January 25, 2013

Ms. Jane Edmondson  
Head of Human Development Group  
Mr. Gavin McGillivray  
Head of Private Sector Department  
Department for International Development  
1 Palace Street  
London SW1E  
5HE United Kingdom


Dear Ms. Edmondson and Mr. Gavin McGillivray,

1. We refer to the Administration Arrangement between the Government of the United Kingdom of Great Britain and Northern Ireland acting through the Department for International Development (the "Donor") and the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), (together, the "Bank") regarding the DFID-World Bank Partnership for Education Development Single-Donor Trust Fund (the "Trust Fund") effective January 12, 2010 (the "Administration Arrangement").

2. We are pleased to acknowledge, on behalf of the Bank, the intention of the Donor to make an additional contribution to the Trust Fund in the amount One million twenty-seven thousand Pounds Sterling (£1,027,000) (the "Additional Contribution").

3. The Donor will deposit the Additional Contribution into such bank account designated by the Bank promptly following countersignature of this Agreement by the Donor and submission of a payment request by the Bank.

4. When making the deposit, the Donor will 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 from its component code 200908-103 for TF No.071442, "DFID-World Bank Partnership for Education Development Single-Donor Trust Fund", and the date of the deposit (the "Deposit Instruction"). In addition, the Donor will 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. Immediately upon receipt of the Additional Contribution funds, the Bank will convert such funds into United States dollars.

6. Additionally, pursuant to recent discussions between the Bank and the Donor, the Bank proposes to amend the Arrangement to extend the end of disbursement date of the Trust Fund and expand the list of activities to be funded under this Trust Fund; as follows:

Section 10.1 of the Arrangement is amended to read as follows:

"It is expected that the Contribution funds will be fully disbursed by the Bank in accordance with the provisions of this Arrangement by September 30, 2014. The Bank will only disburse the Contribution funds for the purposes of this Agreement after such date with the written approval of the Donor."

7. Annex 1 and 2 of the Administration Arrangement are deleted in its entirety and replaced with the attachments to this Amendment.

8. All other terms of the Administration Arrangement shall remain the same.

9. The Bank will disclose this Arrangement and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Arrangement, the Donor consents to disclosure of this Arrangement and related information on this Trust Fund.
10. We propose that this letter shall constitute an amendment to the Administration Arrangement between the Bank, and the Donor. Please confirm your acceptance to the foregoing, on behalf of the Donor, by signing and dating the two originals, 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

Tamar Manuelyan Atinc
Vice President
Human Development Network

CONFIRMED AND AGREED:

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ACTING THROUGH THE DEPARTMENT OF INTERNATIONAL DEVELOPMENT

By: GAIN MCGILLIVRAY
Title: Head, Private Sector DEPT.

By: JANE EDMONDSON
Date: 25/03/2013
Name: JANE EDMONDSON
Title: Head, Human Development Department
Annex I

Description of Activities and Expenditures under the DFID-World Bank (or Education Development Single-Donor Trust Fund (TF No 071442

This Annex shall be applicable to and forms an integral part of the agreement entered into between the World Bank and the Donor that provides contributions (the aggregate of all contributions from the Donor, the "Contributions") to be administered by the World Bank for the Trust Fund.

Introduction

The objective of the Department for International Development (DFID)-World Bank Partnership Education Development (PFED) is to advance common goals of the two organizations in the Education sector. The Partnership aims to leverage each organization’s respective comparative advantage and convening power in the education sector thereby enabling economies of scale in financing education research and providing real opportunities for influencing policy making and dialogue on education at the country level.

PFED will focus on delivering analytic work and research in three core priority areas: (i) education systems for results, (ii) skills and growth, and (iii) education in fragile states. IV) Analysis of Education Markets for the Poor. In order to ensure that work delivered through PFED informs the broader global development dialogue in education as well as policies and programs at the country level, PFED will feature a clearly mapped communication strategy targeting governments, other donor agencies, policy makers and civil society organizations (CSOs). The PFED will be supported by resources provided by both organizations including through a DFID financed World Bank-executed Trust Fund.

A. DESCRIPTION OF ACTIVITIES

1. Policy analysis and research in the core focus areas of education systems for results, skills and growth and education in fragile states. In the area of education systems for results, the Trust Fund will support efforts focused on creating an international diagnostic toolkit that will enable countries to compare their education systems with those of other countries across a range of dimensions needed to deliver learning outcomes, including quality assurance systems, teacher and teacher support systems, assessment and monitoring systems, financing systems, and management systems, as well as to evaluate national education systems’ outcomes in an integrated and consistent manner. In the area of skills and growth, the Trust Fund will support PFED’s focus on demonstrating and measuring links between secondary education, skills, jobs and economic growth, and on identifying or validating interventions and policies that facilitate more effective and efficient integration of youth into work and improved earning opportunities. In the area of education in fragile states the Trust Fund will support and engage with the World Bank’s existing analytic work, including by complementing the World Bank’s work on education and fragility. The target audience for this research and knowledge building will be governments, donors and development partners that will be able to use the analytic work produced and lessons learned to implement improved policies and practices and achieve better outcomes. In these three core research areas a particular focus will be given to ensure that all research and policy recommendations address gender specific issues, policy implications, and policy implementation factors. In the area of Analysis of Education Markets for the Poor: It will use detailed questionnaires to map and benchmark how governments currently regulate non-state
education at the pre-school (where possible), primary, and secondary level as well as youth training / skills development. It will not cover tertiary education or ancillary education services though some information about education suppliers will be captured by the questionnaires. The outputs will be: 60 benchmarking reports for all the countries of Sub Saharan Africa (SSA) and 20 countries / states/provinces in South Asia; 30 short policy intent country reports; 14 policy implementation country reports and 7 in-depth country reports. These studies will be combined to produce high-impact regional reports for SSA and for South Asia.

2. **Capacity Building** at the country-level as well as within DFID and the World Bank aimed at improving the design, effectiveness and sustainability of education policies and programs. In order to ensure maximum impact of this work, each institution will identify lead advisors for each focus area who will be charged with ensuring effective collaboration and dissemination both between and within organizations as well as externally. PFED will also link headquarters research staff, at the World Bank and DFID, with those sited in country and engaged in implementation of Trust Funded activities. In addition, PFED will develop standards for professional competencies and programs to support capacity building of development practitioners in DFID and the World Bank on the topics supported under PFED and this Trust Fund.

3. The Trust Fund will support implementation of a clearly mapped and planned **Communication Strategy** as well as **Dissemination Workshops** and will focus on the three core areas of (i) education systems for results, (ii) skills and growth, and (iii) education in fragile states, to ensure the products delivered and the dialogue fostered and furthered through PFED inform the broader global development dialogue and are reflected in policies and programs as well as strengthening communication between governments, other donor agencies, policy makers and civil society organizations (CSOs) iv) Analysis of Education Markets for the Poor.

**B. CATEGORIES OF EXPENDITURE**

Eligible Expenses under the Trust Fund are:

a) Associated overheads;
b) Short term consultant fees;
c) Contractual services;
d) Extended term consultants;
e) Staff costs, including indirec\ts (up to a maximum of 30% of the total contribution);
f) Travel expenses, including for staff; and
g) Media and workshop costs, including website development and maintenance.

The foregoing categories of expenditures may include the financing of taxes.
Governance and Management Arrangements for the DFID-World Bank Partnership for Education Development (PFED)

The DFID-World Bank Partnership for Education (PFED), of which this Trust Fund is a part, is supported by the following:

a) A PFED Management Team (PMT) comprising the World Bank Education Sector Manager and the DFID Education Policy Team Leader.

b) A PFED World Bank Implementation Team (IT) comprising the World Bank Trust Fund Task Team Leader (TTL) and supporting staff including an operations specialist, research analyst and program assistant and DFID Implementation through the DFID Programme Manager.

c) A World Bank Trust Fund TTL.

d) World Bank Lead Specialists, DFID Education Advisor and DFID Private Sector Adviser.

ROLES AND RESPONSIBILITIES

The PFED Management Team (PMT) is responsible for strategic leadership of PFED and for ensuring its overall success. The PMT meets twice yearly on a mutually agreed schedule.

Key roles and responsibilities include:

a) Approving PFED objectives and priorities.

b) Reviewing and approving an annual work program as prepared by the PFED Implementation Team (IT).

c) Leading PFED consultation and dissemination activities within the respective organizations and amongst development stakeholders.

The PFED Implementation Team (IT) is responsible for day-to-day oversight and monitoring of PFED at the Partnership level.

Key roles and responsibilities include:

a) Finalizing the overall PFED indicators for approval by the PMT.

b) Synchronizing the work program process with existing World Bank and DFID processes.

c) Preparing the annual PFED work plan and budget and any amendments, based on inputs from the World Bank Lead Specialists, for review and approval by the PMT.

d) Coordinating communication with the PMT including preparation and organization of the agenda, minutes and background documentation for PMT meetings and dissemination events as well as providing logistical support as necessary.

e) Agree and monitor an enhanced communications strategy between the World Bank and DFID

f) Preparing annual progress reports of the PFED activities.

g) Facilitating the capture and sharing of lessons learned including via the maintenance of
PFED web-based collaborative workspace.
h) Conduct formal quarterly meetings of the Implementation team, World Bank Specialists and DFID Advisers.
i) WB TTL and DFID programme manager to review PFED progress monthly.

The World Bank Trust Fund TTL supervises the Bank-executed PFED Trust Fund.

Key roles and responsibilities include:

a) Making day-to-day decisions about the operations of the Trust Fund, including funding decisions for the trust-funded activities.
b) Ensuring compliance with applicable World Bank policies and procedures.
c) Coordinating reporting on trust fund activities.

World Bank Lead Specialists and DFID Education Advisors

The World Bank and DFID will respectively designate Lead Specialists, a lead Education Advisor and a Private Sector Adviser for PFED. The World Bank Lead Specialists and DFID Advisors will serve as the main content specialists and focal points for the PFED activities in their area of expertise.

Key roles and responsibilities include:

a) Coordinating implementation of the content area work plan across the World Bank and DFID, ensuring clear deliverables and accountability for results.
b) Serving as a communication link between the World Bank and DFID on developments in the specialists' area of expertise.
c) Developing and overseeing a plan for further dissemination of PFED products and lessons learned in both organizations to Education staff at HQ and in the field.
d) Identifying research or analytic gaps in respective specialty areas for consideration by the PMT for inclusion in PFED.
e) Providing quality assurance review of the PFED activities in the respective specialty areas.