000</td>
<td>100%</td>
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<tr>
<td>(6) Interest during construction</td>
<td>1,480,000</td>
<td>Amounts payable pursuant to Section 2.04 of this Agreement in accordance with Section 2.07(c) of the General Conditions until June 30, 2016</td>
</tr>
<tr>
<td>(7) Front-end Fee</td>
<td>250,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions</td>
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<tr>
<td>(8) Premium on Interest Rate Cap or Interest rate Collar</td>
<td>0</td>
<td>Amount payable pursuant to Section 2.07(c) of this Agreement in accordance with Section 4.05(c) of the General Conditions</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>100,000,000</td>
<td></td>
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