Mr. Henry Rotich  
Cabinet Secretary  
The National Treasury  
Treasury Building  
Nairobi, Kenya

Dear Mr. Rotich,

Re: Kenya Electricity Expansion Project (Cr. 4743-KE)  
Reallocation of Financing Proceeds

Pursuant to your letter Ref. EA/FA/63/35/044'A'(95) dated November 20, 2013, requesting us to reallocate the proceeds of the above-referenced Financing, I am pleased to inform you that the International Development Association (the Association) concurs with your request.

Accordingly, the Association hereby reallocates the proceeds of the Financing allocated in the table in Section IV A.2 (Withdrawal of the Proceeds of the Financing) in Schedule 2 of the Financing Agreement between the Republic of Kenya (the Recipient) and the Association dated July 5, 2010, as set out in the attachment to this letter.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Diariétou Gaye  
Country Director for Kenya  
Africa Region

CONFIRMED

REPUBLIC OF KENYA

By: ____________________________  
Date: 27/07/14
Mr. Henry Rotich

cc:

Eng. Joseph Njoroge
Principal Secretary
Ministry of Energy and Petroleum

Dr. Kamau Thugge
Principal Secretary
The National Treasury

Dr. Ben Chumo
Managing Director
Kenya Power and Lighting Company Ltd

Mr. Jackson Kinyanjui
Director, External Resources Department
The National Treasury

Eng. Stanley Mutwiri
Team Leader, Project Implementation Unit
Kenya Power and Lighting Company Ltd

Mr. Kennedy Nyachiro
Head, World Bank Division
The National Treasury

Mr. Henry Mutwiri
Deputy Head, World Bank Division
The National Treasury

Mr. Rodney Sultan
Project Coordinator
Ministry of Energy and Petroleum
# Annex

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of IDA financing allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed by IDA (excluding taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Works, Goods and Consultants’ Services under Part A (1), A (2), and Training under Part D (2) (a) of the Project</td>
<td>75,600,000.00</td>
<td>100%</td>
</tr>
<tr>
<td>2. Works, Goods, and Consultants’ Services under Part B (excluding Part B (3) (a) and (c) of the Project</td>
<td>31,716,000.00</td>
<td>100%</td>
</tr>
<tr>
<td>3. Works, Goods and Consultants’ Services under Part C (1) (a) and C (3) and Training under Part D (2) (b) of the Project</td>
<td>68,904,000.00</td>
<td>100%</td>
</tr>
<tr>
<td>4. Works, Goods, and Consultants’ Services under Part C (2) (a) and Training under Part D (2) (c) of the Project</td>
<td>22,600,000.00</td>
<td>100%</td>
</tr>
<tr>
<td>5. Goods, Works, Consultants’ Services and Training under Parts D (1), D(2) (d), and D (3) of the Project</td>
<td>6,900,000.00</td>
<td>100%</td>
</tr>
<tr>
<td>6. Unallocated</td>
<td>5,100,000.00</td>
<td></td>
</tr>
<tr>
<td>7. Subsidy for eligible connections under Part C(3) (b) of the Project</td>
<td>6,580,000.00</td>
<td>Such percentage as the World Bank shall determine and communicate to the Recipient in an Annual Confirmation Letter</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>217,400,000.00</strong></td>
<td></td>
</tr>
</tbody>
</table>