Supplemental Agreement between Sweden (represented by the Swedish International Development Cooperation Agency) and the International Bank for Reconstruction and Development and the International Development Association regarding the Cooperation in International Waters in Africa Multi-Donor Trust Fund

(Trust Fund No. TF072642 parallel to the original Trust Fund No. 071597)

Supplemental Contribution

1. Reference is made to the Administration Agreement between Sweden (represented by the Swedish International Development Cooperation Agency) (the “Donor”) and the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively, the “Bank”, concerning the Cooperation in International Waters in Africa Multi-Donor Trust Fund, effective as of November 30, 2012, as may have been amended (the “Administration Agreement”).

2. In connection with the Administration Agreement, and in support of the Cooperation in International Waters in Africa Multi-Donor Trust Fund, the Bank acknowledges that the Donor agrees, to provide a contribution in the amount of forty-nine million Swedish Kronor (SEK 49,000,000) (the “Contribution”) in accordance with the terms of this Supplemental Agreement (the “Supplemental Agreement”).

3. In order to apply the Bank’s new cost recovery provisions, the Bank has established a new parallel trust fund account (TF072642) (the “Parallel Account”) for purposes of receiving contributions for the Cooperation in International Waters in Africa Multi-Donor Trust Fund, which will be administered in parallel with the original trust fund account (TF071597) (the “Original Account”), both of which accounts constitute the Cooperation in International Waters in Africa Multi-Donor Trust Fund (“Trust Fund”).

4. The Donor shall deposit the Contribution in the currency specified in Section 2 above into such bank account designated by the Bank promptly following countersignature of this Supplemental Agreement and submission of a payment request by the Bank.

5. When making a deposit, the Donor shall instruct its bank to include in its deposit details information (remittance advice) field of its SWIFT deposit message, information indicating: the amount deposited, that the deposit is made by the Donor for Trust Fund No. TF072642 (the Cooperation in International Waters in Africa Multi-Donor Trust Fund], and the date of the deposit (the “Deposit Instructions”). In addition, the Donor will provide a copy of the Deposit Instructions to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to (202) 614-1315.

6. The Parallel Account, including with respect to the Contribution funds and any other funds contributed thereto, shall be governed by the terms of the Administration Agreement, except that the revisions specified in the Schedule attached to this Supplemental Agreement will apply.

7. For clarity, (a) subject to Section 6 above, all other terms of the Administration Agreement, as such terms may be amended from time to time, will apply to the funds in the Parallel Account; and (b) all funds in the Original Account will be governed by the terms of the Administration Agreement, as such terms may be amended from time to time, without regard to this Supplemental Agreement.

8. At the date of Bank’s signature of this Supplemental Agreement, the Indirect Rate (as defined in the Schedule to this Supplemental Agreement) is 17%.
9. The Bank shall disclose this Supplemental Agreement in accordance with the Bank’s Policy on Access to Information. By entering into this Supplemental Agreement, the Donor consents to such disclosure.

10. Each of the Donor and the Bank represents, by confirming its acceptance below, that it is authorized to enter into this Supplemental Agreement and act in accordance with its provisions. The Donor and the Bank are each requested to sign and date this Supplemental Agreement, and upon possession by the Bank of this fully signed Supplemental Agreement, this Supplemental Agreement shall become into effect as of the date of the last signature.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND INTERNATIONAL DEVELOPMENT ASSOCIATION

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Date: 12/1/16

SWEDEN
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Date: 4/10/2016
Revisions to the Administration Agreement for Purposes of the Parallel Account Only

(A) Section A. I of Annex 1 to the Administration Agreement is amended to read as follows:

“I. Bank-Executed Trust Fund Activities:

(i) putting together a program of activities to foster regional cooperation and institutional strengthening, including production of economic analyses and carrying out of workshops, training, conferences and study tours;

(ii) managing and developing water resources with a focus on enabling sustainable growth and development from effective and efficient use of resources; including production of climate change impact assessments and sector-related analyses and carrying out of workshops, training, conferences and study tours;

(iii) supporting stakeholders’ engagement in consensus building for regional cooperation and promoting communication and knowledge dissemination through, inter alia, the provision of workshops and seminars; and

(iv) carrying out enhanced supervision, program management and administration activities for the Trust Fund, including but not limited to, supporting any program governance arrangements and Trust Fund related meetings; planning and executing work plans and budgets; regularly monitoring the Project activities and providing progress reports to the contributing partners on implementation of Trust Fund a technical and financial level, all in agreement with and the contributing partners; carry out jointly with the Bank and the contributing partners a mid-term review of the Trust Fund; ensuring fiduciary compliance via regular financial and procurement reviews on behalf of the contributing partners and provision of no-objection letters, managing regular transactions, including managing the day to day administration of the Trust Fund activities.

(v) any other activity as advised by the Advisory Committee in line with the overall objectives of the Trust Fund.”

(B) Section B of Annex 1 to the Administration Agreement is amended to read as follows:

“For Bank-Executed activities, the Contributions may be used to finance: (a) staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries); (b) extended term consultants and temporaries; (c) short-term consultants and temporaries; (d) contractual services; (e) media, workshops, conferences and meetings; (f) travel expenses; and (g) equipment and office premises lease cost.

For purposes of the above expenditure categories: (i) “staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries)” includes salaries, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; (ii) “extended term consultants and temporaries” includes fees, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; and (iii) “short term consultants and temporaries” includes fees and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures.
The "Indirect Rate" means the indirect rate, defined as a percentage of personnel costs and available at the World Bank’s Donor center secure website, as such rate may be revised from time to time by the Bank and applied to this Trust Fund, in accordance with its policies and procedures.”

For Recipient-Executed activities, the Contributions may be used to finance: (a) goods; (b) works; (c) consultant services; (d) non-consulting services; (e) training and workshops; (f) operating costs; and (g) sub-grants.

Contribution funds may be used, under grant agreements with the Recipient(s), to finance taxes levied on eligible expenditures. This provision will apply in situations where no tax exemptions are available for such eligible expenditures.”

(C) Section 3 and Section 4 (Trust Fund Fees, Costs, and Enhanced Supervision) of Annex 3 of the Administration Agreement is hereby eliminated.

(D) The following Section is added to Annex 3 of the Administration Agreement:

“10. **Trust Fund Fee**

The Bank shall calculate a fee each time funds (the “Grant Amount”) from the Trust Fund become committed under a Grant Agreement. Such commitment shall occur when such Grant Agreement is fully countersigned (the “Calculation Date”). The fee so calculated by the Bank shall be based on the cumulative total of funds from the Trust Fund committed under all Grant Agreements that have been fully countersigned on or prior to the Calculation Date (the “Cumulative Grant Total”). The calculated fee shall depend on where the Cumulative Grant Total stands as the Grant Amount is added and shall be determined in accordance with the following schedule:

(i) 5% of any portion of the Grant Amount that results in a Cumulative Grant Total below or equal to US$ 50 million or equivalent; plus
(ii) 4% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 50 million or equivalent and below or equal to US$ 500 million or equivalent; plus
(iii) 3% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 500 million or equivalent and below or equal to US$ 1 billion or equivalent; plus
(iv) 2% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 1 billion or equivalent.

Following each Calculation Date, the Bank shall deduct from the trust fund account, TF072642, and retain for its own account, the fee as set forth above. Grant Amounts may not exceed the balance of uncommitted funds in such account net of the related fee.”

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1 Non-consulting services are services in which the physical aspects of the activity dominate, such as drilling, mapping, and similar operations, and which are bid and contracted on the basis of performance of measurable physical output.