

Date: 22-Dec-2025

Dr. Govinda Prasad Sharma
Secretary, Ministry of Forests and Environment
Singha Durbar, Kathmandu
NEPAL

Re: Amendment to the Carbon Fund of the Forest Carbon Partnership Facility Emission Reductions Payment Agreement for the “People and Forests – a Sustainable Forest Management-Based Emission Reduction Program in the Terai Arc Landscape of Nepal” and the International Bank for Reconstruction and Development, as Trustee of Tranche A of the Carbon Fund of the Forest Carbon Partnership Facility (TF0B4467)

WHEREAS

- A. Nepal (“**Program Entity**”) and the International Bank for Reconstruction and Development (“**IBRD**”), as Trustee (“**Trustee of Tranche A of the Fund**”) of Tranche A of the Carbon Fund (“**Carbon Fund**”) of the Forest Carbon Partnership Facility (“**Facility**”) (together referred to as “**Parties**”), entered into the Emission Reductions Payment Agreement (“**ERPA**”) dated February 24, 2021 (TF0B44467), for the “People and Forests - a Sustainable Forest Management-Based Emission Reduction Program in the Terai Arc Landscape of Nepal” (“**Program**”).
- B. The Program Entity also entered into a separate ERPA with the IBRD, acting as Trustee (“**Trustee of Tranche B of the Fund**”) of Tranche B of the Carbon Fund of the Facility, dated February 24, 2021 (TF0B4466), (“**Tranche B ERPA**”), for the Program (Tranche A ERPA and Tranche B ERPA together referred to as “**ERPAs**” and Trustee of Tranche A of the Fund and Trustee of Tranche B of the Fund together referred to as “**Trustee**”).
- C. In a letter to the Bank dated November 11, 2025, the Program Entity has requested an amendment to the ERPA, to extend the termination date of the ERPA from December 31, 2025 to December 31, 2026, to allow sufficient time for completion of the second Emission Reductions Monitoring Report under the ERPA.

THEREFORE, we propose to amend the Tranche A ERPA as follows (“**Amendment**”):

1. Section 10.01 of the Tranche A ERPA shall be deleted in its entirety and replaced as follows:

“Section 10.01 *Term of the Agreement*

This Agreement will become effective through execution by both Parties as of the date first above written. Unless terminated earlier in accordance with the General Conditions or Section 3.03, this

Agreement shall terminate after twelve (12) months following the transfer of all Contract ERs and Additional ERs, if any, the payment of Periodic Payments in respect thereof, and the repayment of any yet unrecovered and outstanding Advance Payment amounts, if applicable, subject to the survival of provisions as identified in Section 18.11 of the General Conditions, but in any event by no later than December 31, 2026.”

Unless otherwise defined in this Amendment, all capitalized terms used in this Amendment shall have the same meaning as given to those terms in the Tranche A ERPA.

Unless expressly amended by this Amendment, all terms and provisions under the Tranche A ERPA shall remain unchanged and in full force and effect.

This Amendment shall become effective and become an integral part of the Tranche A ERPA upon being duly counter-signed and returned to the Trustee by the Project Entity.

Sincerely yours,

**On behalf of the International Bank
for Reconstruction and Development,
as Trustee of Tranche A of the Carbon Fund of
the Forest Carbon Partnership Facility**

By: DN Sislen

Name: David N. Sislen

Title: Country Division Director for Maldives, Nepal and Sri Lanka

Date: 22-Dec-2025

CONFIRMED AND AGREED:

On behalf of Nepal, represented by:

By: Govinda Prasad Sharma

Name: Dr. Govinda Prasad Sharma

Title: Secretary, Ministry of Forests and Environment

Date: 24-Dec-2025

Date: 22-Dec-2025

Dr. Govinda Prasad Sharma
Secretary, Ministry of Forests and Environment
Singha Durbar, Kathmandu
NEPAL

Re: Amendment to the Carbon Fund of the Forest Carbon Partnership Facility Emission Reductions Payment Agreement for the “People and Forests – a Sustainable Forest Management-Based Emission Reduction Program in the Terai Arc Landscape of Nepal” and the International Bank for Reconstruction and Development, as Trustee of Tranche B of the Carbon Fund of the Forest Carbon Partnership Facility (TF0B4466)

WHEREAS

- A. Nepal (“**Program Entity**”) and the International Bank for Reconstruction and Development (“**IBRD**”), as Trustee (“**Trustee of Tranche B of the Fund**”) of Tranche B of the Carbon Fund (“**Carbon Fund**”) of the Forest Carbon Partnership Facility (“**Facility**”) (together referred to as “**Parties**”), entered into the Emission Reductions Payment Agreement (“**ERPA**”) dated February 24, 2021 (TF0B44466), for the “People and Forests - a Sustainable Forest Management-Based Emission Reduction Program in the Terai Arc Landscape of Nepal” (“**Program**”).
- B. The Program Entity also entered into a separate ERPA with the IBRD, acting as Trustee (“**Trustee of Tranche A of the Fund**”) of Tranche A of the Carbon Fund of the Facility, dated February 24, 2021 (TF0B4467), (“**Tranche A ERPA**”), for the Program (Tranche A ERPA and Tranche B ERPA together referred to as “**ERPAs**” and Trustee of Tranche A of the Fund and Trustee of Tranche B of the Fund together referred to as “**Trustee**”).
- C. In a letter to the Bank dated November 11, 2025, the Program Entity has requested an amendment to the ERPA, to extend the termination date of the ERPA from December 31, 2025 to December 31, 2026, to allow sufficient time for completion of the second Emission Reductions Monitoring Report under the ERPA.

THEREFORE, we propose to amend the Tranche B ERPA as follows (“**Amendment**”):

1. Section 10.01 of the Tranche B ERPA shall be deleted in its entirety and replaced as follows:

“Section 10.01 *Term of the Agreement*

This Agreement will become effective through execution by both Parties as of the date first above written. Unless terminated earlier in accordance with the General Conditions or Section 3.03, this Agreement shall terminate after twelve (12) months following the transfer of all Contract ERs and Additional ERs, if any, the payment of Periodic Payments in respect thereof, and the repayment of

any yet unrecovered and outstanding Advance Payment amounts, if applicable, subject to the survival of provisions as identified in Section 18.11 of the General Conditions, but in any event by no later than December 31, 2026.”

Unless otherwise defined in this Amendment, all capitalized terms used in this Amendment shall have the same meaning as given to those terms in the Tranche B ERPA.

Unless expressly amended by this Amendment, all terms and provisions under the Tranche B ERPA shall remain unchanged and in full force and effect.

This Amendment shall become effective and become an integral part of the Tranche B ERPA upon being duly counter-signed and returned to the Trustee by the Project Entity.

Sincerely yours,

**On behalf of the International Bank
for Reconstruction and Development,
as Trustee of Tranche B of the Carbon Fund of
the Forest Carbon Partnership Facility**

By: DN Sislen

Name: David N. Sislen

Title: Country Division Director for Maldives, Nepal and Sri Lanka

Date: 22-Dec-2025

CONFIRMED AND AGREED:

On behalf of Nepal, represented by:

By: Govinda Prasad Sharma

Name: Dr. Govinda Prasad Sharma

Title: Secretary, Ministry of Forests and Environment

Date: 24-Dec-2025