Mr. Helio Fallas  
Minister  
Ministry of Finance  
Avenida 2, Calle 1 y 3  
Diagonal al Teatro Nacional  
San Jose, Costa Rica

Re: Forest Carbon Partnership Facility Grant for FCPF Capacity Building Program

Dear Mr. Fallas,

We refer to the Country Partnership Strategy (CPF) for Costa Rica and to the Grant proposed to be extended out of the Forest Carbon Partnership Facility Trust Fund to assist in the financing of the above-referenced Project for the benefit of Costa Rica.

This project is a global initiative to support indigenous and local community capacities to participate effectively and meaningfully in REDD+ Readiness activities, and will involve research and policy work on land tenure, social and environmental issues; training, outreach and awareness building; analytical and design work on benefit sharing and grievance redress mechanisms; support for multi-stakeholder dialogues among government, Forest-Dependent Peoples and Southern CSOs; activities contributing to the national Strategic Environmental and Social Assessment (SESA); and community-level monitoring and reporting on various aspects of the overall REDD+ process.

The project will be managed by the Sotz’il Organization for indigenous communities (Guatemala) and ACICAFOC (Costa Rica) for civil society organizations (collectively, “the Recipients”). These Recipients will, in turn, manage activities at national and local level in the region, including potentially in Costa Rica. The implementation modalities will include direct execution by the Recipients, sub-grants or a mix of the two. Details for each Recipient will be spelled out in the Operations Manuals.

We wish to inform you that the World Bank intends to provide the Grant directly to the Recipients under the terms and conditions of the grant agreements to be entered into between the World Bank and the Recipients (“Grant Agreements”).

We respectfully request your no objection that the Bank may provide the Grant directly to the Recipients as indicated above. We further request your support for the objectives of the Project, and to enable the Recipients to carry out the Project in the territory of Costa Rica and to perform their obligations under the Grant Agreements.

Please acknowledge your confirmation of the foregoing by countersigning this letter in the space indicated below. Upon receipt of this countersigned letter, the World Bank will enter into the Grant Agreements with the Recipients for the purposes of the implementation of the Project. The Grant Agreements will become effective upon their counter-signature by the Recipients, following which the World Bank may commence immediate disbursement of the Grant to the Recipients.
We look forward to our continued cooperation towards the attainment of objectives of the Project for the benefit of Costa Rica.

Very truly yours,

[Signature]

By

Fabrizio Zarcone

Country Manager for Costa Rica

Central America

Latin America and the Caribbean Region

CONFIRMED:

REPUBLIC OF COSTA RICA

By

[Signature]

Authorized Representative

Name Helio Fallos Venegas

Title Ministro de Hacienda

Date April 13, 2015