The Hon. Dr. Ralph E. Gonsalves  
Prime Minister and Minister of Finance and  
Economic Planning, National Security,  
Legal Affairs, Grenadines Affairs and Energy  
Office of the Prime Minister  
Administrative Centre  
Kingstown  
Saint Vincent and the Grenadines  

Re: Saint Vincent and the Grenadines: Regional Disaster Vulnerability Reduction  
Project-SCF-PPCR Grant Number TF010206  
First Amendment to the Grant Agreement  

Excellency:  

Please refer to the SCF-PPCR Grant Agreement (TF010206) entered into between Saint Vincent and the Grenadines (the Recipient) and the International Bank for Reconstruction and Development, acting as an Implementing Entity of the Pilot Program for Climate Resilience under the Strategic Climate Fund (the World Bank) dated September 9, 2011 (the Grant Agreement). Capitalized terms used in this letter (Amendment Letter) and not defined herein have the meaning ascribed to them in the Grant Agreement.  

In response to the letter from the Recipient’s Director of Planning of the Ministry of Finance and Economic Planning to the World Bank dated February 2, 2012 requesting an amendment to the Grant Agreement, we are pleased to inform you that the World Bank agrees with your request and hereby proposes to amend the Grant Agreement, as follows:  

1. Section IV.A.2 of Schedule 2 to the Grant Agreement is hereby amended to read in its entirety as follows:  

   “2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category and the percentage of expenditures to be financed for Eligible Expenditures in each Category:  

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Works, Non-consulting Services, Consultants’ Services Training and Operating Costs under Parts A, B and D of the Project</td>
<td>7,000,000</td>
<td>35%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>7,000,000</td>
<td></td>
</tr>
</tbody>
</table>
For the purpose of the table set forth immediately above, the term:

(a) “Training” means the cost associated with the training and workshops approved by the World Bank, for reasonable expenditures (other than expenditures for consultants’ services), including: (i) travel, room, board and per diem expenditures incurred by trainers and trainees in connection with their training; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses; and

(b) “Operating Costs” means the incremental expenses incurred on account of Project management, including office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel and per diem, excluding the salaries of the Recipient’s civil service.”

Please confirm your agreement with the foregoing amendments by signing and dating this Amendment Letter in the spaces provided below. Henceforward, all other provisions of the Grant Agreement, except as amended through this Amendment Letter shall remain in full force and effect. This Amendment Letter shall be executed in two counterparts, each of which shall be an original.

Upon confirmation, please return one fully executed original to us. The provisions set forth in this Amendment Letter shall become effective as of the date of the countersignature upon receipt by the World Bank of the countersigned original of this Amendment Letter.

Please also note that the restructuring paper which reflects the World Bank’s approved Project modifications dated June 25, 2012 will be disclosed on the World Bank’s external Website.

Sincerely yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
acting as an Implementing Entity of the Pilot Program for Climate Resilience under the Strategic Climate Fund

By

Françoise Clottes
Director
Caribbean Country Management Unit
Latin America and the Caribbean Region
AGREED AND CONFIRMED:

SAINT VINCENT AND THE GRENADINES

By  Ralph Gonsalves
    Authorized Representative

Name:  HON. RALPH G. GONSALVES

Titt.:  PRIME MINISTER

Date:  July 27th, 2012