H. E. Edna Molewa  
Minister of Water and Environmental Affairs  
Ministry of Water and Environmental Affairs  
Private Bag X447  
Pretoria 0001  
Republic of South Africa

South Africa: Africa Stockpiles Program (GEF TF055763-SA)  
First Amendment to the Grant Agreement

Excellency,

We refer to the Global Environment Facility Trust Fund Grant Agreement (the “Agreement”) for the above-referenced Project dated April 4, 2006, between the Republic of South Africa (the “Recipient”) and the International Bank for Reconstruction and Development (the “Bank”), acting as an implementing agency of the Global Environment Facility. We also refer to the letter from your Ministry dated March 31, 2011 requesting a restructuring of the Project. We concur with your request.

Accordingly, we are pleased to inform you that the Bank hereby proposes to amend the Agreement to read as follows:

1. Article I, Section 1.02 (c) of the Agreement is deleted and replaced with the following clause:

   “(c) “Environmental Management Plan” means an environmental management plan, acceptable to the Bank, defining procedures, guidelines and rules to mitigate, reduce and/or offset negative environmental and social impacts of the Project, and enhancing the environmental and social benefits to be derived from the Project in a specified Selected Province and the term “Environmental Management Plans” means all such environmental management plans collectively;”

2. Article I, Section 1.02 (g) of the Agreement shall be amended to read as follows:

   “(g) “Disposal Services” means services related to the safeguarding and/or disposal of Obsolete Pesticides and Associated Waste under Part B of the Project;”

3. Two new clauses are added in Article I, Section 1.02 as follows:

   “(q) “Selected Provinces” means the provinces of Limpopo, Free State and Western Cape in the Recipient’s territory;”
'(r) "Training" means the costs associated with expenses incurred with the training, study tours and workshops, including travel and subsistence costs of participants, costs associated with securing the services of trainers, rental of training facilities, preparation, reproduction and acquisition of training materials, and other costs directly related to course preparation and implementation.'

4. Article V, Section 5.01(c) of the Agreement shall be amended to read as follows:

"Any of the Environmental Management Plans is amended so as, in the opinion of the Bank, to materially and adversely affect the carrying out of the Project;"

5. Article VII, Section 7.01 is amended to read as follows:

"The Minister of Water and Environmental Affairs of the Recipient is designated as representative of the Recipient for the purposes of Section 11.03 of the General Conditions."

6. The table in Section I of Schedule 1 to the Agreement shall be replaced with the amended table set forth in Attachment I to this letter.

7. Section 3 (b) ii is amended to read as follows:

"submitted to the Bank applicable Environmental Management Plan, related to incurred expenditures requested to be reimbursed, that is satisfactory to the Bank and disclosed the said document in such manner as may be required by the Bank."

8. Schedule 2 to the Agreement shall be replaced in its entirety with the amended Schedule 2 as set forth in Attachment II to this letter.

9. Section B.2 of Schedule 4 is amended to read as follows:

"The Recipient shall implement the Project in accordance with the Environmental Management Plans. Without limitation to the generality of the foregoing, the Recipient shall not implement any Project activity which results in the involuntary resettlement of persons or the involuntary acquisition of land, save with the prior written approval of the Bank and on such terms as the Bank may require."

10. Schedule 5 to the Agreement shall be replaced in its entirety with the amended Schedule 5 as set forth in Attachment III to this letter.

All other provisions of the Agreement, as amended herein, shall remain in full force and effect.

Please indicate your agreement with the foregoing amendments to the Agreement on behalf of the Recipient by countersigning and dating the two original copies of this letter and returning one countersigned original to us. The amendments to the Agreement shall become effective as of the date of countersignature of this letter.
Very truly yours,
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
As an Implementing Agency of the Global Environment Facility

By
Ruth Kagia
Country Director for South Africa
Africa Region

AGREED:
ON BEHALF OF THE REPUBLIC OF SOUTH AFRICA

By:

Name: B. E. E. NOLEWA
Title: Min. - C Minister Water & Env Affairs
Date: 2012/06/12
### Attachment I

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the GEF Trust Fund Grant Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>150,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Works</td>
<td>295,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Consultant services</td>
<td>255,000</td>
<td>100% of foreign expenditures 83% of local expenditures</td>
</tr>
<tr>
<td>(4) Disposal Services</td>
<td>850,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Training</td>
<td>30,000</td>
<td>100%</td>
</tr>
<tr>
<td>(6) Operating Costs</td>
<td>120,000</td>
<td>100%</td>
</tr>
<tr>
<td>(7) Unallocated</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>1,700,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
SCHEDULE 2

Description of the Project

The objectives of the Project are to assist the Recipient in the development and piloting of a sustainable system to identify, collect and dispose of Obsolete Pesticides and Associated Waste.

The Project consists of the following parts, subject to such modifications thereof as the Recipient and the Bank may agree upon from time to time to achieve such objective:

Part A: Identification and Collection of Obsolete Pesticides and Associated Waste

Identification and collection of Obsolete Pesticides and Associated Waste by: (a) establishing a booking line where farmers in Selected Provinces voluntarily declare Obsolete Pesticides and Associated Waste in their possession; (b) preparing Environmental Management Plans; and (c) collecting and transporting identified obsolete pesticides and associated waste to collection centers.

Part B: Safeguarding and/or Disposal of Obsolete Pesticides and Associated Waste

Safeguarding and/or disposal of Obsolete Pesticides stocks and Associated Waste by: (a) carrying out of a technological assessment of available safeguarding and disposal options; and (b) implementing the safeguarding and/or disposal technology selected in Selected Provinces.

Part C: Capacity Building

Carrying out of activities aimed at raising awareness on the health and environmental hazards of pesticides and strengthening the capacity of the PMU to implement the Project through the provision of Training.

Part D: Project Management

Supporting the PMU in carrying out Project coordination, implementation, monitoring and evaluation through the provision of technical advisory services, equipment and operational support.
SCHEDULE 5

Performance Monitoring Indicators

1. A system for identifying, collecting and disposing of private and public Obsolete Pesticides stocks and Associated Waste developed through collaboration with the private sector association.

2. Three pilot safeguarding and/or disposal operations implemented.