June 4, 2013

Mr. Matthew Mendis  
Lead Trustee  
GVEP International  
34-36 Grays Inn Road  
Fifth Floor  
Totara Park House  
United Kingdom  

Dear Sir:

Re: Russian Federation Grant No. TF094542-3A  
Energy SME Support in Sub-Saharan Africa Project  
Amendment to the Letter Agreement

We refer to the Letter Agreement (the “Agreement”), dated June 11, 2009, for the above-mentioned Project, between the Global Village Energy Partnership (GVEP) International (the “Recipient”) and the International Development Association (the “World Bank”), acting as administrator of grant funds provided by the Russian Federation under the Trust Fund to Support Energy Small and Medium Size Enterprises in Sub-Saharan Africa. Pursuant to the understanding reached between the Recipient and the World Bank to modify the Agreement, we are pleased to inform you that the World Bank proposes to amend the Agreement as follows:

1. The first paragraph of the Agreement is amended to read as follows:

"In response to the request for financial assistance made on behalf of the Global Village Energy Partnership (GVEP) International (“Recipient”), I am pleased to inform you that the International Development Association (“World Bank”), acting as administrator of grant funds provided by the Russian Federation under the Trust Fund to Support Energy Small and Medium Size Enterprises in Sub-Saharan Africa, proposed to extend to the Recipient for the benefit of the Republic of Botswana, Republic of Kenya, Republic of Mali, Republic of Rwanda, Republic of Senegal, United Republic of Tanzania and any other agreed beneficiaries (“Member Countries”), a grant in an amount not to exceed ten million two hundred thousand United States Dollars (US$10,200,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project"). This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the Recipient may withdraw the Grant proceeds subject to the availability of such funds.”

RCA 248423. WUI 64145 FAX (202) 477-6391
2. Section 1.02 of the Annex to the Agreement is amended to read as follows:

"Definitions. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement and the following additional terms have the following meanings:

(a) "Beneficiary" means any SME which has met the eligibility criteria set out in the Sub-grants Guidelines (as hereinafter defined) and the requirements of Section 2.03 (e) of this Agreement and as a result has received, or is eligible to receive, a Sub-grant (as hereinafter defined).

(b) "Environmental and Social Impact Assessment" or "ESIA" means a site-specific report, to be prepared in accordance with the parameters laid down in the ESMF (as hereinafter defined) and acceptable to the World Bank, identifying and assessing the potential environmental and social impacts of the activities to be undertaken for the Project, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures.

(c) "Environmental and Social Management Framework" and "ESMF" means the Recipient's framework dated January 2013, which: (i) sets forth standards, methods and procedures specifying how technological research activities under the Project whose location, number and scale are presently unknown shall systematically address environmental and social issues in the screening and categorization, sitting, design, implementation and monitoring phases during Project implementation; (ii) systematizes the environmental and social impact assessment required for such activities before Project execution; and (iii) stipulates the procedures for conducting site-specific environmental impact assessments, be they limited environmental impact assessments or full environmental impact assessment.

(d) "Environmental and Social Management Plan" or "ESMP" means a site-specific environmental and social management plan to be prepared in accordance with the parameters laid down in the ESMF and acceptable to the World Bank, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the Project activities to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.

(e) "SME" means any small and medium enterprise in selected Sub-Saharan African countries.

(f) "Sub-grant" means a grant to be made out of the proceeds of the Grant to a Beneficiary to finance goods, works, consultants' services for a Sub-project under Part (h) of the Project.

(g) "Sub-grant Agreement" means an agreement providing for a Sub-grant to be made by the Recipient to a Beneficiary to finance a Sub-project (as hereinafter defined).

(h) "Sub-grant Guidelines" means the Recipient's manual setting forth, inter alia, eligibility criteria and procedures for Sub-grants, as the same may be amended in accordance with the provisions of this Agreement, and such term includes any schedules to the Sub-grant Guidelines.
(i) "Sub-project" means a specific development project to be carried out by a Beneficiary under Part (h) or of the Project and to be financed under a Sub-grant."

3. Section 2.01 of the Annex to the Agreement is amended by modifying paragraphs 2.01 (b), (d), (e) of the Agreement and by adding a new paragraph (h) to read as follows:

"(b) Preparing project appraisal documents for eligible projects in each selected country and providing technical assistance to SMEs and government departments/entities, Rural Electrification Agencies (REAs) under IDA financing and/or other local private funds in the preparation of their business plans, feasibility studies, market studies and any other necessary studies which are part of project preparation.

(d) Assisting the REAs and government departments/entities in designing and implementing capacity development activities to support energy SMEs.

(e) Assisting selected SMEs, REAs and government departments/entities in the structuring and mobilization of financial resources.

(h) Financing of Sub-grants to support the carrying out of activities to increase access to modern energy services in rural and peri-urban areas isolated from the main infrastructure networks in selected Sub-Saharan African countries.

4. Section 2.02 of the Annex to the Agreement is amended to read as follows:

"2.02. Project Execution Generally. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of (a) Article II of the Standard Conditions, (b) the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011, and (c) this Article II."

5. Section 2.03 of the Annex to the Agreement is amended by: (i) deleting paragraph (d) under the Environmental and Social Safeguards; (ii) adding new paragraphs (d) under the Environmental and Social Safeguards; and (iii) adding a new title "Sub-grants" followed by two new paragraphs (e) and (f) to read as follows:

"(d) The Recipient shall take all measures required to: (i) screen the activities under the Sub-projects financing out of the proceeds of the Grant; (ii) ensure that each Beneficiary: (A) carry out an appropriate site-specific Environmental and Social Impact Assessment (ESIA) or Environment and Social Management Plan (ESMP), as the case may be, for each such activities in accordance with the provisions of the ESMF and in form and substance satisfactory to the World Bank; and (B) consult upon and disclose the site-specific ESIA or ESMP, as the case may be, as approved by the World Bank; (iii) verify (through its own staff, outside experts, or existing environmental/social institutions) before approving the Grant proposal that the activities meet the environmental and social requirements of appropriate national and local authorities and that they are consistent with the World Bank’s applicable environmental and social assessment and safeguard policies and comply with the environmental and social review procedures set forth in the Sub-grants Guidelines; and (iv) thereafter, ensure that the
relevant mitigation and monitoring provisions of the ESIA or ESMP, as the case may be, are appropriately implemented.”

“Sub-grants

(e) For purposes of carrying out the activities related to grant facilities for SMEs under Part (h) of the Project (Sub-projects), the Recipient shall make Sub-grants available to Beneficiaries for Sub-projects on the following terms and conditions:

(1) To be eligible for a Sub-grant, the proposed Beneficiary shall be required to demonstrate to the satisfaction of the Recipient and the World Bank that the following eligibility criteria have been met: (i) the Sub-project is technically, economically and financially feasible and environmentally sound; and (ii) the Beneficiary has the legal and organizational, managerial and financial capacity to carry out the Sub-project.

(2) The Recipient shall make available each Sub-grant under an agreement to be entered into between the Recipient and the Beneficiary on terms and conditions satisfactory to the World Bank (the “Sub-grant Agreement”), which shall include the following:

(i) the eligible expenditures related to the Sub-project that may be financed out of the proceeds of the associated Sub-grant;

(ii) the Sub-grant shall be made on a non-reimbursable grant basis; and

(iii) the Recipient shall obtain rights adequate to protect the Recipient’s interests and those of the World Bank, including the right to:

(A) require each Beneficiary to:

(x) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial and environmental and social standards and practices satisfactory to the World Bank, including the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient;

(xi) provide, promptly as needed, the resources required for the purpose;

(xii) procure the goods, works and services to be financed out of the Sub-grant in accordance with the provisions of this Agreement;

(xiii) (i) submit to the World Bank for its review and approval the related site-specific Environmental and Social Impact Assessment (ESIA) or
Environment and Social Management Plan (ESMP), as the case may be, in accordance with the provisions of the ESMF and in form and substance satisfactory to the World Bank; (ii) consult upon and disclose the site-specific ESIA or ESMP, as approved by the World Bank; and (iii) thereafter, ensure that the relevant mitigation and monitoring provisions of the ESIA or the ESMF, as the case may be, are appropriately included in the works contract concluded for the site and that they are implemented in the carrying out of the Project.

(xiii) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the Sub-project and the achievement of its objectives;

(xiv) (i) maintain a financial management system and prepare financial statements in accordance with standards acceptable to the World Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project; and (ii) at the World Bank's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient and the World Bank;

(xv) enable the Recipient and the World Bank to inspect the Sub-project, its operation and any relevant records and documents;

(xvi) prepare and furnish to the Recipient and the World Bank all such information, as the Recipient or the World Bank shall reasonably request relating to the foregoing; and

(xvii) promptly inform the Recipient and the World Bank of any condition which interferes or threatens to interfere with the progress of the Sub-project, or the performance by the Beneficiary of its obligations under the Sub-grant Agreement; and

(B) suspend or terminate the right of the Beneficiary to use the proceeds of the Sub-grant, or obtain a refund of all or any amount of the Sub-grant then withdrawn, upon the
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failure by such Beneficiary to perform any of its obligations under the Sub-grant Agreement.

(f) The Recipient shall exercise its rights and carry out its obligations under each Sub-grant Agreement in such a manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant, and, except as the World Bank shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate or waive any of the Sub-project Agreements, or any provision thereof. Notwithstanding the foregoing, if any of the provisions of the Sub-grant Agreement is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail and govern.”

6. The table in Section 3.01 of the Annex to the Agreement is amended to read as set out in Attachment I hereto.

7. Section 3.03 of the Annex to the Agreement is amended to read as follows:

“3.03. Withdrawal Period. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is August 31, 2014.”

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

All other provisions of the Agreement, as amended hereby, shall remain in full force and effect.

Please confirm your agreement to the amendment by countersigning, dating and returning to us the enclosed copy of this letter, while keeping one original for your records.

This amendment shall become effective as of the date of countersignature of this letter.

Please also note that the restructuring paper which reflects the World Bank’s approved Project modifications dated April 16, 2013 will be disclosed on the World Bank’s external website.

Sincerely,

Jamal Saghir
Sector Director, AF/TSN
Africa Region

CONFIRMED AND AGREED:

GVEP International

By: ___________________________ Date: 11 June 2013

Name: BR Good

Title: CEO
<table>
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<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (Expressed in US$)</th>
<th>Percentage of Expenditures to be Financed (Inclusive of Taxes)</th>
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<td>(1) Goods, Consultants’ Services</td>
<td>3,131,650</td>
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<td>(2) Training and Workshops</td>
<td>341,875</td>
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<td>(3) Operating Costs</td>
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<tr>
<td>(4) Sub-grants</td>
<td>3,200,000</td>
<td>100% of amount disbursed</td>
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<tr>
<td>(5) Unallocated</td>
<td>400,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
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