Supplemental Arrangement between the Government of New Zealand Ministry of Foreign Affairs and Trade and the International Bank for Reconstruction and Development and the International Development Association regarding the Pacific Facility 4 Multi-Donor Trust Fund (Trust Fund No. TF072590), parallel to original Trust Fund No. TF072241

1. Reference is made to the Administration Arrangement between the Government of New Zealand Ministry of Foreign Affairs and Trade and (the “Donor”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank”), regarding the Pacific Facility 4 Multi-Donor Trust Fund (Trust Fund No. TF072241) effective as of June 25, 2015 (the “Administration Arrangement”).

2. In connection with the Administration Arrangement, and in support of the Pacific Facility 4 Multi-Donor Trust Fund, the Bank acknowledges that the Donor agrees to provide a contribution in the amount of sixty thousand United States Dollars (U.S. $60,000) (the “Contribution”) in accordance with the terms of this Supplemental Arrangement (the “Supplemental Arrangement”).

3. In order to apply the Bank’s new cost recovery provisions, the Bank has established a new parallel trust fund account (Trust Fund No. TF072590 (the “Parallel Account”) for purposes of receiving contributions for the Pacific Facility 4 Multi-Donor Trust Fund, which will be administered in parallel with the original trust fund account (Trust Fund No. TF072241 (the “Original Account”), both of which accounts constitute the Pacific Facility 4 Multi-Donor Trust Fund.

4. The Donor will deposit the Contribution in accordance with the following schedule, and in the currency specified in Section 2 above into such bank account designated by the Bank, upon submission of a payment request by the Bank:

   On or before June 30, 2016.

5. When making the deposit, the Donor will instruct its bank to include in the 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. TF072590 (the Pacific Facility 4 Multi-Donor Trust Fund – successor to TF072241), 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, will be governed by the terms of the Administration Arrangement, except that the revisions specified in the Schedule attached to this Supplemental Arrangement will apply.

7. For clarity, (a) subject to Section 6 above, all other terms of the Administration Arrangement, 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 Arrangement, as such terms may be amended from time to time, without regard to this Supplemental Arrangement.
8. At the date of the Bank’s signature of this Supplemental Arrangement, the Indirect Rate (as defined in the Schedule to this Supplemental Arrangement) is 17%.

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

10. It is understood that this Supplemental Arrangement, including its Schedule, is not an international treaty and is not eligible for registration as a treaty under Article 102 of the United Nations Charter, nor is it, in the Donor’s understanding, any other form of international agreement. It is an administrative arrangement between the Bank and the Donor.

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

International Bank for Reconstruction and Development
International Development Association

By: 
Date: 10 May, 2016

Name: FRANZ R. DREES-GROSS
Title: COUNTRY DIRECTOR, EACNF

Government of New Zealand Ministry of Foreign Affairs and Trade

By: 
Date: 16 May, 2016

Name: JOHN CLAASEN
Title: Kiribati Development Manager
Revisions to the Administration Arrangement for Purposes of the Parallel Account Only

(A) Section 3 (Trust Fund Fees and Costs) of Annex 2 of the Administration Arrangement is hereby eliminated.

(B) Section 3.1 of Annex 1 of the Administration Arrangement is hereby substituted with the following terms:

"3.1. The following eligible expenditures categories may be used to finance Bank-executed activities:

(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;
(g) equipment and office premises lease cost; and
(h) equipment purchased.

3.2. 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.

3.3. 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."