H.E. Mr. Somdy Douangdy  
Deputy Prime Minister  
Minister  
Ministry of Finance  
23 Singha Road  
Vientiane, Lao PDR

Lao PDR:  Power Grid Improvement Project (Credit No. 5675-LA)  
Amendment to the Financing Agreement

Excellency,

We refer to the Financing Agreement dated August 17, 2015 (the “Financing Agreement”) between the Lao People’s Democratic Republic (the “Recipient”) and the International Development Association (the “Association”).

We further refer to (i) your letter dated March 17, 2020, requesting the Association to extend the Closing Date provided for under the Financing Agreement; and (ii) our letter dated March 26, 2020 regarding Implementation Support for the Project, identifying the need for additional time to complete remaining activities under the Project and status of the legal covenant on debt-to-equity ratio of Electricity du Laos. We are pleased to inform you that, after due consideration, the Association concurs with the request and:

1. has established March 31, 2021 as the later date for purposes of paragraph 2 of Section IV.B of Schedule 2 to the Financing Agreement; and
2. hereby proposes to amend Section V of Schedule 2 to the Financing Agreement to read as follows:

“Section V. Other Undertakings

For the purposes of implementation of the Project and the achievement of its objectives, the Recipient shall, in conjunction with the Project Implementing Entity ensure that the Financial Action Plan is implemented in a manner consistent with the purposes of the said plan throughout the period covered by the said plan.”

Except as specifically amended herein, all other provisions of the Financing Agreement remain in full force and effect.

Please confirm your agreement with the amendments under paragraph (2) above on behalf of the Recipient by signing and dating the form of confirmation set forth below, and returning one fully countersigned original of this amendment letter to us and retaining one original for your records. Upon
receipt by the Association of the countersigned copy of this letter, this amendment (except for the provision related to the extension of the Closing Date under paragraph (1) above, which shall become effective upon dispatch of this amendment letter to the Recipient) shall become effective as of the date of the countersignature.

Sincerely,

Nicola Pontara
Country Manager, Lao PDR
East Asia and Pacific Region

CONFIRMED:
LAO PEOPLE DEMOCRATIC REPUBLIC

By: 
Name: Somdy DOUANGDY
Title: Minister of finance
Date: 11 APR 2020