The Honorable Brenson S. Wase  
Minister of Finance  
Ministry of Finance  
P.O. Box D  
Majuro  
Republic of the Marshall Islands 96960

Dear Minister,

Republic of the Marshall Islands: (The Pacific Islands Regional Oceanscape Program Project)  
GEF Grant Number TF018606  
Amendments to the GEF Grant Agreement

I refer to:

(a) the Global Environment Facility (“GEF”) Grant Agreement (“GEF Grant Agreement”) dated June 26, 2015 between the Republic of the Marshall Islands (“Recipient”) and International Bank for Reconstruction and Development, acting as an Implementing Agency of the GEF (“World Bank”), pursuant to which the World Bank has extended a grant for the above-referenced Project (“Project”), on the terms and conditions set out in said agreement and in a Project Agreement of same date between the World Bank and Marshall Islands Marine Resources Authority (“MIMRA”) (“GEF Project Agreement”);

(b) the Financing Agreement (“Financing Agreement”) of same date between the Recipient and International Development Association (“Association”), pursuant to which the Association has extended a grant (Grant Number D017-MH) to the Recipient in an amount equivalent to four million six hundred thousand Special Drawing Rights (SDR 4,600,000) (“Financing”), to assist in financing the Project on the terms and conditions set out in said agreement and in a Project Agreement of same date between the Association and MIMRA (“IDA Project Agreement”);

(c) the Recipient’s letter dated February 23, 2018, requesting that the World Bank and the Association agree to restructure the Project, so as to: (i) incorporate a stronger focus on the Recipient’s outer islands, coastal habitat health and coastal and marine pollution management; and (ii) address implementation challenges under the Project; all in order to facilitate the Recipient’s and MIMRA’s achievement of the Project’s objective;

(d) the World Bank’s and the Association’s willingness, on the basis, inter alia, of the foregoing, to proceed with said restructuring on terms and conditions to be agreed with the Recipient and MIMRA, by amending, respectively, the GEF Grant Agreement and GEF Project Agreement, and the Financing Agreement and IDA Project Agreement.
I am pleased to inform you that the World Bank proposes to amend the GEF Grant Agreement as follows:

1. **Schedule 1.** The Project Description set forth in Schedule 1 to the GEF Grant Agreement is amended to read as follows:

   **“SCHEDULE 1
   Project Description”**

   The objective of the Project is to strengthen the shared management of selected Pacific island oceanic and coastal fisheries, and the critical habitats upon which they depend.

   The Project constitutes the first phase of the Pacific Islands Regional Oceanscape Program and consists of the parts described in Schedule 1 to the Financing Agreement.”

2. **Schedule 2.**

   (a) The reference to “Section I.B” on the first line of Section I.A.1of Schedule 2 to the GEF Grant Agreement is amended to refer to “Section I.A (Subsidiary Agreement)”.

   (b) Section I.B.1 of Schedule 2 to the GEF Grant Agreement is amended to read as follows:

   “1. To facilitate the carrying out of the Project, the Recipient has made the proceeds of the Grant available to the Project Implementing Entity on a grant basis under a subsidiary agreement between the Recipient and the Project Implementing Entity. The Recipient shall amend said subsidiary agreement, under terms and conditions approved by the World Bank, in order to ensure the proper implementation of the Project as restructured under the Financing Agreement (“Subsidiary Agreement”).”

   (c) The table in Section II.A.2 of the Schedule to the GEF Grant Agreement is amended to read as follows:

<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, works, non-consulting services, consultants’ services, Training and Workshops and Incremental Operating Costs under Part 2(b) of the Project</td>
<td>1,830,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>1,830,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

3. **Appendix.** The Appendix to the GEF Grant Agreement is amended to read as follows:

   **“APPENDIX
   Definitions”**

   1. “Financing Agreement” means the Financing Agreement dated June 26, 2015 between the Recipient and the Association pursuant to which the Association extended a grant (Grant
Number D017-MH) (said grant referred to as “Financing”) to assist in financing the Project, as said agreement shall be amended from time to time.”

4. In all other respects, the GEF Grant Agreement remains in full force and effect.

5. The above amendments shall take effect on the later of the following two dates: (a) the date as of which the amendments to the Financing Agreement, to give effect to this Project restructuring have taken effect, in accordance with the provisions of said amendments; and (b) the date as of which the Subsidiary Agreement has been amended in accordance with the provisions of Section I.B.1 of Schedule 2 to the GEF Grant Agreement, as amended hereby.

Please confirm the Recipient’s agreement to the foregoing amendments by having an authorized official of the Recipient sign and date both enclosed copies of this Amendment Letter and returning one copy to the World Bank. Upon receipt by the World Bank of the countersigned copy of this Amendment Letter, the amendments herein shall become effective as of the date of the Recipient’s countersignature.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
acting as an Implementing Agency of the Global Environment Facility

By

Michel Kerf
Country Director
Papua New Guinea & Pacific Islands
East Asia and Pacific Region

AGREED:
REPUBLIC OF THE MARSHALL ISLANDS

By: ____________________________
Authorized Representative

Name: Alfred Alfred, Jr.
Title: Ministry of Finance
Date: 20-3-20