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Amendment No. 3 to the Administration Arrangement between the Government of Canada as represented by the Minister for International Development, acting through the Department of Foreign Affairs, Trade and Development (DFATD) and the International Bank for Reconstruction and Development and the International Development Association concerning the Central America and Caribbean Catastrophe Risk Insurance Program Multi-Donor Trust Fund (No. TF072264)

1. Reference is made to the Administration Arrangement between the Government of Canada as represented by the Minister for International Development, acting through the Department of Foreign Affairs, Trade and Development ("DFATD" or the "Donor") and the International Bank for Reconstruction and Development and the International Development Association (collectively, the "Bank" and together with the Donor, the "Undersigned"), regarding the Central America and Caribbean Catastrophe Risk Insurance Program Multi-Donor Trust Fund (TF No. TF072264) (the "Trust Fund") effective October 30, 2014, as amended on March 23, 2015 and February 15, 2016 (the "Administration Arrangement").

2. The Undersigned agree to the following amendments to the Administration Arrangement:

(a) ADD in alphabetical order the following definitions in Section 1.1 to Annex 1, and renumber accordingly:

""Entrance Fee" means the fee due by a country within COSEFIN or CARICOM to become a CCRIF Participating Country."

""Geophysical Event" means any event related to the physics of the Earth, including but not limited to earthquakes, volcanic eruptions, and landslides, and collectively referred to as "Geophysical Events".

(b) DELETE Section 3.1(b) to Annex 1 and REPLACE with the following:

"(b) Provision of support on knowledge management and project supervision to carry out: (i) project preparation, supervision, monitoring and evaluation; (ii) assessments for knowledge management; and (iii) technical assistance for CCRIF capacity building."
DELETE Section 3.2 to Annex 1 in its entirety and REPLACE with the following:

"3.2 Recipient-executed activities, for which one or more Recipients (as defined in Annex 2) have implementation responsibility:

**Part 1: Finance Parametric Insurance associated with Risks Related to Geophysical Events for COSEFIN Participating Countries**

(a) Payment of the Entrance Fee to CCRIF required for any country within COSEFIN to become a COSEFIN Participating Country.

(b) Payment of Reinsurance Premia and Swap Premia to cover part of the risk associated with Geophysical Events of COSEFIN Participating Countries insured by CCRIF.

(c) Payment of Insurance Payouts to COSEFIN Participating Countries in the event an earthquake or other Geophysical Events occur, and such occurrence constitutes an Insured Event.

(d) Providing technical assistance for the development, modification and/or implementation by CCRIF of insurance products associated with risks related to Geophysical Events and associated sub-hazards, to be provided to COSEFIN Participating Countries.

**Part 2: Finance Parametric Climate Risk Insurance for COSEFIN Participating Countries**

(a) Payment of the Entrance Fee to CCRIF required for any country within COSEFIN to become a COSEFIN Participating Country.

(b) Payment of Reinsurance Premia and/or Swap Premia to cover part of the risk related to climate-related events of COSEFIN Participating Countries insured by CCRIF.

(c) Payment of Insurance Payouts to COSEFIN Participating Countries in the event a tropical cyclone, excess rainfall or other climate-related events occur, and the occurrence of such climate event constitutes an Insured Event.

(d) Providing technical assistance for the development, modification and/or implementation by CCRIF of an excess rainfall and/or other climate-related insurance products to be provided to COSEFIN Participating Countries.

**Part 3: Finance Parametric Climate Risk Insurance for CARICOM Participating Countries**

(a) Payment of the Entrance Fee to CCRIF required for any new country within CARICOM to become a CARICOM Participating Country.
(b) Payment of Reinsurance *Premia* and/or Swap *Premia* to cover part of the risk related to climate-related events of CARICOM Participating Countries insured by CCRIF.

(c) Payment of Insurance Payouts to CARICOM Participating Countries in the event excess rainfall or other climate related events occur, and such occurrence constitutes an Insured Event.

(d) Providing technical assistance for the development, modification and/or implementation by CCRIF of an excess rainfall and/or other climate-related insurance products to be provided to CARICOM Participating Countries.”

3. All other terms of the Administration Arrangement will remain the same.

4. The Bank will disclose this Amendment in accordance with the Bank’s Policy on Access to Information. By entering into this Amendment, the Donor consents to such disclosure.

5. Each of the Undersigned represents, by confirming its acceptance below, that it is authorized to enter into this Amendment and act in accordance with these terms and conditions. The Undersigned are requested to sign and date this Amendment, and upon possession by the Bank of this fully signed Amendment, this Amendment will become effective as of the date of the last signature.

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

By: [Signature]

Name: Jorge Familiar

Title: Vice President for Latin America and the Caribbean

Date: August 15, 2016

**THE GOVERNMENT OF CANADA AS REPRESENTED BY THE MINISTER FOR INTERNATIONAL DEVELOPMENT ACTING THROUGH THE DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT**

By: [Signature]

Name: Claude Beausejour

Title: Director, Central America

Date: August 19, 2016