Mr. Ljubomir Majdandzic  
Acting Director  
Environmental Protection and Energy Efficiency Fund  
Zagreb, Croatia  

Dear Mr. Majdandzic:

Subject: (GEF Grant No. TF017706) Republic of Croatia  
GEF Adriatic Sea Environmental Pollution Control Project I  
– Amendment to the Project Agreement

Reference is made to the Project Agreement ("Project Agreement"), dated September 8, 2014 for the above-listed Project between the International Bank for Reconstruction and Development ("Bank") and the Environmental Protection and Energy Efficiency Fund ("Project Implementing Entity"). Reference is also made to the Grant Agreement between the Republic of Croatia and the Bank for the GEF Adriatic Sea Environmental Pollution Control Project I (TF017706) and its Amendment dated September 20, 2016. In light of the said Amendment, consequently, the Project Agreement is amended as follows:

Sub-paragraphs (e) and (f) of Paragraph 1 of Section I.A of the Schedule is amended to read as follows:

"(e) no later than February 1, 2017, and except as the World Bank and Recipient shall otherwise agree, enter into arrangements, satisfactory to the World Bank, with the Eko d.o.o. Biato, Municipality of Blato and Municipality of Vela Luka which shall: (i) regulate and describe the support provided by Eko d.o.o. Biato during the design phase and works supervision under Part I of the Project; (ii) set forth the procedure for the acceptance of final works and handing over the Landfill Sitnica with integrated leachate management system to the Eko d.o.o. Biato; (iii) set forth a plan for operating procedures upon completion of the works for the Landfill Sitnica with integrated leachate management system, including compliance with the EMP and ESMF; and (iv) set forth requirements and mechanisms for ensuring the financial sustainability of Eko d.o.o. Biato to ensure coverage of the operation and maintenance costs for the Landfill Sitnica with integrated leachate management system; and
(f) upon completion of the works for the leachate collection and management system at the Landfill Sitnica, transfer management of the landfill and related assets to Eko d.o.o. Blato under contractual arrangements satisfactory to the World Bank, which shall include the details of the requirements set forth in sub-paragraphs (e)(iii) and (e)(iv) above.”

All the other terms and conditions of the Project Agreement, as amended hereby, shall remain in full force and effect.

Please confirm your agreement to the foregoing amendments to the Project Agreement by signing and dating the confirmation on this amendment letter and returning it to us. These amendments will come into force and effect as of the date of countersignature by the Project Implementing Entity’s authorized representative and upon receipt by the Bank of the said duly countersigned original amendment letter.

Sincerely,

[Signature]

Arup Banerji
Regional Director
European Union Countries

CONFIRMED AND AGREED:

ENVIROMENTAL PROTECTION AND
ENERGY EFFICIENCY FUND

By: [Signature]

Title: [Signature]

Date: 24.03.2017

cc.: H.E. Slaven Dobrovic, Minister of Environment and Energy
Mr. Mario Siljeg, Deputy Minister of Environment and Energy
Ms. Irena Relic, Senior Expert Advisor, Ministry of Environment and Energy
Ms. Ksenija Matosovic, Secretary, Ministry of Environment and Energy
Ms. Ivana Jonke Valpotic, Project Manager, Environmental Protection and Energy Efficiency Fund
Mr. Frank Heemskerk, Executive Director, World Bank
Ms. Natasa Vetma, Task Team Leader, The World Bank