Addendum of the

AGREEMENT OF COOPERATION

| No. | of |
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The Agreement of Cooperation signed between the Ministry of Public Administration (hereinafter referred to as MPA), the Ministry of Waters and Environment Protection (hereinafter referred to as MWEP), the Ministry of Public Works, Transport and Housing (hereinafter referred to as MPWTH.), the United Nations Development Programme (hereinafter referred to as UNDP) and the Romanian Federation of Local Authorities (hereinafter referred to as RFLA) regarding the establishment of the necessary framework to finance and implement the programme on "Strengthening the institutional capacity for the Implementation of Agenda 21 at Local Level", with a view to expand Local Agenda 21 to more than 40 municipalities in Romania until 2007, will be modified and completed as follows:

1. The following text will be inserted in the preamble, after line 3:

"The Ministry of Development and Prognosis (hereinafter referred to as the MDP) issues economic and social development strategies for the short, medium and long term, and the draft National Development Plan (hereinafter referred to as NDP) - a document for Romania's strategic and financial planning, which is being developed within a broad partnership and aims to guide and stimulate the economic and social development of the country in order for it to reach its economic and social cohesion objective. The NDP includes an analysis of the economic and social status of the country, the medium-term priority development objectives, the strategy to reach these, and the multi-annual financial planning for the measures put in place to achieve the priority objectives. The NDP is being produced on the basis of the Regional Development Plans."

2. Line 4 of the preamble concerning UNDP's position as contractual party becomes line 5.

3. Section III.4 of Chapter III of the Agreement will become Section III.5 of Chapter III, and a new Section III.4 will be added as "MDP's Responsibilities", having the following articles:

Art.25

The Ministry of Development and Prognosis will provide support in the production of assessments and prognoses at regional level, taking into account the national impact of Agenda 21 implementation at local level.

Art.26

The Ministry of Development and Prognosis will provide support to the county and local councils and to the local subsidiaries of the ministry with a view to obtain information relating the overall socio-economic development of the country, which is required for the production of the local development strategies.

<u>Art.27</u>

The Ministry of Development and Prognosis ensures correlation between the national and regional priorities included in the plans and the priority objectives proposed by the local councils.

- 4. The section on UNDP's responsibilities will become section III.5 as a consequence of renumbering. UNDP's responsibilities will be numbered from 28 to 31.
- 5. The section relating RFLA's responsibilities will become section III.6, as a consequence of renumbering. The articles on RFLA will be renumbered from 32 to 36.
- 6. The articles on the Special Note and Final Provisions will be renumbered from 37 to 40.

| Signed as of | | | |
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| Ministry of Public Administration | United Nations Development Programme | | |
| Octav Cozmanca | Soknan Han Jung | | |
| Minister | Resident Representative | | |
| Ministry of Waters and | Ministry of Development and Prognosis | | |
| Environment Protection | | | |
| Petre Lificiu | Leonard Cazan | | |
| Minister | Minister | | |
| Ministry of Public Works, | Romanian Federation of Local Authorities | | |
| Transports and Housing | | | |
| Miron Mitrea | Emil Calota | | |

President

Minister