Honourable Alexander B. Chikwanda, MP
Minister of Finance
Ministry of Finance
P.O. Box 50062
Chimanga Road
Lusaka

Honorable Minister,

Re: Sustainable Management of Nyika Transfrontier Conservation Area Project
GEF TF099858 – Second Amendment to Trust Fund Grant Agreement

We refer to the Trust Fund Grant Agreement for the above referenced Project between the Republic of Zambia ("Recipient") and the International Bank for Reconstruction and Development ("World Bank") dated November 14, 2011 (TF099858) ("Agreement") and to your request dated November 17, 2015.

We are pleased to inform you that the World Bank hereby agrees to your request. To this effect, the World Bank proposes to amend the Agreement as follows:

1. Section 2.01 is deleted and replaced in its entirety with the following:

"The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project through the Department of National Parks and Wildlife in accordance with the provisions of Article II of the Standard Conditions."

2. Section 4.01, sub-paragraphs (a), (b), (c), (d), and (e) are hereby deleted in their entirety, and the remaining sub-paragraphs are re-lettered accordingly.

3. Schedule 1, Part 1(a) is hereby deleted and replaced in its entirety with the following:

"Carrying out of a program of activities aimed at improving the capacity of DNPW for Project implementation and transfrontier planning, such activities to include the provision of goods required for the purpose."

4. Schedule 1, Part 3 is hereby deleted and replaced in its entirety with the following:

"Carrying out of a program of activities to further develop the Protected Areas and to enhance DNPW’s capacity to manage the Protected Areas included in the Project Area, such activities to include: (a) construction, rehabilitation and maintenance of infrastructure; (b) habitat management and resource protection;
(c) research and monitoring activities; and (d) implementation of the action plans to be developed under the Process Framework.”

5. Schedule 2, Part B is deleted in its entirety and the following Parts are re-lettered accordingly.

6. Schedule 2, Part D (new part C), paragraph 1 is deleted in its entirety and replaced with the following:

“The Recipient shall prepare and furnish to the World Bank, not later than November 30 in each year during the implementation of the Project for the World Bank’s approval, annual work plans and related budgets containing all activities (including proposed conservation-site specific activities and any resettlement action plans, community action plans or environmental management plans required therefore pursuant to the ESMF, RPF and PF) proposed to be carried out under the Project in the following calendar year.”

7. The table under Schedule 2, Section IV, Part A., paragraph 2 is deleted and replaced in its entirety with the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods for Part 1 (a), Part 2 and Part 3 (a) of the Project</td>
<td>320,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Works for Part 3 (a) of the Project</td>
<td>255,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Consultant services and training for Part 1 (a), Part 2 and Part 3 (a) of the Project</td>
<td>500,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
8. Schedule 2, Section IV, Part B., paragraph 2 is deleted and replaced in its entirety with the following:

“The Closing Date referred to in Section 3.06(c) of the Standard Conditions is June 30, 2017.”

9. A new paragraph 5 to the Appendix to the Agreement is inserted as follows and the subsequent numbers are re-numbered accordingly:

“DNPW” means the Department of National Parks and Wildlife, a department within the Ministry of Tourism and Arts of the Recipient, or any successor thereto.”

10. Paragraph 9 of the Appendix to the Agreement is deleted in its entirety and replaced with the following:

“MTA” means the Ministry of Tourism and Arts of the Recipient, or any successor thereto.

11. The following paragraphs in the Appendix to the Agreement are deleted in their entirety: 15 (“Project Agreement”), 17 (“Project Implementing Entity”), 18 (“Project Implementing Entity’s Legislation”), and 23 (“ZAWA”).

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

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<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>(4) Operating costs for Parts 1 and 2 of the Project</td>
<td>605,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Goods, works, consultants’ services, Training and Operating Costs for the Project</td>
<td>860,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>2,540,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
Please confirm your agreement with the proposed amendment, on behalf of the Recipient, by countersigning and dating the two original copies of this amendment letter and returning one countersigned and dated original to us. Upon receipt by the World Bank of the countersigned and dated original copy, the amendment shall become effective as of the date of countersignature.

Sincerely,

[Signature]

Ina-Marlene Ruthenberg
Country Manager for Zambia
Africa Region

AGREED:

REPUBLIC OF ZAMBIA

By: [Signature]

Name: ALEXANDER B. CHIKWANDA

Title: MINISTER OF FINANCE

Date: 28th June, 2016