H.E. Mohammad Mustafa Mastoor  
Acting Minister of Finance  
Ministry of Finance  
Pashtunistan Watt  
Kabul  
Islamic Republic of Afghanistan

Re: Grant Number TF014861  
(Preparation of the Naghlu Hydropower Rehabilitation Project)  
Amendment to the Grant Agreement

Please refer to the Grant Agreement between the Islamic Republic of Afghanistan (“Recipient”) and the International Development Association (“Association”) (“Financing Agreement”), dated June 12, 2013, with respect to the above referenced Project. Terms not otherwise defined herein shall have the meanings assigned to them in the Grant Agreement.

We are pleased to inform you that pursuant to your letter of request dated December 15, 2014 and recent our discussions on the subject, the Association agree to amend the Grant Agreement to revise the implementation arrangements under the Project, reallocate funds among disbursement categories and extend the Closing Date.

Consequently, the Grant Agreement is hereby amended as follows:

1. All Project implementation obligations under Part 1 of the Project formally attributed to the Ministry of Energy and Water will now fall under the purview of DABS. Consequently, all related legal provisions in the Grant Agreement for the execution of said Part 1 of the Project will be deemed to be the responsibility of DABS.

2. Article III. The table in paragraph 3.01 is hereby amended and replaced to read in its entirety as follows:

<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) Goods, consultants’ services, Incremental Operating Costs and Training and Workshops for the Activities</td>
<td>4,970,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>4,970,000</td>
<td></td>
</tr>
</tbody>
</table>
Article III. Paragraph 3.03 is hereby amendment and replaced to read in its entirety as follows:

“3.03. Withdrawal Period. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is December 31, 2015”

Please confirm your agreement with the foregoing amendment by signing and dating this letter in the spaces provided below. This amendment letter shall be executed in two counterparts each of which shall be an original.

Upon confirmation, please return one fully executed original to us. The provisions set forth in this amendment letter shall become effective as of the date of countersignature upon receipt by the Association of one fully executed original of this amendment letter.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

Anthony Cholst
Acting Country Director for Afghanistan
South Asia Region

AGREED:
ISLAMIC REPUBLIC OF AFGHANISTAN

By:
Authorized Representative

Name: MUSTAFA MAHOOR
Title: ACTING MINISTER FINANCE
Date: JAN 10, 2014