Mme. Zou Jiayi  
Director-General  
International Department  
Ministry of Finance  
Beijing, China  

Dear Mme. Zou,

Re: GuiGuang Railway Project (Ln 7678-CHA)  
Amendments to the Loan Agreement

1. We refer to the Loan Agreement dated June 3, 2009, between the People's Republic of China ("Borrower") and the International Bank for Reconstruction and Development ("Bank"), pursuant to which the Bank agreed to extend a loan to the Borrower ("the Loan") to assist in the financing of the GuiGuang Railway Project, ("Loan Agreement"). We also refer to the various discussions between the representatives of the Borrower and the Bank following the changes that have occurred in the railway sector. Consequently, we propose the following amendments to the Loan Agreement.

2. We are pleased to inform you that the Bank concurs with the Borrower's proposal and hereby agrees to amend the Loan Agreement as hereinafter provided.

(a) Schedule 1, Part A.1 is amended to read as follows:

"1. Construction of a new two track electrified rail line of about 857 km for passenger service connecting Guiyang in Guizhou Province and Guangzhou in Guangdong Province, including construction of sub-grades, tunnels, bridges, culverts and buildings, acquisition and installation of goods (including communications, signaling, mechanical and electrification equipment, and concrete beams), and provision of related technical assistance."

(b) Schedule 2 paragraph 1 is amended to read as follows:

"1. The Borrower shall:

(a) cause the Ministry of Railways to engage and retain throughout the period of implementation of the Project the independent procurement
agent, referred to in paragraph A.3 of Section III of Schedule 2 to this Agreement, under terms of reference satisfactory to the Bank, for the purpose of procuring all goods and services required for the Project and to be financed out of the proceeds of the Loan; and

(b) cause the Ministry of Railways to construct the GuiGuang Railway Line through the GGRC, under implementation arrangements satisfactory to the Bank, including installing the equipment procured pursuant to clause (a) of this paragraph, in accordance with:

(i) arrangements and a time schedule satisfactory to the Bank;

(ii) appropriate technical standards, alignment and specifications; and

(iii) appropriate international standards and practices relating to design, installation and construction supervision, including standards and practices for securing, assimilating and integrating tested, mature and safe technology and products suitable for operating the GuiGuang Railway Line; and

(c) except as the Bank may otherwise agree, cause the Ministry of Railways to:

(i) ensure, through implementation arrangements satisfactory to the Bank, that the GGRC is maintained with adequate staff and resources satisfactory to the Bank to implement the construction of the GuiGuang Railway Line and to ensure the implementation of the RAP Arrangements; and

(ii) maintain FCTIC with adequate powers, functions, staff and resources satisfactory to the Bank in order to enable it to carry out procurement and financial management related to the Project and to supervise the implementation of the Project.”
(c) The Table in Schedule 2, Section IV A.2 is amended to read as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants' services, training and study tours under Part A.1 of the Project</td>
<td>299,250,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Front-end Fee</td>
<td>750,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>300,000,000</td>
<td></td>
</tr>
</tbody>
</table>

(d) The Annex (Results Framework) in Schedule 2 is amended to read as in Attachment to this Letter.

(e) In Appendix, Section I (Definitions), a new sub-paragraph 13 is added to read as follows:


All following sub-paragraphs are renumbered accordingly.

3. Please confirm the agreement of the Borrower to the amendments set forth in paragraph 2 above by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully signed original of this amendment letter to us. One fully signed original should be retained by the Borrower.
4. Except as specifically amended hereby, all other provisions of the Loan Agreement remain in full force and effect. Upon receipt by the Bank of the copy of this letter of amendment duly countersigned by the authorized representative of the Borrower, the above amendments to the Loan shall become effective as of the date of countersignature of this letter of amendment.

Sincerely,

[Signature]

Regis Cunningham
Acting Country Director, China
East Asia and Pacific Region

CONFIRMED:
PEOPLE'S REPUBLIC OF CHINA

[Signature]

By:

Name: ___________________

Title: ___________________

Date: _________________
**Annex**

**Results Framework**

**Project Development Objective (PDO):**
To provide additional transport capacity and reduce transport time between the less developed western region in southwest China and the relatively more developed Pearl River delta region.

**Revised Project Development Objective:**

<table>
<thead>
<tr>
<th>PDO Level Results Indicators*</th>
<th>Core</th>
<th>D=Dropped C=Continue N= New R=Revised</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>2012</th>
<th>2014</th>
<th>2016</th>
<th>2022</th>
<th>Frequency</th>
<th>Data Source/ Methodology</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator One: Average number of pairs of express passenger trains operated per day</td>
<td>□</td>
<td>R</td>
<td>Number</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>20</td>
<td>30</td>
<td>Annually</td>
<td>MOR/Project Company Statistics</td>
<td>MOR</td>
</tr>
<tr>
<td>Indicator Two: Average number of pairs of freight trains operated per day</td>
<td>□</td>
<td>D</td>
<td>Number</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Indicator Three: Average travel time of express passenger trains</td>
<td>□</td>
<td>R</td>
<td>Minutes</td>
<td>1,500</td>
<td>1,500</td>
<td>1,500</td>
<td>250</td>
<td>250</td>
<td>Annually</td>
<td>MOR/Project Company Statistics</td>
<td>MOR</td>
</tr>
</tbody>
</table>

**INTERMEDIATE RESULTS**

**Intermediate Result (Component One): Construction of GuiGuang line**

**Revised Intermediate Result (Component One): N/A**

<table>
<thead>
<tr>
<th>Intermediate Result indicator One: completion rate of civil works</th>
<th>Core</th>
<th>D=Dropped C=Continue N= New R=Revised</th>
<th>Unit of Measure</th>
<th>Baseline (2008)</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Frequency</th>
<th>Data Source/ Methodology</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>□</td>
<td>R</td>
<td>0</td>
<td>50</td>
<td>75</td>
<td>90</td>
<td>100</td>
<td>Twice yearly</td>
<td>Project progress report</td>
<td>MOR</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Intermediate Result indicator Two: delivery of Bank financed goods**

<table>
<thead>
<tr>
<th>Core</th>
<th>D=Dropped C=Continue N= New R=Revised</th>
<th>Unit of Measure</th>
<th>Baseline (2008)</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Frequency</th>
<th>Data Source/ Methodology</th>
<th>Responsibility for Data Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>□</td>
<td>R</td>
<td>%</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>50</td>
<td>100</td>
<td>Twice yearly</td>
<td>Project progress report</td>
<td>MOR</td>
</tr>
</tbody>
</table>