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17 de septiembre de 2010
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**ADAPTATION TO THE IMPACT OF RAPID GLACIER RETREAT
IN THE TROPICAL ANDES PROJETA (PRAA) – GEF SCCF
GRANT No. TF091712 (Formerly TF050552)**

**Second Amendment to GEF Grant Agreement to incorporate Additional
Financing**

15 DE SEPTIEMBRE DE 2010

July 9, 2010

Mr. Adalid Contreras Baspineiro
Acting General Secretary
General Secretariat of the Andean Community
Av. Paseo de la República 3895
San Isidro
Lima, Peru

Re: REGIONAL: Adaptation to the Impact of Rapid Glacier Retreat in the
Tropical Andes Project (PRAA) – GEF SCCF Grant No. TF091712
(Formerly TF050552)
Second Amendment to GEF Grant Agreement to incorporate Additional
Financing

Dear Sir:

Please refer to the Global Environmental Facility Special Climate Change Fund Grant Agreement (GEF Grant Agreement) between the General Secretariat of the Andean Community (SGCAN) (the Recipient), for the benefit of the Plurinational State of Bolivia, the Republic of Ecuador and the Republic of Peru (the Beneficiaries) and the International Bank for Reconstruction and Development (the World Bank), acting as an Implementing Agency of the Global Environment Facility, dated July 11, 2008. Please also note that the Amendment Letter dated February 3, 2010 did not come into force and effect.

We are pleased to inform you that, pursuant to our recent discussions on the subject, the World Bank hereby agrees to amend the GEF Grant Agreement so as to increase the amount of the Grant to US\$7,940,000 and include new activities under Part 3 of the Project.


Consequently, the GEF Grant Agreement is hereby amended as follows:

1. Section 3.01 of the GEF Grant Agreement is hereby amended to read in its entirety as follows:

“3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to seven million nine hundred forty thousand United States Dollars (\$7,940,000) (“Grant”) to assist in financing the Project.”

2. Parts 3 of Schedule 1 to the GEF Grant Agreement is hereby amended to read in its entirety as follows:

“Part 3: Monitoring of Glacier Retreat in the Region; Related Follow-Up Activities

- (a) Installation and operation of a monitoring network to measure the gradual process of glacier retreat in the region in order to enable better long-term planning for further adaptation policy and interventions, including:
- (i) the design, installation and operation of eight glacier monitoring stations, located at or near tropical glaciers of economic relevance;
 - (ii) the use of high precision remote sensing to monitor tropical glaciers and associated ecosystems through the use of the Japanese Space Agency ALOS satellite (Advanced Land Observing Satellite or DAICHI); and
 - (iii) the design and set up of a system to monitor and analyze the hydrology and carbon cycle of selected tropical glaciated basins and mountain wetlands in Peru.
- (b) Development of a scientific baseline for high mountain ecosystems, including: (i) the development of methodologies to address data gaps in the climate records and time series for hydrology and climate in high mountain ecosystems; (ii) the development of tools and systems to ensure that in the future these records and time series are continued in a sustainable manner; (iii) design of high resolution downscaling methods for the deployment of modeling techniques for high altitude ecosystems; (iv) the introduction and support to the use of tools for the integrated assessment of climate change impacts on services and economies; (v) the development and application of integrated cross-sector impacts analyses for the natural, social and economic perspectives of climate change adaptation from regional to local level; (vi) the carrying out of dialogue with Peru’s local authorities on implementation and policy aspects for adequate consideration in the baseline methodology; (vii) the carrying out of training targeted at selected user institutions such as Peru’s meteorology service (*Servicio Nacional de Hidrología y Meteorología - SENAHMI*).
- (c) Development of guidelines for adaptation measures, including: (i) the carrying out of analyses of the technical, institutional, political and human dimension based on integrated assessments for different levels of scientific complexity; (ii) the design and implementation of an active science-policy dialogue by involving policy makers into the process of adaptation methods development; (iii) the provision of support for knowledge exchange and capacity building for SENAHMI; and (iv) the establishment of long-term international scientific networks and collaborations, including joint publications efforts.”
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- 3. The disbursement table in Section IV.A.2 of Schedule 2 to the GEF Grant Agreement is hereby amended and replaced to read in its entirety as set forth in the Annex to this amendment letter.

Please confirm your agreement with the foregoing amendment by signing and dating this letter in the spaces provided below. This amendment letter shall be executed in two counterparts, each of which shall be an original. Upon confirmation, please return one fully executed original to the World Bank. This amendment shall become effective upon receipt by the World Bank of a legal opinion satisfactory to the Association, establishing that this amendment letter has been duly authorized, executed and delivered on behalf of the Recipient and is legally binding upon the Recipient in accordance with its terms.

If this amendment shall not have come into force and effect by a date one hundred and twenty (120) days after the date first above written, the unamended GEF Grant Agreement dated July 11, 2008, between the Recipient and the World Bank, shall continue in full force and effect, as if this amendment had not been executed.

Sincerely,

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

acting as an Implementing Agency of the
Global Environment Facility

By

Carlos Felipe Jaramillo

Carlos Felipe Jaramillo
Country Director

Bolivia, Chile, Ecuador, Peru and Venezuela
Latin America and the Caribbean Region

AGREED:

**GENERAL SECRETARIAT OF THE
ANDEAN COMMUNITY (SGCAN)**

By:

Dolalid Paetueras Baspineiro
(Authorized Representative)

Name:

Dolalid Paetueras Baspineiro

Title:

Secretario General a.i.

Date:

15 de Septiembre 2010

ANNEX

<u>Category</u>	<u>Amount of the Grant (expressed in USD)</u>	<u>Percentage of Expenditures to be Financed (inclusive of Taxes)</u>
(1) Goods, consultants' services, workshops and Non-consultant services under Part 1 of the Project	400,000	100%
(2) (a) Works, goods, consultants' services, workshops and Non-consultant services under Part 2 (a) of the Project;	1,950,000	100%
(b) Works, goods, consultants' services, workshops and Non-consultant services under Part 2 (b) of the Project; and	1,950,000	
(c) Works, goods, consultants' services, workshops and Non-consultant services under Part 2 (c) of the Project	2,040,000	
(3) Works, goods, consultants' services, workshops and Non-consultant services under Part 3 of the Project	900,000	100%
(4) Operating Costs, workshops, goods, consultant's services and Non-consultant services under Part 4 of the Project	700,000	100%
TOTAL AMOUNT	7,940,000	

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