January 16, 2013

Mr. Sun Wei
Vice Governor
Jinan, Shandong Province

Mr. Gao Jianmin
Vice Governor
Taiyuan, Shanxi Province

Mr. Liao Jianhua
General Manager
Guangdong Power Grid Corporation
Guangzhou, Guangdong Province

Dear Messrs. Sun, Gao, and Liao,

China: Thermal Power Efficiency Project
(GEF Trust Fund Grant No. TF094204-CN)
Amendment to Project Agreement

We refer to the Global Environment Facility (GEF) Grant Agreement, dated June 21, 2009, between the People’s Republic of China (the Recipient) and the International Bank for Reconstruction and Development (the World Bank), acting as an Implementing Agency of the GEF, and the Project Agreement of the same date among the World Bank, Shandong Province, Shanxi Province, and Guangdong Power Grid Corporation (the latter three, collectively, the Project Implementing Entities), both for the above-referenced project (the Project) (the Grant Agreement and the Project Agreement, respectively). We also refer to the letters dated November 3, 2011, February 7, 2012, and November 9, 2012 from the International Department of the Ministry of Finance on behalf of the Recipient, requesting certain amendments to the Grant and Project Agreements to facilitate Project implementation, as well as discussions among the Recipient, the World Bank, and the Project Implementing Entities relating to other amendments during supervision of the Project, as reflected in the aide-memoires transmitted to the Recipient and the Project Implementing Entities through the World Bank’s letters dated November 25, 2011 and May 10, 2012.

We are pleased to inform you that the World Bank concurs with the request and proposes to amend the Project Agreement as set forth below.

1. “Parts B.1, B.2, and B.3 of the Project”, wherever it appears in Sections 1.8 (a) and 1.8 (b) of the Schedule, is replaced by “Parts A.2, B.1, and B.2 of the Project”.

RCA 248423. WUI 64145 FAX (202) 477-6391
2. A new Section I.11 as follows is introduced in the Schedule:

"Dam Safety"

11. For the purpose of ensuring the safety of Guanhe and Jinyanghu Dams in view of Part B.2 of the Project in relation to Taiyuan No. 1 Power Plant and Wuxiang Power Plant, Shanxi Province shall:

(a) shall take all measures necessary to regularly collect and compile, and submit to the Recipient as part of the reports referred to in Section II.1 (b) of this Schedule, information in relation to the safety measures taken and planned to be taken in respect of, and the safety and the operation and maintenance (including emergency preparedness) status of, said Dams;

(b) provide support to the World Bank to enable it to visit said Dams as necessary, and provide information in relation to the safety of said Dams to the World Bank upon request by the World Bank; and

(c) take promptly any additional safety measures, and carry out promptly any remedial work, recommended by the Recipient and the World Bank in relation to said Dams."

3. "Participating Power Plant", wherever it appears in the Annex to the Schedule, is replaced by "Participating Power Plant / Grid Company", and "Part B of the Project", wherever it appears in said Annex, is replaced by "Part A.2, B.1, or B.2 of the Project, as the case may be".

Except as specifically amended by this amendment letter, all other provisions of the Project Agreement remain in full force and effect.

Upon receipt by the World Bank of: (i) an original of this amendment letter duly countersigned by the respective authorized representatives of Shandong Province, Shanxi Province, and Guangdong Power Grid Corporation; and (ii) an original of the amendment letter relating to the Grant Agreement duly countersigned by the authorized representative of the Recipient, this amendment letter shall become effective on a retroactive basis as of October 1, 2011.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
acting as an Implementing Agency of the GEF

Klaus Rohland
Country Director, China
AGREED:

SHANDONG PROVINCE

By: ___________________________
Authorized Representative

Name: Sun Wei
Title: Vice Governor
Date: 04.16.2013

SHANXI PROVINCE

By: ___________________________
Authorized Representative

Name: Gao Jianmin
Title: Vice Governor
Date: 02.19.2013

GUANGDONG POWER GRID CORPORATION

By: ___________________________
Authorized Representative

Name: Liao Jianhua
Title: General Manager
Date: 06.20.2013

Cc: Mr. Liang Ziqian
Deputy Director General
International Department
Ministry of Finance