Honorable Dr. William Mgimwa  
Minister of Finance  
Ministry of Finance  
P.O. Box 9111  
Dar es Salaam  
Tanzania.

Honorable Minister:

**TANZANIA: Private Sector Competitiveness Project (Cr. 4136-TA)**  
Amendment to the Development Credit Agreement

We refer to (a) the Development Credit Agreement (the "Agreement") between the International Development Association (the "Association") and the United Republic of Tanzania (the "Borrower"), dated March 9, 2006, as mentioned to date, for the Private Sector Competitiveness Project the "Project"); and (b) our management letter and aide memoire dated June 18, 2013 in which it was agreed to reallocate the Credit proceeds into different disbursement categories of the Project.

We are pleased to inform you that the Association agrees to your request and reallocates the proceeds of the original Credit Grant as set out in the table in Paragraph 1 of Schedule 1 of the Agreements as shown in the Annex attached to this letter.

All other provisions of the Agreement, except as: revised herein, shall remain in full force and effect.

Please indicate your agreement with the foregoing, on behalf of the Recipient, by countersigning and dating the form of confirmation on one of the two original copies of this letter provided and returning one original, as countersigned to us. Upon receipt by the Association of the copy of this letter countersigned by you, this amendment shall become effective as of the date of countersignature or this letter by you.

Sincerely yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Philippe Dongler  
Country Director for Tanzania, Uganda and Burundi  
Africa Region

AGREED:  
UNITED REPUBLIC OF TANZANIA

By:  
Authorized Representative

Title: **Permanent Secretary**  
Date: 23-12-2013
Annex 1

Second Private Sector Competitiveness Project
Withdrawal of the Proceeds of the Credit
(Cr. 4136-TA)

Restructuring Paper

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (Expressed in SDR equivalent)</th>
<th>% of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, training, consultants, services including audits and operating costs:</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>(a) under Parts A.8 of the Project</td>
<td>2,957,169</td>
<td></td>
</tr>
<tr>
<td>(b) under Parts B.1 and B.5 of the Project</td>
<td>9,707,461</td>
<td></td>
</tr>
<tr>
<td>(c) under Part C of the Project</td>
<td>652,605</td>
<td></td>
</tr>
<tr>
<td>(d) operating costs under Parts A and B</td>
<td>1,803,435</td>
<td></td>
</tr>
<tr>
<td>(2) Best Subprograms</td>
<td>33,863,721</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>(3) BP Grants</td>
<td>4,964,173</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>(4) Matching Grants</td>
<td>8,975,283</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>(5) FSDT Grants</td>
<td>2,576,153</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>(6) Unallocated</td>
<td>0</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>65,500,000</strong></td>
<td></td>
</tr>
</tbody>
</table>