



The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
REGIONAL OFFICE
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November 17, 2022

Mr. Ihor H. Syrota
Director General
Private Joint Stock Company "Ukrhydroenergo"
07300, town Vyshgorod,
Kyiv oblast,
Ukraine

**Re: Loan No. 9284-UA
(Ukraine - Improving Power System Resilience for
European Power Grid Integration (Installation of Hybrid Systems
for Electricity Production in Ukrhydroenergo) Project)
First Amendment to the Loan Agreement**

Dear Mr. Syrota:

We refer to the Loan Agreement ("Loan Agreement") between the Private Joint Stock Company "Ukrhydroenergo" ("Borrower") and the International Bank for Reconstruction and Development ("Bank") dated September 13, 2021 for the above-referenced Project. The capitalized terms used in this letter (the "Amendment Letter") and not defined herein have the meaning ascribed to them in the Loan Agreement.

We further refer to your letter dated October 27, 2022, requesting an additional component to the Project. We are pleased to inform you that the Bank agrees to the Borrower's request, and proposes to amend the Loan Agreement as follows:

1. A new Part 3 is hereby added to the Project Description in Schedule 1 to the Loan Agreement to read as follows:

"Part 3. Contingent Emergency Response

Provision of immediate response to an Eligible Crisis or Emergency, as needed."

2. A new Section I.E is hereby added to Schedule 2 to the Loan Agreement to read as follows:

"E. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 3 of the Project ("Contingent Emergency Response Part"), the Borrower shall ensure that:
 - (a) a manual ("CERC Manual") is prepared and adopted in form and substance acceptable to the Bank, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;
 - (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Bank;
 - (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
 - (d) neither the CERC Manual or the Emergency Action Plan is amended, suspended, abrogated, repealed or waived without the prior written approval by the Bank.
2. The Borrower shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Bank.
3. The Borrower shall ensure that:
 - (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Bank; and

- (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Bank.
4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.”
3. The table under Section III.A of Schedule 2 to the Loan Agreement is hereby replaced in its entirety to read as follows:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (exclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services for Part 1.1 of the Project	149,557,500	84%
(2) Goods, works, non-consulting services, consulting services for Part 1.2 of the Project	7,550,000	84%
(3) Goods, works, non-consulting services, consulting services for Part 1.3 of the Project	16,000,000	84%
(4) (a) consulting services for Part 1.4 of the Project; and (b) Operating Costs and Training for Part 1 of the Project	3,450,000	84%
(5) Front-end Fee	442,500	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(6) Interest Rate Cap or Interest Rate Collar premium	0	Amount due pursuant to Section 4.05 (c) of the General Conditions
(7) Emergency Expenditures	0	100%
TOTAL AMOUNT	177,000,000	

4. A new paragraph 1(d) is hereby added to Section III.B of Schedule 2 to the Loan Agreement to read as follows:

- “(d) for Emergency Expenditures under Category 7 unless and until all of the following conditions have been met in respect of said expenditures:
 - (i) (A) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Loan amounts under Category (7); and (B) the Bank has agreed with such determination, accepted said request and notified the Borrower thereof; and
 - (ii) the Borrower has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.”

5. The following new definitions are hereby added to the Appendix to the Loan Agreement, and the subsequent definitions are renumbered accordingly:

“CERC Manual” means the manual referred to in Section I.E of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Bank, and which is an integral part of the Operational Manual.

“Contingent Emergency Response Part” means any activity or activities to be carried out under Part 3 of the Project to respond to an Eligible Crisis or Emergency.

“Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Borrower, associated with a natural or man-made crisis or disaster.

“Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.E of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.


“Emergency Action Plan” means the plan referred to in Section I.E, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.”

All other provisions of the Loan Agreement, except as amended through this Amendment Letter, shall remain in full force and effect.

Please confirm the agreement of the Borrower to the amendment set out above by countersigning and dating the confirmation set forth below and returning one fully signed original of this Amendment Letter to us. One fully signed original should be retained by the Borrower. Upon receipt by the Bank of the copy of this Amendment Letter duly countersigned by the authorized representative of the Borrower, this Amendment Letter shall become effective as of the date of countersignature of this letter by the Borrower and receipt by the Bank of one fully executed original of this Amendment Letter.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By 
Arup Banerji
Regional Country Director
Belarus, Moldova and Ukraine
Europe and Central Asia Region

AGREED:

PRIVATE JOINT STOCK COMPANY "UKRHYDROENERGO"

By: 

Name: Ihor Syrota

Title: Director General

Date: 13.01.2023