June 22, 2011

Dr. Sangman Jeong
Director
National Institute for Disaster Prevention
National Emergency Management Agency
Republic of Korea
Seoul-121-719

Dear Dr. Jeong:

1. We are pleased to acknowledge on behalf of the International Bank for Reconstruction and Development ("IBRD") and the International Development Association ("IDA") (collectively, the “Bank”) the intention of the Republic of Korea, acting through the National Emergency Management Agency (the “Donor”) to make available as a grant the sum of nine hundred thousand United States Dollars (US$900,000) (the “Contribution”), for the Multi-Donor Trust Fund for Mainstreaming Disaster Reduction Initiative of the Global Facility for Disaster Reduction and Recovery – GFDRR (the “GFDRR Track 2 Multi-Donor Trust Fund”) (TF070611) (the “Trust Fund”) in accordance with the terms of this first amended and restated agreement (the “Agreement”). Other donors are also expected to contribute to the Trust Fund on the terms and conditions specified in the Annexes to this Agreement.

2. The Contribution shall be used to finance the activities and the categories of expenditure set forth in the “Description of Activities and Expenditures under the GFDRR Track II Multi-Donor Trust Fund” (the “Description of Activities and Expenditures”) attached hereto as Annex 1 and shall be administered by the Bank on behalf of the Donor in accordance with the terms of this Agreement including the GFDRR Track II Multi-Donor Trust Fund (the “Standard Provisions”), attached hereto as Annex 2, and the “Governance Terms for GFDRR Track 2 MDTF” (the “Governance Terms”), attached hereto as Annex 3. The Description of Activities and Expenditures, the Standard Provisions and the Governance Terms for GFDRR constitute an integral part of this Agreement.

3. The Donor shall deposit the Contribution into such bank account designated by the Bank, in accordance with the following schedule:

   a) upon countersignature of this Agreement by the Donor, two hundred and seventy thousand US Dollars (US$270,000);

   b) upon written request by the Bank on or before June 30, 2012, six hundred and thirty thousand US Dollars (US$630,000).
4. When making such deposit, the Donor shall instruct its bank to include in its payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Donor for TF070611 (GFDRR Track 2 Multi Donor Trust Fund), and the date of the deposit (the “Deposit Instruction”). In addition, the Donor shall provide a copy of the Donor’s Deposit Instruction to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to (202) 614-1315.

5. Except as provided for in paragraph 4 above, any notice, request or other communication to be given or made under this Agreement shall be in writing and delivered by mail, facsimile or e-mail to the respective party’s address specified below or at such other address as such party notifies in writing to the other party from time to time:

For the Bank:

Mr. Saroj Kumar Jha  
Global Facility for Disaster Reduction and Recovery  
World Bank Group  
1818 H Street NW  
Washington, D.C. 20433

Phone: (202)-458-2726  
Fax: (202)-522-3227  
Email: sjha1@worldbank.org

For the Donor:

Dr. Sangman Jeong  
Director  
National Institute for Disaster Prevention  
National Emergency Management Agency  
Republic of Korea  
Seoul-121-719

Phone: +82-2-3271-3201  
Fax: +82-2-3271-3219  
E-mail: smjeong@korea.kr

6. All annexes hereto constitute an integral part of this Agreement. This Agreement may be amended only by written agreement between the Bank and the Donor; provided, however, that Annex 1 (the Description of Activities and Expenditures), Annex 2 (the Standard Provisions) and Annex 3 (the Governance Terms) may only be amended with the agreement of all donors contributing to the Trust Fund.
7. Please confirm your agreement with the foregoing, on behalf of the Donor, by signing and dating the two originals, retaining one original for your record and returning the other original to the Bank. Upon receipt by the Bank of the original Agreement countersigned by you, this Agreement will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

/s/ Daniel Hoornweg
Acting Director
Finance, Economics and Urban Development Department
Sustainable Development Network

CONFIRMED AND AGREED:

REPUBLIC OF KOREA
through the National Emergency Management Agency

/s/ Sangman Jeong       Date: July 4, 2011
Name: Dr. Sangman Jeong
Title: Director, NIDP
National Emergency Management Agency
ANNEX 1

Description of Activities and Expenditures under the GFDRR Track 2 MDTF

1. Description of Activities

1.1 The GFDRR Track 2 MDTF will support:

(a) implementation of the GFDRR annual work program, as approved by the GFDRR Consultative Group as per the GFDRR Charter, as such charter may be amended from time to time in accordance with its terms;

(b) any activities that may have been approved by the Ad Hoc Consultative Group prior to initial adoption of the GFDRR Charter on April 16, 2007;

(c) the GFDRR Secretariat, as described in the GFDRR Charter, as such charter may be amended from time to time in accordance with its terms.

2. Categories of Expenditures

2.1 The Contribution funds may be used to finance the following categories of expenditures for Bank-Executed activities:

(a) staff fees and costs for: (i) temporary staff; (ii) short-term consultants; and (iii) extended term consultants;

(b) contractual services;

(c) media, including video and electronic media;

(d) workshop costs, including costs associated with presenters, participants, publicity and reporting;

(e) travel expenses, including travel expenses for Bank staff, consultants short-term and extended term consultants; and

(f) associated overhead, including translations, minor expendables, information technology and communication services.

2.2 The Contribution funds may be used to finance goods, works and services provided under Recipient-Executed activities. Grants will be provided for developing member countries of the Bank to private or public sector organizations that have met the Proposal Selection Criteria, as defined in the GFDRR Charter and assessed by the GFDRR Secretariat.
ANNEX 2

Standard Provisions Applicable to the GFDRR Track 2 MDTF

The following provisions (hereinafter referred to as the “Standard Provisions”) will be applicable to and form an integral part of all agreements entered into between the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively, the “Bank”) and donor countries and/or organizations (hereinafter referred to as the “Donors”) that provide grants (referred to as the “Contributions”) to be administered by the Bank for the GFDRR Track 2 MDTF.

1. Administration of the Contributions

1.1 The Bank will be responsible only for performing those functions specifically set forth in this Agreement and will not be subject to any other duties or responsibilities to the Donors, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement will be considered a waiver of any privileges or immunities of the IBRD and IDA under their respective Articles of Agreement or any applicable law, all of which are expressly reserved.

2. Commingling, Exchange and Investment of the Contributions

2.1 The Contribution funds will be accounted for as a single trust fund and will be kept separate and apart from the funds of the Bank. The Contribution funds may be commingled with other trust fund assets maintained by the Bank.

2.2 The Contribution funds may be freely exchanged by the Bank into other currencies as may facilitate their disbursement.

2.3 The Bank will invest and reinvest the Contribution funds pending their disbursement in accordance with the Bank’s policies and procedures for the investment of trust funds administered by the Bank. The Bank will credit all income from such investment to the trust fund established under this Agreement to be used for the same purposes as the Contribution funds.

3. Administrative Cost Recovery

3.1 In order to assist in the defrayment of the costs of administration and other expenses incurred by the Bank under this Agreement, the Bank may, following deposit of Contribution funds, deduct from such funds and retain for the Bank’s own account an amount equal to five percent (5.0%) of the Contributions.

3.2 In addition to the aforementioned 5% administration fee, the Bank may, following deposit of Contribution funds, transfer actual costs up to a maximum of ten percent (10%) of the Contribution funds to support the GFDRR Secretariat’s program management and administration, as described in the GFDRR Charter.

4. Grants to Recipients

4.1 The Bank will, as administrator on behalf of the Donors, enter into grant agreements (the “Grant Agreements”) with one or more entities (the “Recipients”) for the provision of
Contribution funds for the purposes of this Agreement and on the terms and conditions set forth in the Grant Agreements. The Bank will furnish a copy of the Grant Agreements to the Donors.

4.2. The Bank will be solely responsible for the supervision of GFDRR Track 2 MDTF activities financed under the Grant Agreements.

5. **Employment of Consultants and Procurement of Goods**

5.1 The employment and supervision of consultants and the procurement of goods, services and works financed by the Contributions will be the responsibility solely of the Bank and will be carried out in accordance with the Bank’s applicable policies and procedures.

5.2 The Donors will not be responsible for the activities of any person or third party engaged by the Bank as a result of this Agreement, nor will the Donors be liable for any costs incurred by the Bank in terminating the engagement of any such person.

6. **Accounting and Financial Reporting**

6.1. The Bank will maintain separate records and ledger accounts in respect of the Contributions deposited in the trust fund account and disbursements made there from.

6.2. Within ninety (90) days of each March 31, June 30, September 30 and December 31, the Bank will furnish to the Donors an unaudited cash-based statement of receipts, disbursements and fund balance in United States Dollars with respect to the Contributions. Within six (6) months of the final disbursement date specified in paragraph 8.1 after all commitments and liabilities under this trust fund have been satisfied and the trust fund has been closed, the Bank will furnish to the Donors a final unaudited cash-based statement of receipts, disbursements and fund balance in United States Dollars with respect to the Contribution funds.

6.3. The Bank will also provide the Donors with copies of all financial statements and auditors’ reports received by the Bank from the Recipients pursuant to the Grant Agreements.

6.4. The Bank will provide to the Donors, within six (6) months following the end of each Bank fiscal year, a management assertion together with an attestation from the Bank’s external auditors concerning the adequacy of internal control over cash-based financial reporting for trust funds as a whole. The cost of such attestations will be borne by the Bank.

6.5. If a Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank’s external auditors of the trust fund established under this Agreement, the Donor and the Bank will first consult as to whether such an external audit is necessary. The Bank and the Donor will agree on the most appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Bank will arrange for such external audit. The costs of any such audit, including the internal costs of the Bank with respect to such audit, will be paid by the Donor.

7. **Coordination and Reporting**

7.1. The Bank will provide the Donors with an annual report on the progress of activities financed by the Contributions. Within six (6) months of the final disbursement date specified in paragraph 8.1, the Bank will furnish to the Donors a final report on the GFDRR Track 2 MDTF activities.
7.2. The Bank will promptly inform the Donors of any significant modification to the terms of the Grant Agreements and of any contractual remedy that is exercised by the Bank under the Grant Agreements. To the extent practicable, the Bank will afford the Donors the opportunity to exchange views before effecting any such modification or exercising any such remedy.

8. Disbursement Deadline; Cancellation; Refund

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 December 31, 2016. The Bank will only disburse Contribution funds for the purposes of this Agreement after such date with the written approval of the Donors.

8.2. Any Donor or the Bank may, upon three (3) months’ prior written notice, cancel all or part of the Donor’s pro rata share of any remaining balance of the Contribution funds that is not committed pursuant to any agreements entered into between the Bank and any consultants and/or other third parties for the purposes of this Agreement prior to the receipt of such notice, including the Grant Agreements.

8.3. Upon the final disbursement date specified in paragraph 8.1, the Bank will return any remaining balance of the Contribution funds to the Donors on a pro rata basis. In the event of a cancellation of an individual Donor’s pro rata share of uncommitted Contribution funds in accordance with paragraph 8.2, the Bank will return such cancelled balance to the Donor.

9. Use of Funds

9.1. Recognizing the obligations of the Bank member countries under the various United Nations Security Council Resolution 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 of terrorists, to ensure that the funds provided under any Administration Agreement are used for their intended purposes and are not diverted to terrorists and their agents. The Bank will include a provision in each Grant Agreement that the Recipient will: (a) not use the proceeds of the grant for the purposes of any payment 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 decisions of the United Nations Security Council take under Chapter VII of the Charter of the United Nations; and if applicable, (b) 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.

10. Disclosure

10.1 The Bank may disclose this Agreement and information on the GFDRR Track 2 MDTF in accordance with the Bank’s policy on disclosure of information.
Governance Terms for the GFDRR Track 2 MDTF

1. The governance terms applicable to the GFDRR Track 2 MDTF are those set forth in the GFDRR Charter, as such charter may be amended from time to time in accordance with its terms, which is incorporated herein by reference. As specified in the GFDRR Charter, any amendments to the GFDRR Charter relevant to this Agreement, including its annexes, will become applicable to this Agreement as such amendments take effect without further need to amend this Agreement.

2. In the event of a conflict between this Annex 3, or any other part of this Agreement, and the GFDRR Charter, the terms of the GFDRR Charter shall prevail, provided, however, that this result does not require the Bank to violate its policies, rules, or contractual commitments or otherwise cause it to compromise its fiduciary position under the GFDRR Track 2 MDTF.

3. Notwithstanding the current governance terms, to the extent any transitional arrangements applied to the GFDRR Track 2 MDTF prior to adoption of the GFDRR Charter on April 16, 2007, decisions made under such transitional arrangements shall be considered valid for the GFDRR Track 2 MDTF and implementable by the Bank as intended.