

Letter No. CD-138/WB/FCPF/X/2019

October 15, 2019

Mr. Bambang Hendroyono
Secretary General
Ministry of Environment and Forestry
Manggala Wanabakti Building
Jl. Gatot Subroto, Jakarta

Dear Mr. Hendroyono:

Re: First Amendment to the Letter of Intent between the International Bank for Reconstruction and Development, acting as the trustee of the Carbon Fund of the Forest Carbon Partnership Facility, and Indonesia with respect to the Potential Results-Based Payment for Emission Reductions from the Indonesian Provincial Level REDD+ Emission Reductions Program

We refer to the Letter of Intent between the International Bank for Reconstruction and Development (“**IBRD**”), acting as the trustee (“**Trustee**”) of the Carbon Fund of the Forest Carbon Partnership Facility (“**Carbon Fund**”), and Indonesia (“**Program Entity**”, and together referred to as “**Parties**”), represented by the Ministry of Environment and Forestry, dated September 20, 2017 (“**Letter of Intent**”) with respect to the ‘Indonesian Provincial Level REDD+ Emission Reductions Program’ in the Republic of Indonesia. The Parties agreed prior to September 20, 2019 (i.e. the date on which the Letter of Intent was scheduled to terminate) to extend the Exclusivity Period and, thereby, extend the term of the Letter of Intent. Capitalized terms used in this amendment letter shall have the same meaning ascribed to them in the Letter of Intent.

1. The Parties agree to herewith amend the Letter of Intent as follows:
 - (a) The Exclusivity Period specified in Section 3.1 of the Letter of Intent shall be extended from September 20, 2019 to June 30, 2020.
 - (b) Section 7.2 of the Letter of Intent shall be deleted in its entirety and replaced as follows:

“7.2 If (a) the ERPA Negotiation Period has not started within twenty-seven (27) months from the date of this Letter of Intent and (b) there is no indication from the Program Entity to proceed with ERPA negotiations, the Trustee may, at its sole and absolute discretion, either terminate this Letter of Intent and the understandings it provides or extend the deadline provided in this Clause 7.2.”
2. The participants of the Carbon Fund approved the proposed extension of the Exclusivity Period (see above para 1.(a)) on September 20, 2019 through no objection.

3. Unless expressly provided for otherwise in this amendment letter, all other provisions of the Letter of Intent shall remain unchanged and in full force and effect.

Please confirm your agreement to the foregoing amendment letter by countersigning the received copies in the spaces provided below and return it to me in care of the Carbon Finance Unit, MC-3-309, the World Bank, 1818 H Street, Washington D.C. 20433, U.S.A. Following your countersignature, the provisions of this amendment letter shall become effective on the date of this letter.

Sincerely



Alessandra Campanaro
Acting Country Director, Indonesia and Timor-Leste

AGREED AND CONFIRMED:

On behalf of Indonesia, represented by the Ministry of Environment and Forestry



By: _____

Name: Mr. Bambang Hendroyono

Title: Secretary General, Ministry of Environment and Forestry