The Honorable Rick Nelson Houenipwela  
Minister of Finance and Treasury  
Ministry of Finance and Treasury  
P.O. Box 26  
Honiara, Solomon Islands

Solomon Islands: PRIF Multi-Donor Trust Fund Grant to Prepare the Tina River  
Hydropower Development Project - Grant No. TF096372  
Letter of Amendment

Dear Minister,

We refer to the Grant Agreement (the “Agreement”) for the preparation of the Tina River Hydropower Development Project (the “Project”) dated March 18, 2010 between the Solomon Islands (the “Recipient”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “World Bank”), acting as administrator of grant funds provided under the Pacific Region Infrastructure Facility (“PRIF”) multi-donor trust fund.

We propose to amend the Agreement to increase the amount of available Grant funds by an additional one million three hundred seventy six thousand eight hundred sixty United States dollars (US$1,376,860). The increase in Grant funds reflects additional contributions received from PRIF.

1. The first paragraph of the Agreement is amended by revising the aggregate value of the Grant funds not to exceed one million six hundred ninety three thousand and nine hundred sixty eight United States dollars (US$ 1,693,968) (“Grant”) on the terms and conditions set forth or referred to in said Agreement.

2. The first sentence of paragraph 2.02 of the Annex to the Agreement is amended by deleting the words “and implementation” to read as follows:
“2.02. **Purpose of the Grant.** The purpose of the Grant is to assist the Recipient in co-financing the preparation activities under the Tina River Hydropower Development Project currently under preparation and to be financed by the World Bank.”

3. The table in paragraph 3.01 of the Annex to the Agreement is replaced by the table attached below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, Consultants’ Services, and Incremental Operating Costs</td>
<td>US$1,693,968</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>US$1,693,968</td>
<td></td>
</tr>
</tbody>
</table>

Except as specifically indicated in this amendment letter, all terms and conditions of the Grant Agreement otherwise remain in full force and effect.

This Letter of Amendment shall become effective on the date of the Recipient’s countersignature.

Sincerely,

[Signature]

Ferid Belhaj
Country Director
Timor-Leste, Papua New Guinea
and Pacific Islands

AGREED:

**SOLOMON ISLANDS**

By [Signature]

Authorized Representative

Title **Minister of Finance**

Date **31.01.2012**