Mr. Chen Shixin  
Director-General  
International Economic and Financial Cooperation Department  
Ministry of Finance  
Beijing, China  

Re: Ozone Projects Trust Fund for the China HCFC Phase-Out Project  
OTF Grant No. TF013143  
Amendment No. 3 to Grant Agreement  

Dear Mr. Chen:  

We refer to the Ozone Projects Trust Fund Grant Agreement ("Agreement") dated November 28, 2012 as amended on September 2, 2013 and April 15, 2015, between the People's Republic of China ("Recipient") and the International Bank for Reconstruction and Development, acting as Implementing Agency of the Multilateral Fund and Trustee of the Ozone Projects Trust Fund ("World Bank"), regarding the China HCFC Phase-Out Project ("Project").  

The World Bank has received the letter dated May 20, 2016 requesting the amendment of the Agreement for the purpose of: (a) increasing the grant amount; and (b) modifying the disbursement table in Section IV.2. of Schedule 2 to the Agreement.  

We are pleased to inform you that the World Bank has agreed to extend an additional financing in the amount of One Hundred and Seventy Four Thousand One Hundred and Fifty United States Dollars (US$174,150.00) ("Additional Financing") to the Recipient upon the same terms and conditions set forth in the Agreement. Accordingly, by this letter of amendment ("Letter of Amendment"), we propose to amend the Agreement as follows:  

1. Section 3.01 of Article III to the Agreement is amended to reflect the total Grant funds available for the Project as follows:  

"Section 3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount not exceeding One Hundred Sixty Eight Million Four Hundred and Forty Seven Thousand One Hundred and Fifty United States Dollars (U.S.$168,474,150.00) ("Grant") to assist in financing the Project."
2. The disbursement table in Section IV.2 of Schedule 2 to the Agreement is amended as shown in the Annex to this Letter of Amendment.

Unless the context otherwise requires and except where otherwise defined in this Letter of Amendment, all capitalized terms contained herein shall have the meanings given to them in the Agreement.

Except as specifically amended by this Letter of Amendment, all other provisions of the Agreement shall remain unchanged and in full force and effect.

Please confirm your agreement with the amendments set out above by countersigning, dating and returning to us the enclosed copy of this Letter of Amendment. Upon receipt by the World Bank of the countersigned original of this Letter of Amendment, the Letter of Amendment shall become effective as of the date of countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
Acting as Implementing Agency of the Multilateral Fund and Trustee of the Ozone Projects Trust Fund

Bert Hofman
Country Director, China

AGREED:
PEOPLE'S REPUBLIC OF CHINA

By: Zhang Zhengwei
Authorized Representative
Name: Zhang Zhengwei
Title: Deputy Director General of the Department of International Economic and Financial Cooperation
Date: __________________
## ANNEX

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Sub-grants for Consumption Sector under Component 1 of the Project</td>
<td>63,350,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-grants for Production Sector under Component 2 of the Project</td>
<td>88,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, non-consulting services, consultants' services, workshops, and IOC under Component 3 of the Project</td>
<td>7,750,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Goods, non-consulting services, consultants' services, workshops, and IOC under Component 5 of the Project</td>
<td>474,150</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Project Management Fee for carrying out activities under Component 4 of the Project</td>
<td>8,400,000</td>
<td>5% of each installment of the Annual Program Amount made available pursuant to paragraph E.3 of Section I of Schedule 2 to this Agreement</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT** 168,474,150
CC: Mr. Yang Yuanjie, Acting Director
Mr. Zhang Lei, Section Chief
IFI Division I
International Economic and Financial Department
Ministry of Finance
Email: yangyuanjie@mof.gov.cn, zhangleimof@sina.cn

Mr. Guo Wensong, Acting Director
Ms. Tian Min, Deputy Director
IFI Division III
International Economic and Financial Department
Ministry of Finance
Email: guo.wensong@gmail.com; tianmin@mof.gov.cn

Mr. Li Junyuan, Director
Mr. Feng Baoshan, Director
Loan Division I
Foreign Capital Utilization Department
National Development and Reform Commission
Email: lijy@ndrc.gov.com; fengbsh@126.com

Mr. Xiao Xuezhi, Deputy Director Generals
Ms. Li Pei
Foreign Economic Cooperation Office
Ministry of Environmental Protection
Email: xiao.xuezhi@mepfeco.org.cn; li.pei@mepfeco.org.cn

Ms. Zhou Xiaofang, Director
Project Division III (ODS)
Foreign Economic Cooperation Office
Ministry of Environmental Protection
Email: zhou.xiaofang@mepfeco.org.cn