Mr. Bjørn Brede Hansen  
Deputy Director General  
Section for Multilateral Development Assistance and Global Economic Issues  
Ministry of Foreign Affairs  
7, Juni Plassen 1, 0032 Oslo  
Norway  

Amendment to the Administration Agreement between the Ministry of Foreign Affairs of the Kingdom of Norway and the International Bank for Reconstruction and Development and the International Development Association concerning the State- and Peace- Building Multi-Donor Trust Fund (TF No. 071021)  

Dear Mr. Hansen:  

1. We refer to the Administration Agreement between the Ministry of Foreign Affairs of the Kingdom of Norway (the “Donor”) and the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”), (collectively, the “Bank”) regarding the State- and Peace- Building Multi-Donor Trust Fund (TF No. 071021) (the “Trust Fund”) effective December 9, 2008 (the “Administration Agreement”).  

2. Pursuant to recent discussions between the Bank and the Donor, the Bank proposes the following amendments to the Administration Agreement:  

(i) Paragraph 8.1 in Annex 1 to the Administration Agreement to be amended to extend the end disbursement date to September 30, 2016 and which consequently shall read as follows:  

“8.1. It is expected that the Contribution funds will be fully disbursed by the Bank in accordance with the provisions of this Agreement by September 30, 2016. The Bank shall only disburse Contribution funds for the purposes of this Agreement after such date with the written approval of the Donors.”  

(ii) Paragraph 10 shall be inserted after paragraph 9.1 in Annex 1 to the Administration Agreement as follows:  

“10. Use of Funds  

10.1 Recognizing the obligations of Bank member countries under various United Nations Security Council Resolutions to take measures to prevent financing of terrorists, the Bank undertakes to use reasonable efforts, consistent
with the Bank’s Articles of Agreement and policies, including those pertaining to combating financing for terrorists, to ensure that the funds provided under any Administration Agreement are used for their intended purposes and are not diverted to terrorists or their agents.

10.2 The Bank will include a provision in each Grant Agreement that the Recipient (i) will not use the proceeds of the grant for the purpose of any payments to persons or entities, or for the import of goods, if such payment or import, to the Recipient's knowledge or belief, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, and, if applicable, (ii) will include a corresponding provision in any sub-grant agreements that the Recipient enters into with entities to which the Recipient makes the grant funding available.”

(iii) Paragraph C in Annex 2 to the Administration Agreement to be amended to include field benefits as one of the eligible expenditures and which consequently shall read as follows:

“C: Eligible Expenditures:

Categories of eligible expenditures include: Bank staff costs (direct and indirect costs), temporary staff costs and benefits, short term consultant fees, extended term consultant salaries and benefits, field benefits, contractual services, travel expenses, media and workshop costs, associated overheads; the financing of taxes; goods, works and services procured by grant Recipients; and when the provisions of the Bank’s operational policy on rapid response to crises and emergencies apply for Bank execution of start-up activities, small contracts for start-up goods (including equipment costs) and works necessary to enable the Recipient to undertake the execution of subsequent project activities.”

3. All other terms of the Administration Agreement shall remain the same.

4. The Bank will disclose this Amendment and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Amendment, the Donor consents to disclosure of this Amendment and related information on this Trust Fund.

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5. We propose that this letter shall constitute an amendment to the Administration Agreement. Please confirm your agreement with the foregoing, on behalf of the Donor, by signing and dating the two originals of this Amendment, retaining one original for your records and returning the other original to the Bank. Upon receipt by the Bank of the original Amendment countersigned by you, this Amendment will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

Joachim von Amsberg
Vice President and Network Head
Operations Policy and Country Services

CONFIRMED AND AGREED:

THE MINISTRY OF FOREIGN AFFAIRS
OF THE KINGDOM OF NORWAY

By: Bjørn Brede Hansen
Date: 5 March 2013

Mr. Bjørn Brede Hansen
Deputy Director General
Section for Multilateral Development Assistance and Global Economic Issues