June 7, 2011

Ms. Janet Durno  
Country Director and Head of Development Cooperation (CIDA)  
High Commission of Canada  
Government of Canada  
United Nations Road, Baridhara  
Dhaka 1212, Bangladesh  

Dear Ms. Durno:

**Re: Amendment No. 1 to the Administration Arrangement between the Government of Canada, represented by the Minister for International Cooperation acting through the Canadian International Development Agency, and the International Bank for Reconstruction and Development and the International Development Association concerning the Multi-Donor Trust Fund for Strengthening Public Expenditure Management Program (SPEMP) (Trust Fund No. TF071187)**

We refer to the Administration Arrangement, dated March 20, 2011, between the Government of Canada, represented by the Minister for International Cooperation acting through the Canadian International Development Agency (the Donor), and the International Bank for Reconstruction and Development and the International Development Association (collectively, the World Bank) concerning the Multi-Donor Trust Fund for Strengthening Public Expenditure Management Program in Bangladesh (the Trust Fund).

We also refer to the discussions between representatives of the Donor and our staff regarding amending the Administration Arrangement to include a provision on conversion of the Contribution funds into the holding currency of the Trust Fund. Accordingly, we would like to propose to amend the Administration Arrangement as set forth below:

1. A new paragraph is inserted after paragraph 5 of the Administration Arrangement reading as set forth below, and the succeeding paragraphs are renumbered accordingly:

   “6. The Bank will convert the Contribution funds into the holding currency of the Trust Fund, namely, United States dollars, promptly upon receipt of the Contribution funds and the Deposit Instruction containing the information specified in paragraph 5 at the exchange rate obtained by the Bank on the date of the conversion. Where the Contribution proves to be insufficient to complete the activities as a result of an exchange rate fluctuation, neither the Bank nor the Donor will bear any responsibility for providing any additional financing.”
All the terms and conditions of the Administration Arrangement that have not been amended hereby will remain unchanged and in full force and effect.

We propose that, upon receipt by the Association of the duly countersigned copy of this Amendment to the Administration Arrangement, it will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

/s/: Ellen Bernstein

Country Director

CONFIRMED AND AGREED:

GOVERNMENT OF CANADA
as represented by the
MINISTRY FOR INTERNATIONAL COOPERATION
acting through the
CANADIAN INTERNATIONAL DEVELOPMENT AGENCY (CIDA)

/s/: Janet Durno

Date: June 7, 2011

Janet Durno
Country Director, Bangladesh Program (CIDA)
and Head of Development Cooperation
Canadian High Commission