Honorable Cesar V. Purisima
Secretary
Department of Finance
DOF Building, BSP Complex
Roxas Boulevard, Manila
Republic of the Philippines

Dear Secretary Purisima:

Philippines: IDF Grant for Strengthening Institutions towards the Implementation of Effective Anti-Corruption Programs
IDF Grant No. TF094495
Amendment to the Implementing Agency

We refer to the letter agreement ("Agreement") dated July 3, 2009 between the Republic of the Philippines (the "Recipient") and the International Bank for Reconstruction and Development (the "World Bank") in relations to the Strengthening Institutions towards the Implementation of Effective Anti-Corruption Programs (the "Project"). We also refer to your letter dated March 14, 2011, requesting the World Bank to amend the Agreement to reflect the replacement of the original implementing agency of the Project, namely, the Presidential Anti-Graft Commission ("PAGC") after its abolishment, by a newly assigned implementing agency, namely, Office of the Executive Secretary through the Office of the Deputy Executive Secretary for Legal Affairs ("ODESLA"), whereby ODESLA has assumed all of PAGC's functions and obligations, including the implementation of the Project. Accordingly the Agreement is amended as set out below.

1. In Section 1.02(b), the definition of the acronym "IDAP" is amended to read as follows:

   "(b) "IDAP" means Integrity Development Action Plan, an anti-corruption program that was developed and was being implemented by PAGC, which will now continue to be implemented by ODESLA (as herein after defined)."

2. In Section 1.02(e), the definition of the term "Presidential Anti-Graft Commission" is deleted and replaced by the definition of "ODESLA" as follows:

   "(e) "ODESLA" means the Office of the Deputy Executive Secretary for Legal Affairs which is under the Executive Secretary Office, Office of the President, created under Section 26, Title III, Book III, of Executive Order No. 292, otherwise known as "The Revised Administrative Code." Executive Order No. 13, issued on November 15, 2010 where under such Code, all the functions of the former Presidential Anti-Graft Commission were transferred to ODESLA.

3. In Section 2.01, the objective of the Project is amended to read as follows:
"2.01. **Project Objectives and Description.** The objective of the Project is to strengthen the capacities of the **Office of the Deputy Executive Secretary for Legal Affairs** and the Office of the Ombudsman in the implementation of integrity development programs towards reducing corruption opportunities and vulnerabilities at the agency level. The Project consists of the following components:"

4. Section 2.01(b) is amended to read as follows:

   "(b) Development of team building workshops intended to improve collaboration and cooperation among **ODESLA**, OMB and selected pilot agencies in fighting corruption."

5. Section 2.03(iv) is amended to read as follows:

   "(iv) A results-based monitoring and evaluation tool that includes CSO monitoring of the integrity programs is developed and utilized by **ODESLA** and OMB.

Unless the context otherwise requires and except where otherwise defined in this letter of amendment, all the capitalized terms contained herein shall have the meanings given to them in the Agreement.

Except as specifically set forth in this letter of amendment, all other terms and conditions of the Agreement remain unchanged.

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 letter of amendment, and returning it to the World Bank. Upon receipt by the World Bank of the countersigned original, this letter of amendment shall become effective as of the date of the countersignature.

Sincerely,

/s/ Mark C. Woodward

Acting Country Director, Philippines
East Asia and Pacific Region

**AGREED**
**REPUBLIC OF THE PHILIPPINES**

By: /s/ Cesar V. Purisima

Name: **Cesar V. Purisima**
Title: **Secretary, Department of Finance**
Date: **May 31, 2011**

cc: Mr. Rogerio Studart, Executive Director for the Philippines, World Bank
Ms. Ma. Lourdes Recente, Sr. Advisor to the Executive Director for the Philippines, World Bank