Mr. Chen Shixin  
Director General  
International Economic and Financial Cooperation Department  
Ministry of Finance  
People’s Republic of China

RE: China: Ma’anshan Cihu River Basin Improvement Project  
(Loan No. 8251-CN)  
Amendment to Loan Agreement

Dear Mr. Chen:

We refer to the Loan Agreement (the Loan Agreement) dated July 4, 2013 between the People’s Republic of China (the Borrower) and the International Bank for Reconstruction and Development (the Bank), and the Project Agreement (the Project Agreement) of the same date between the Bank and Anhui Province, both for the above-referenced project (the Project).

We also refer to the letter from the Ministry of Finance, dated April 18, 2017, requesting a restructuring of the Project, which requires certain amendments to the Loan Agreement and the Project Agreement. We are pleased to inform you that the Bank concurs with the request, and accordingly agrees to amend the Loan Agreement as follows:

I. Part B of Schedule 1 is amended to read as follows:

“Part B. Rehabilitation of Tributaries and Drainage Canals

1. Rehabilitation of tributary and drainage canals in urban areas of Huashan District.

2. Rehabilitation of tributary and drainage canals in the Hitech Zone area, focusing on the Jiandan River and Lijianwan River.

3. Upgrading of ponds for use as storm retention basins.

4. Carrying out of comprehensive treatment work on upstream tributary river of the Cihu River, including, *inter alia*, tributary river catchment improvement, renovation of rain and wastewater collection pipes and other drainage facilities improvement.

5. Carrying out of comprehensive treatment work on midstream tributary river of the Cihu River, including, *inter alia*, tributary water system improvement, drainage facilities improvement for road networks, and sluice improvement.
6. Carrying out of comprehensive treatment work on downstream tributary river of the Cihu River, including, *inter alia*, improvement of tributaries, gullies, and canals, and renovation of drainage facilities for road works.”

II. Section IV.B.2 of Schedule 2 is amended to read as follows:

“2. The Closing Date is July 31, 2020.”

III. The following definitions in Section I of the Appendix are amended to read as follows:

(a) “Environmental Management Plans” or the acronym “EMPs” means collectively, (i) the EMP dated October 13, 2012; and (ii) a supplemental EMP dated December 28, 2016, adopted by the Project Implementing Entity and included in the Operational Manual, which sets forth the environmental protection measures in respect of the Project (including the ECOPs), as well as administrative and monitoring arrangements to ensure the implementation of said plan, as said plan may be revised from time to time with the prior written agreement of the Bank, and such term includes all schedules and agreements supplemental thereto:

(b) “Resettlement Action Plans” or the acronym “RAPs” means collectively, (i) the RAP dated October 30, 2012; and (ii) a supplemental RAP dated December 27, 2016, adopted by the Project Implementing Entity and included in the Operational Manual, which sets forth the principles and procedures governing the acquisition of land and other assets, and the resettlement, compensation and rehabilitation of Displaced Persons on account of the execution of the Project, as well as monitoring and reporting arrangements to ensure compliance with said plan, as the same may be revised from time to time with the prior agreement of the Bank.

Except as specifically amended this letter, all other terms and conditions of the Loan Agreement shall remain in full force and effect. The Project Agreement is similarly being amended as reflected in an amendment letter to the Project Agreement of even date herewith.

Please confirm your agreement to the foregoing on behalf of the Borrower by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully countersigned original of this letter to us. This amendment letter shall become effective as of the date of the last countersignature of the two amendment letters (including this one) prepared further to the above-mentioned request, upon receipt by the Bank of: (i) a duly countersigned original of this letter by the authorized representative of the Borrower; and (ii) a duly countersigned original of the amendment letter to the Project Agreement by the authorized representative of Anhui Province.

Yours sincerely,

Bert Hofman
Country Director, China
CONFIRMED:
PEOPLE’S REPUBLIC OF CHINA

By: 

Authorized Representative

Name: 

Title: 

Date: 

cc:
Mr. Deng Xiangyang
Executive Vice Governor
Anhui Province
People’s Republic of China