

**The World Bank**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION1818 H Street N.W.  
Washington, D.C. 20433  
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Cable Address: INTBAFRAD  
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May 12, 2010

**CONFORMED COPY FOR PUBLIC DISCLOSURE**

His Excellency  
Lic. Amado Boudou  
Minister of Economy and Public Finance  
Ministry of Economy and Public Finance  
Hipólito Irigoyen 250  
C1086AAB Buenos Aires,  
Argentine Republic

Re: ARGENTINA – GEF Trust Fund TF090118 – Biodiversity Conservation in Productive Forestry  
Landscapes Project  
First Amendment to the Grant Agreement

Excellency:

Please refer to the Grant Agreement (the Grant Agreement) dated December 9, 2008, entered into between the Argentine Republic (the Recipient) and the International Bank for Reconstruction and Development (the Bank), acting as Implementing Agency of the Global Environmental Facility (GEF).

In response to the Recipient's letter DNPOIC No. 366 to the Bank, dated May 21, 2009 requesting the possibility of contracting a cooperating agency under the Project, with the objective of assisting the Ministry of Agriculture, Livestock and Fisheries (formerly the Secretariat of Agriculture, Livestock, Fisheries and Food) in the administration of Project contracts, the Bank hereby proposes to amend the Grant Agreement as follows:

1. To include a new paragraph 4 under Section I.A of Schedule 2 to the Grant Agreement (Subsidiary Agreements/Safeguards) that shall read as follows:

“4. For the purposes of providing assistance to MAGyP in the administration of Project funds, the Recipient, through MAGyP, may enter into an agreement with a Cooperating Agency, under terms and conditions satisfactory to the World Bank (the Cooperating Agency Agreement), which agreement shall include, *inter alia*, the Cooperating Agency's obligation to keep separate records and accounts adequate to reflect the operations, resources and expenditures of the Project, so as to allow the Recipient to comply with its obligations under this Grant Agreement as if the Cooperating Agency were the Recipient itself. The Recipient shall exercise its rights under the Cooperating Agency Agreement in such manner so as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive or fail to enforce the Cooperating Agency Agreement, or any of its provisions.”

2. To modify Category (2) of the disbursement table in Section IV.A.2 of Schedule 2 to the Grant Agreement, to read as set forth in the Attachment to this Amendment Letter.

3. To include a new definition of Cooperating Agency in the Appendix to the Grant Agreement that shall read as follows:

“3. “Cooperating Agency” means any legal entity with procurement and administrative experience, with qualifications and a financial management system acceptable to the Bank.”

4. To substitute the existing definition of “SAGPyA” in the Appendix to the Grant Agreement, as follows:

“11. “MAGyP” means *Ministerio de Agricultura, Ganadería y Pesca*, the Recipient’s Ministry of Agriculture, Livestock and Fisheries, or any successor thereto acceptable to the Bank.”

5. To replace any and all references to the term “SAGPyA” in the Grant Agreement with the term “MAGyP”.

Please confirm your agreement to the foregoing amendment by signing and dating this Amendment Letter in the spaces provided below. This Amendment Letter will be executed in two counterparts, each of which shall be an original and one of which shall be returned to us. The provisions of this Amendment Letter will become effective on the date of receipt by the Bank of one fully executed original of this Amendment Letter.

Sincerely,

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

**By** /s/ Stefan Koeberle  
Acting Country Director  
Country Management Unit  
Argentina, Paraguay and Uruguay

**AGREED AND CONFIRMED:**

**ARGENTINE REPUBLIC**

By: /s/ Gabriela V. Costa  
Authorized Representative

Title: *Director Nacional de Proyectos con Organismos  
Internacionales de Credito*

Date: July 20, 2010

**Attachment**

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods (except as covered by Category (4 ) below)	172,000	100%
(2) Consultants' services (except as covered by Category (4) below), excluding any fees charged by the Cooperating Agency pursuant to the Cooperating Agency Agreement	2,175,000	100%
(3) Training	1,200,000	100%
(4) Goods, works, Non-Consultant Services and consultants' services under Subprojects	2,400,000	100%
(5) Incremental Operating Costs	150,000	100%
(6) Unallocated	903,000	
<b>TOTAL AMOUNT</b>	<b>7,000,000</b>	