

**The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION  
INDEVAS

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Cable Address: INTBAFRAD  
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February 25, 2003

Her Excellency  
Rosângela Barros Assed Matheus de Oliveira  
Governor of the State of Rio de Janeiro  
Pal Guanabara, R P Machado, S/N - Laranjeiras  
22238-900 Rio de Janeiro, RJ  
Brazil

Fax: 21 2299-3930

Dear Governor,

Re: Grant for Rio de Janeiro Monitoring and Evaluation of  
Urban Basic Infrastructure Projects  
IDF Grant No. 27313

Please refer to the Grant Agreement for the above referred project signed by the International Bank for Reconstruction and Development (the Bank) on November 11, 1999 and countersigned by the State of Rio de Janeiro (the Recipient) on December 6, 1999 (the Grant Agreement).

Following the request sent by the State Planning Secretary, Mr. Elvio Gaspar, dated November 22, 2002, I am writing on behalf of the Bank to indicate the Bank's agreement to increase the percentage of consulting services financed under the Grant (as defined in the Grant Agreement). As a consequence of such increase, the table set forth in paragraph 2 of the Annex to the Grant Agreement, shall read as per the attachment to this Amendment Letter.

Please confirm your agreement with the foregoing, on behalf of the Recipient, by signing, dating, and returning to us the enclosed copy of this Amendment Letter. Upon receipt by the Bank of the signed copy of this Amendment Letter countersigned by you, this Amendment Letter will become effective as of the date of countersignature.

Governor Rosângela Oliveira

February 25, 2003

This letter replaces the previous letter on the same subject, sent by us, on December 3, 2002, to the then Governor of the Recipient.

Very truly yours,  
INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

/s/ Vinod Thomas  
Director  
Country Management Unit - Brazil  
Latin America and the Caribbean Region

AGREED:  
STATE OF RIO DE JANEIRO

By: /s/Rosinha Garotinho  
Authorized Representative  
Date: Rio, March 13, 2003

CC: Mr. Amaury Bier, Executive Director, The World Bank

Governor Rosângela Oliveira

February 25, 2003

**Attachment**

<u>Category</u>	<u>Amount of the Grant Allocated (in U.S. Dollars)</u>	<u>% of Expenditures to be financed</u>
(1) Consultants' services	289,425	100% of foreign and local expenditures
(2) Goods	15,075	100% of foreign expenditures and 85% of local expenditures
TOTAL	<u>304,500</u> =====	

For the purposes of this paragraph, the term:

(a) "foreign expenditures" means expenditures in the currency of any country other than that of Brazil for goods or services supplied from the territory of any country other than that of Brazil; and

(b) "local expenditures" means expenditures that are not foreign expenditures.

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April

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PM