

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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July 21, 2009

H.E. Pacifique Isoibeka
Ministry of Economy, Finance and Budget
B.P. 2083
Brazzaville
Republic of Congo

Re: Grant Agreement for the Readiness Preparation Proposal
Readiness Fund of the FCPF
Grant No. TF094778

Excellency:

I wish to refer to Resolution PC2008-2 of the Participants Committee of the Forest Carbon Partnership Facility ("FCPF") regarding Selection of REDD Country Participants ("Resolution PC2008-2"). REDD refers to reducing emissions from deforestation and forest degradation.

Resolution PC2008-2 provides that subject to the availability of funds, a REDD Country Participant may receive up to three million six hundred thousand United States Dollars (US\$3,600,000) ("Total Grant") for formulating and executing a Readiness Preparation Proposal (R-PP).

Resolution PC2008-3 of the Participants Committee regarding Grant Allocation for REDD Country Participants (Resolution PC2008-3) further provides that the Total Grant may be made available in two or three installments, with the first installment in the amount of US\$200,000 (First Installment) available to the Eligible REDD Country upon its selection as a Participant in the FCPF.

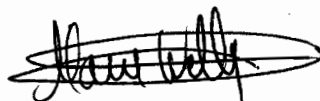
The Republic of Congo ("Recipient") was selected as a REDD Country Participant and wishes to receive the First Installment of the Total Grant to prepare its R-PP. In response to the request for financial assistance made on behalf of the Recipient, I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank"), acting as Trustee of the Readiness Fund of the Forest Carbon Partnership Facility, agrees to extend to the Recipient a grant in an amount not to exceed two hundred thousand United States Dollars (U.S.\$200,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project").

The Trustee may enter into one or more than one supplementary agreement to this grant agreement with the Recipient for the purpose of extending the balance of the Total Grant, subject to the availability of funds, -terms and conditions set forth in attachment II to Resolution PC2008-3—and a decision by the Participants Committee.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature.

Very truly yours,
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
Acting as Trustee of the Readiness Fund of the Forest Carbon Partnership Facility



By
Marie Françoise Marie-Nelly
Country Director, Congo
Africa Region

AGREED:
REPUBLIC OF CONGO



By
Name Pacifique ISSOIBEKA
Title Ministre des Finances
Date: 21 juillet 2008

Enclosures:

(1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 1, 2008

(2) Disbursement Letter dated July 21, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006