March 26, 2013

Hon. Maria Kiwanuka  
Minister of Finance, Planning and Economic Development  
Ministry of Finance, Planning and Economic Development  
P.O. Box 8147  
Kampala  

Dear Hon. Kiwanuka,

Re: Uganda Second Environmental Management Capacity Building Project  
(Cr. 4504 - UG) - Amendment to the Financing Agreement  
Corrigendum - Partial Cancellation of the Credit

We refer to the Financing Agreement (Amending and Restating Development Credit Agreement Number 3477-UG) between the Republic of Uganda (Recipient) and the International Development Association (Association) dated October 10, 2008 as amended on December 19, 2011 and countersigned on January 6, 2012 (the Agreement) for the above-referenced Project.

We also refer to your letter dated June 9, 2009, requesting the Association to reduce the IDA Credit by SDR45,000 and the subsequent amendment to the Financing Agreement dated August 4, 2009 cancelling the amount of SDR45,000 from the above Credit. This partial Credit cancellation was inadvertently not reflected in the amendment to the Financing Agreement December 19, 2011 and countersigned on January 6, 2012.

This is to confirm that the amount of Credit 4504 is SDR9,255,000, effective June 19, 2009, the date of receipt of the GOU request for partial cancellation by the Bank, and to correct the schedule of Withdrawal of the Proceeds of the Financing in the Agreement as per Schedule 1 to this letter.

We would be grateful if you could acknowledge receipt of this letter.

Sincerely,

[Signature]

Philippe Dongier  
Country Director  
Burundi, Tanzania and Uganda
Section IV. **Withdrawal of the Proceeds of the Financing**

A. **General**

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the Categories of Eligible Expenditures that may be financed out of the proceeds of the Financing, 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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Original Credit Allocated (Expressed in SDR Equivalent)</th>
<th>Revised Amount of the Additional Credit Allocated (Expressed in SDR Equivalent)</th>
<th>Percentage of Expenditures to be financed (inclusive of taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Vehicles, equipment and supplies</td>
<td>1,523,000</td>
<td>4,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Civil works</td>
<td>1,416,000</td>
<td>1,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Consultants' services, including audits,</td>
<td>3,161,000</td>
<td>900,000</td>
<td>100%</td>
</tr>
<tr>
<td>studies, Training and Workshops</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Goods, works and services for Micro</td>
<td>567,000</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>projects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Operating Costs</td>
<td>8,908,000</td>
<td>2,655,000</td>
<td>100%</td>
</tr>
<tr>
<td>(6) Unallocated</td>
<td>1,525,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>17,100,000</td>
<td>9,255,000</td>
<td></td>
</tr>
</tbody>
</table>
Hon. Kiwanuka

Ms. Angella Rwabutomize
Environment Desk Officer
Ministry of Finance, Planning and Economic Development
Kampala

March 26, 2013
Hon. Kiwanuka

March 26, 2013

bcc: Messrs/Mmes: A. Ndiaye, S. Ali Shah, S. Hye, A. Jacob (AFCE1); M. Babirye, H. Kiwanuka (AFMUG); M. Lovei, M. Fodor, L. Verheijen, Y. Butler (AFTN3); E. Moguche (AFTFM); G. Munanura (AFTPC); L. Schwaz (CTRLA); S. Shivakumar; Y. Bangani (CTRLN); C. Makori (LEGAM); WBDocs