H.E. Ronald Décembre  
Minister of Economy and Finance  
Ministry of Economy and Finance  
Avenue Charles Sumner No. 5  
Port-au-Prince  
Republic of Haiti

Re: Republic of Haiti: Grant Number D2100-HT  
Additional Financing for the Relaunching Agriculture: Strengthening Agriculture Public Services II Project  
Amendment to the Financing Agreement

Excellency:

We refer to the Financing Agreement between the Republic of Haiti (Recipient) and the International Development Association (Association) dated June 29, 2017 regarding the above-captioned Project (the Financing Agreement). We also refer to your letters No. DEE/BM/390-Août 18 dated August 16, 2018, No. DEE/BM/WB/224-mars 19 dated March 18, 2019, and No. DEE/BM/WB/270-mai 19 dated May 08, 2019, requesting the Association to amend the Financing Agreement.

We are pleased to inform you that the Association agrees to amend the Financing Agreement, as follows:

1. Part 1.3 of Schedule 1 to the Financing Agreement is amended to read as follows:

   “1.3. the improvement of sanitary and phyto-sanitary services (SPS) to increase the production of quality food, public health, environmental protection and competitiveness of the agriculture sector through:

   (a) the design, rehabilitation and/or construction of infrastructure including: the construction and initial equipment of the central administrative building for all SPS units;

   (b) the provision of support to MARNDR for the development of new procedures to develop and implement SPS standards;

   (c) the strengthening of the laboratory system, through the training of laboratory technicians;
the strengthening of the animal health through, *inter alia*: (i) the design and delivery of training to private veterinary professionals and staff in charge of epidemiological surveillance, as well as any other official SPS activities; (ii) epidemiological surveillance; (iii) vaccination campaigns; (iv) the identification of livestock; and (v) the design of a database to register livestock identified; and

e) the strengthening of the plant health, through, *inter alia*: (i) the carrying out of programs to support the control and the fight against the mango fruit fly and the cochineal; and (ii) the construction of greenhouses to test biological tools to fight diseases.’’

2. Sections I. C of Schedule 2 to the Financing Agreement is amended to read as set forth below:

“C. Farmer Subsidy Scheme

For purposes of carrying out the Farmer Subsidy Scheme under Part 2.1 (b) of the Project, the Recipient, through MARNDR, shall:

1. Select and appoint in accordance with the provisions of Section III of this Schedule and pursuant to terms of reference previously agreed with the Association, one or several Operators with whom a Service Agreement shall be entered into, satisfactory to the Association, with respect to the technical implementation of the Farmer Subsidy Scheme;

2. (a) Select and appoint, in accordance with the provisions of Section III of this Schedule and pursuant to terms of reference previously agreed with the Association, a Financial Agent acceptable to the Association, to administer payments and financial transfers under the Farmer Subsidy Scheme; and (b) enter into a Financial Agency Agreement satisfactory to the Association, with one or more Financial Agents, which shall incorporate, *inter alia*, the provisions of the Anti-Corruption Guidelines applicable to recipients of Grant proceeds;

3. Cause the Financial Agent to make Farmer Subsidy Scheme Payments available to Eligible Suppliers of goods, works and services in accordance with detailed provisions, procedures, sequencing and timing in relation thereto, set forth in the Operational Manual, and including, *inter alia*, the following:

(a) Farmer Subsidy Scheme Payments shall be released by the Financial Agent and made available to Eligible Suppliers upon evidence of delivery of eligible goods, works or services to Eligible Farmers (after initial validation of their registration in a national farmer registry) by the Operators and the related information received by the Association, in respect of the Selected Areas, all as set forth in the Operational Manual; and

(b) the validation of compliance by Eligible Farmers of the activities under Part 2.1 (b) of the Project.

4. Exercise its rights and carry out its obligations under each Service Agreement and/or Financial Agency Agreement, as applicable, in such manner as to protect the interest of the Recipient and the Association and to accomplish the purposes of the
Financing. Except as the Association shall otherwise agree, the Recipient shall not amend, assign, abrogate, suspend, terminate, waive or fail to enforce any Service Agreement or Financial Agency Agreement or any of their provisions; and

5. In case of conflict among the provisions of the Service Agreement and Financial Agency Agreement and those under this Agreement, the provisions of this Agreement shall prevail.”

3. The table in Section IV.A.2 of Schedule 2 is amended to read as set forth below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consulting services, Training, Operating Costs, Farmer Subsidy Scheme Payments and Cash for Work Payments under Part 2 and Part 4 of the Project</td>
<td>25,525,600</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consulting services, Training and Operating Costs for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Farmer Subsidy Scheme Payments under Part 2.1(b) of the Project;</td>
<td>0</td>
<td>Pro Memoriam</td>
</tr>
<tr>
<td>(b) Cash for Work Payments under Part 2.1 (g) of the Project</td>
<td>0</td>
<td>Pro Memoriam</td>
</tr>
<tr>
<td>(c) Sub-Grants under the Market Support Facility under Part 2.2 of the Project</td>
<td>0</td>
<td>Pro Memoriam</td>
</tr>
<tr>
<td>(3) Eligible Emergency Expenditures</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Cash Compensation and Assistance</td>
<td>74,400</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>25,600,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
4. The following paragraph is added in alphabetical order to Section IV.B.1 of Schedule 2 to read as follows:

“(c) Under Category (4) unless the Recipient has prepared, adopted and disclosed a RAP in form and substance satisfactory to the Association”

5. Section IV.B.2 of Schedule 2 to the Financing Agreement is amended to read in its entirety as follows:

“2. The Closing Date is December 31, 2021.”

6. Appendix to the Financing Agreement:

a) The following definitions are amended to read as follows:

“20. “Emergency Recovery and Rehabilitation Subproject” means an investment activity under Part 3 of the Project, consisting of a combination of works, goods or technical advisory services, aimed at responding to damage caused by an Eligible Emergency which meets the criteria set forth in Section I.G.4 of Schedule 2 to this Agreement.”

“35. “Operating Costs” means reasonable costs, as shall have been approved by the Association, for the incremental expenses incurred on account of Project implementation, consisting of office administration costs, communication costs, office supplies and maintenance, minor office refurbishing, and equipment maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project, (but excluding consultants’ services and salaries of officials of the Recipient’s civil service).”


“57. “Training” means the reasonable costs, as shall have been approved by the Association, for training and workshops, conducted under the Project, including tuition, travel and subsistence costs for trainers and training participants, costs associated with securing the services of trainers and speakers, rental of training and workshop facilities, preparation and reproduction of training materials, and other costs directly related to training course or workshop preparation and implementation.”

b) The following definition is added, in alphabetical order, to read as follows:

““Cash Compensation and Assistance” means compensation and/or other assistance (excluding land acquisition) for Project-related involuntary resettlement paid in cash to Displaced Persons as set forth in the RAP.”

7. Except as specifically amended in this Amendment Letter, all other terms and conditions of the Financing Agreement shall remain in full force and effect.
Please confirm your agreement to the foregoing by countersigning both copies of this Amendment Letter and returning one of the countersigned copies to us. This Amendment Letter will become effective upon receipt of the countersigned original of this Amendment Letter.

Please also note that the restructuring paper approved on June 2nd will be disclosed on the Association’s external website as per the Association’s policy on access to information.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Anabela Abreu
Country Director for Haiti
Latin America and the Caribbean Region

AGREED:
REPUBLIC OF HAITI

By: [Signature]
Authorized Representative

Name: [Signature]
Minister

Title:

Date: June 19, 2019