



The World Bank Office, Beijing

世界银行驻华代表处



TF054687

December 22, 2011

Mr. Wu Jinkang  
Deputy Director General  
Ministry of Finance  
Sanlihe, Beijing, 100820  
People's Republic of China

Dear Mr. Wu,

***China: Heat Reform and Building Energy Efficiency Project (GEF Trust Fund Grant Number TF054687-CHA) – Amendments to the Grant Agreement***

We refer to the Global Environment Facility Trust Fund Grant Agreement between the People's Republic of China (the Recipient) and the International Bank for Reconstruction and Development, acting as an Implementing Agency for the Global Environment Facility (the Bank) dated May 24, 2005, as amended (the Grant Agreement) for the above-referenced Project (the Project). We also refer to the letter dated December 20, 2011 from Ms. Ye Jiandi, GEF Operational Focal Point for China of the International Department of the Ministry of Finance, requesting the Bank to amend certain provisions of the Grant Agreement to facilitate the implementation of the Project, including extension of the Closing Date and reallocation of Grant proceeds under the Grant Agreement.

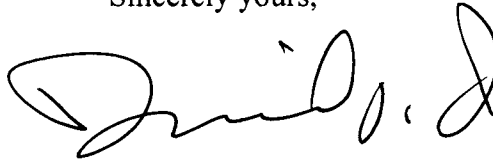
We are pleased to inform you that the Bank, after due consideration, has agreed to the above requests. Accordingly, the Grant Agreement is hereby amended as follows:

1. The Closing Date referred to in Section 2.03 of the Grant Agreement is hereby extended to December 31, 2012.
2. The table in paragraph 1 of Schedule 1 to the Grant Agreement is amended to reflect: (i) the relocation of Grant proceeds among certain categories, and (ii) the increase of financing percentages for certain categories currently financed at less than 100% to 100%: expenditures for categories (3) Consultant Services and (5) Training for Parts A.2 and C.2 of the project are increased from 91% to 100%. Consequently, the table in paragraph 1 of Schedule 1 to the Grant Agreement is now replaced by the table set forth in the Attachment to this letter.
3. Sub-paragraph (d) in Section IV of Schedule 3 to the Grant Agreement is hereby deleted.

Except as specifically amended by this amendment letter, all other provisions of the Grant Agreement shall remain in full force and effect. Please confirm your agreement to the foregoing on behalf of the Recipient by signing, dating and returning to us this amendment letter.

Upon receipt by the Bank of this amendment letter countersigned by you, this amendment letter will become effective as of the date of the countersignature.

Sincerely yours,



David I  
Acting Country Director, China

AGREED:  
PEOPLE'S REPUBLIC OF CHINA

By: 吴晋康  
Authorized Representative

Name: WU Jinkang

Title: Deputy Director General

Date: December 31, 2011

## Attachment

<u>Category</u>		Amount of the GEF Trust Fund Grant Allocated (Expressed in United States Dollars – US\$)	% of Expenditures to be Financed
(1) Sub-grants	(a) under Part A.1 of the Project	5,000,000	100%
	(b) under Part C.1 of the Project	7,700,000	100%
(2) Goods under Part B.6 of the Project		45,830.38	100%
(3) Consultants' Services	(a) under Part A.2 of the Project	900,000	100%
	(b) under Part B of the Project	2,125,000	100%
	(c) under Part C.2 of the Project	1,090,000	100%
(4) Incremental Operating Costs under Part B.6 of the Project		248,000	100%
(5) Training	(a) under Part A.2 of the Project	100,000	100%
	(b) under Part B of the Project	630,000	100%
	(c) under Part C.2 of the Project	70,000	100%
(6) Unallocated		91,169.62	
Total		18,000,000	

Cc: Mr. Yang Shaolin  
Executive Director, China

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Director, GEF Division  
Ministry of Finance  
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Cleared and cc: Messrs./Mmes. WL. Zhang (EASCS); M. Wang (LEGES); Z. Yu (CTRDM-Beijing)

bcc: Messrs./Mmes. K. Rohland, H. Sun, Y. Fan, L. Luo, RF. Yuan, K. Cao, D. Xie (EACCF); J. Roome, J. Maweni, P. Leonard, H. Chen (EASSD); B. Wang (EAPCA); K. Funk, L. Melgaard, Y. Jia (EACCQ); P. Kriss, WL. Zhang, G. Draugelis, F. Asseline, X. Ren, J. Zeng (EASCS); V. Jagannathan, D. Ostojic, C. Hernandez, Y. Zhang, B. Jablonski (EASIN); A. Nickesen, P. Lakshminarayanan, (EAPCO); J. Moss, K. Awanyo, XW. Guo (EAPPR); S. Msadek, D. I, F. Zhang (EAPFM); JX. Chu (CTRFC); HY. Wang (CTRDM); M. Wang, S. Berhanu, L. Cato (LEGES); EASINCHA, WBDocs