June 27, 2014

His Excellency Mr. Jean Razafindravonona
Minister of Finance and Budget,
Ministry of Finance and Budget
101 Antananarivo
Republic of Madagascar

Excellency:

REPUBLIC OF MADAGASCAR: Credit No. 4965-MG
(Additional Financing for the Third Environment Program Support Project)
Amendment 3 to the Financing Agreement dated October 12, 2011

We refer to the Financing Agreement (the Agreement) dated October 12, 2011, as amended and restated on February 26, 2014, for the above-mentioned Project, between the Republic of Madagascar (the Recipient) and the International Development Association (the Association). We also refer to your letter no. 433-2014-MFB/SG/DGT/DDP/SST, dated June 24, 2014, requesting an extension of the financing of Permitted Law Enforcement Activities under the Credit, beyond the deadline of April 15, 2014. Capitalized terms used in this amendment letter and not otherwise defined herein have the meaning ascribed to them in the Agreement.

We are pleased to inform you that the Association accedes to your request. The Association proposes to amend the Agreement as follows:

1. Part A(1) of Schedule 1 to the Agreement is deleted in its entirety and replaced by a new Part A(1) reading as follows:

   “1. Provision of technical advisory services, goods and equipment, and other forms of material support (including provision of radar satellite information), to strengthen biodiversity conservation, and facilitate park surveillance and management, of Selected PAs, as well as coastal surveillance and Permitted Law Enforcement Activities, including patrol of protected areas and coastal areas, monitoring of the state of ecosystem health and priority species, maintenance of conservation and ecotourism infrastructure and equipment, updating and strengthening of surveillance plans, community surveillance activities, annual aerial surveillance, equipment purchase and maintenance, and liaison and awareness raising activities with local communities, as well as assistance to strengthen procedures for dealing with infractions.”

2. In Section I.G (Permitted Law Enforcement Activities) of Schedule 2 to the Agreement, Paragraph (1) (Definition) is deleted in its entirety and replaced by a new Part A(1) reading as follows:

   “As part of its activities under Part A.1 of the Project, the Recipient shall carry out, directly or through its agents empowered under the Recipient’s forest-natural resources protection legal framework, whether those agents are civilians, non-civilians or a combination of both, forest-natural resources
monitoring, control, surveillance and enforcement activities to support the implementation of the Recipient’s forest-natural resources protection laws in accordance with internationally recognized due legal process standards, and implemented in accordance with the provision of this Section I.G of Schedule 2 to this Agreement ("Permitted Law Enforcement Activities”).”

All other provisions of the Agreement except as amended herein, shall remain in full force and effect. Please confirm your agreement to the amendment by countersigning, dating and returning to us the enclosed copy of this letter, while keeping one original for your records. This amendment shall become effective retroactively as of June 23, 2014, on the date of its countersignature by the Recipient’s authorized representative.

Sincerely,

Mark Lundell
Country Director
Madagascar, Comoros, Mauritius, Mozambique, and Seychelles
Africa Region

AGREED:

REPUBLIC OF MADAGASCAR

By: His Excellency Mr. Jean Razafindravonona
Minister of Finance and Budget

Date: 24 JUL 2014