

**AMENDMENT N°2
TO THE GRANT FINANCING AGREEMENT N° CZZ2748 03L**

Between

**AGENCE FRANCAISE DE DEVELOPPEMENT
The Agency**

And

**THE SECRETARIAT OF THE PACIFIC REGIONAL ENVIRONMENT PROGRAMME
the Beneficiary**

AMENDMENT N°2

TO THE GRANT FINANCING AGREEMENT N° CZZ 2748 03L

BETWEEN:

THE SECRETARIAT OF THE PACIFIC REGIONAL ENVIRONEMENT PROGRAMME an international organisation, represented by Mr. Sefanaia NAWADRA, in his capacity as Director General, who is duly authorized to sign this agreement pursuant to SPREP Financial Regulation 2012 Regulation 2 and SPREP Agreement Articles 6 and 7;

(“**SPREP**” or the “**Beneficiary**”);

AND

AGENCE FRANCAISE DE DEVELOPPEMENT, a French public entity (*établissement public*) governed by French law, with registered office at 5, Rue Roland Barthes, 75598 Paris Cedex 12, France, registered with the Trade and Companies Register of Paris under number 775 665 599, represented by Ms. Virginie BLEITRACH, in her capacity as AFD Regional Director for the Pacific who is duly authorised to sign this Agreement,

1. (“**AFD**” or the “**Agency**”);

ON THE SECOND PART

(collectively referred to as the “Parties” and individually as a “Party”).

WHEREAS,

According to the resolutions n°C20190760, C20190772, C20190774, C20190775, C20190835, C20190836 and C20190837 dated November 14th 2019 of the Board of Directors of the Agency, the Agency has agreed to make available the Grant to the Beneficiary for an amount of EURO 1,050,000 (one million and fifty thousand euros) in order to fully finance the Project according to the terms and conditions of a grant financing agreement.

Thus, the Parties have agreed to sign the present amendment agreement to the Financing Agreement (the “**Amendment**”).

ON THE BASIS OF THE FOREGOING, IT IS HEREBY AGREED AS FOLLOWS:

Article 1 – DEFINITION

Except any defined terms contained in this Amendment, terms appearing in capital letter in the Amendment (including those appearing in the recitals above), and shall have the meaning given to them in the Agreement.

Article 2 – AMENDMENTS TO THE AGREEMENT

As from the signing date of the Amendment, the following Clauses of the Agreement are amended.

2.1 Amendment to Clause 3.2.1 (“Renewable advances”)

The Clause 3.2.1 paragraph (h) of the Agreement is modified as follow:

“The Beneficiary agrees that the project account shall be audited on an annual basis until the Deadline for Implementation of the Project. These audits shall be carried out by an independent and reputable auditing firm, appointed by the Beneficiary, subject to the Agency’s no-objection on the terms of reference of the audit mission and the appointed auditing firm. All audit costs shall be applied against the fund of the Grant. The auditing firm shall verify that all Drawdowns/advances paid into the Project Account have been used in accordance with the terms of this Agreement. The audit shall include the verification that the procurement procedures used by the Beneficiary are compliant with provisions of this agreement.

The Beneficiary shall permit the auditing firm to have access to any documentation or person necessary to carry out its work. The Beneficiary shall with no delay provide such access to information or people as requested by the auditing firm.

The Beneficiary agrees that the final audit report may trigger investigation measures as provided in Clause 6.16 (Inspections) and/or remediation measures as provide in Clause 6.9 (Origin of funds, no Acts of Corruption, Fraud, Anti-Competitive Practices or Tax Avoidance Practices or Tax Fraud).

Audit reports shall be made available no later than four (4) months following the end of each calendar year.

During the Drawdown Period, the Agency may carry out, or procure that a third party carries out on its behalf and at the expense of the Beneficiary, random inspections rather systematic control of documentary evidence.”

2.2 Amendment to Schedule 1A (“Definitions”)

The Definitions of “Deadline for Implementation of the Project” of the Schedule 1A (“Definitions”) are modified as follow:

Deadline for Implementation of the Project	Means the date defined as the special conditions of the Contribution Agreement and/or referred to in the Contribution Arrangements (as the date upon which the “Implementation Period” expires), which shall occur no later than October, 31 st , 2025.
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All other Definitions of the Schedule 1A (“Definitions”) shall remain in full force and effect, and unchanged in so far as they are not in contradiction with the terms of the Amendment.

2.3 Amendment to Schedule 3 (“Financing Plan”)

The Part I (“FINANCING PLAN”) of the Schedule 3 (“Financing Plan”) is modified as set out in Schedule A of this Amendment (Financing Plan).

Article 3 – OTHER PROVISION OF THE AGREEMENT

The Amendment does not create any novation of the Agreement. All other provisions of the Agreement shall remain in full force and effect, and unchanged in so far as they are not in contradiction with the terms of the Amendment.

Article 4 – REPRESENTATIONS AND WARRANTIES

At the signing date of the Amendment, all representations and warranties set out in Clause 5 (“*Representations and warranties*”) of the Agreement are made by the Beneficiary.

The Beneficiary also represents and warrants that:

- (a) it has full power and capacity to sign the Amendment and perform all contemplated obligations; and
- (b) the signing of the Amendment and the performance of its obligations do not conflict with any domestic or foreign law or regulation applicable to it, its constitutional documents (or any similar documents) or any agreement or instrument binding upon the Beneficiary or affecting any of its assets.

Article 5 – COMING INTO FORCE

This Amendment shall come into force on its signing date.

Article 6 – GOVERNING LAW, CHOICE OF DOMICILE AND JURISDICTION

This Amendment is governed by French law.

Signed by SY by Cegedim, electronic signature process

THE BENEFICIARY

SECRETARIAT OF THE PACIFIC REGIONAL ENVIRONMENT PROGRAMME

Represented by Mr. Sefanaia NAWADRA, in his capacity as Director General

THE AGENCY

Represented by Virginie BLEITRACH, in her capacity as AFD Regional Director for the Pacific

Schedule A – Financing Plan

The part I (FINANCING PLAN) of the schedule 3 (“Financing Plan”) is modified as follows:

Budget (in EUR)	4 year Project
KRA1: Capacities of PICTs to integrate Nature-based Solutions consideration in response to climate change adaptation and biodiversity conservation into their national and local policies are enhanced	389,000
KRA2: Support for the development and implementation of large projects under Component B2 of the Kiwa Initiative is successfully provided (including feasibility studies).	138,545
KRA3: Kiwa Initiative’s components are fully integrated through the technical task force and within SPREP related-programmes and projects	100,000
Coordination Budget	300,000
Administrative budget (procurement, Human Resources, office costs, travels assistance, external audits...)	27,000
Indirect costs (10%)	95,455
TOTAL	1,050,000