May 10, 2012

Honourable Dr. Ken Lipenga, M.P.
Minister of Finance
Ministry of Finance
P. O. Box 30049
Lilongwe 3
MALAWI

Dear Honourable Minister:

Re: Republic of Malawi: Mining Governance and Growth Support Project
Amendment to the Financing Agreement (Credit Number 4901-MW)

1. We refer to the Financing Agreement ("Agreement") dated November 2, 2011 between the Republic of Malawi ("Recipient") and the International Development Association ("Association") for the above referenced project ("Project").

2. In view of the changes in the structure of the co-financing provided by the European Union, the Association proposes to amend the Agreement by deleting the table specifying the categories of Eligible Expenditure in Section IV.A.2 of Schedule 2 to the Agreement and replacing it with the following:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants' services and Training for Part A</td>
<td>3,610,000</td>
<td>80%</td>
</tr>
<tr>
<td>(2) Goods, works, consultants' services and Training for Part B</td>
<td>1,080,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, works, consultants' services and Training for Part C</td>
<td>9,560,000</td>
<td>81%</td>
</tr>
<tr>
<td>(4) Goods, works, consultants' services, Training and Operating costs for Part D</td>
<td>1,530,000</td>
<td>81%</td>
</tr>
<tr>
<td>(5) Refund of Preparation Advance</td>
<td>330,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT** | **16,100,000** |
3. All other terms of the Agreement shall remain the same.

4. Please confirm your agreement to the foregoing by signing and dating below. Upon receipt by the Association of the countersigned copy of this letter, this amendment shall become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Kundhavi Kadresan
Country Director
Malawi, Zambia and Zimbabwe
Africa Region

AGREED:
REPUBLIC OF MALAWI

By

Authorized Representative

Name

Title

Date: 18/05/12