May 29, 2013

H.E. Besim Beqaj
Minister of Finance
Ministry of Economy and Finance
Mother Teresa Street
1000 Pristina
Republic of Kosovo

Re. IDA Grant H234 KOS
(Energy Sector Clean-up and Land Reclamation Project)
Amendments to the Financing Agreement

Excellency,

We refer to the Financing Agreement for the above referenced Project (Project), dated December 13, 2006, between the Republic of Kosovo (the Recipient) and the International Development Association on (the Association) (Agreement), as amended by the Grants Assumption Agreement between the Recipient, the Association, and the International Bank for Reconstruction and Development dated December 11, 2009. We also refer to the letter from Ministry of Finance dated March 27, 2013, requesting the Project be restructured and that the Agreement be amended.

We are pleased to inform you that the Association hereby agrees to restructure the Project and to amend the Agreement as follows:

1. Financial Management

Paragraph 5 of Section IV B. o. Schedule 2 to the Agreement shall be deleted.

2. Closing Date

The Closing Date in Section VI.B.2 of Schedule 2 to the Agreement shall be revised to read: "December 31, 2014"

Please confirm your agreement to the above by countersigning both copies of this amendment letter and returning one of the countersigned copies to us. Upon receipt by the Association of the copy of this amendment letter countersigned by you, this amendment letter
will become effective as of the date of your countersignature. We will notify you of the receipt of the countersigned letter.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Anthony A. Gaeta
Acting Country Director for Southeast Europe
Europe and Central Asia Region

AGREED

REPUBLIC OF KOSOVO

By: __________________________
   Authorized Representative

Name: ________________

Title: Minister of Finance

Date: 25/06/2013