Supplemental Arrangement between the Government Canada, acting through the Department of Foreign Affairs, Trade and Development (DFATD) and the International Bank for Reconstruction and Development and the International Development Association regarding the Umbrella Facility for Gender Equality (UFGE) Multi-Donor Trust Fund

(Trust Fund No. TF072809 parallel to original Trust Fund No. TF071893)

1. Reference is made to the Administration Arrangement between the Government of Canada acting through the Department of Foreign Affairs, Trade and Development (DFATD) (the “Donor”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank” and together with the Donor, the “Participants” and each a “Participant”), regarding the Umbrella Facility for Gender Equality (UFGE) Multi-Donor Trust Fund (Trust Fund No. TF071893) effective as of November 13, 2012, as may have been amended (the “Administration Arrangement”).

2. In connection with the Administration Arrangement, and in support of the Umbrella Facility for Gender Equality (UFGE) Multi-Donor Trust Fund, the Bank acknowledges that the Donor agrees to provide a contribution in the amount of three million Canadian Dollars (CAD 3,000,000) (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. TF072809) (the “Parallel Account”) for purposes of receiving contributions for the Umbrella Facility for Gender Equality (UFGE) Multi-Donor Trust Fund, which will be administered in parallel with the original trust fund account (Trust Fund No. TF071893) (the “Original Account”), both of which accounts constitute the Umbrella Facility for Gender Equality (UFGE) Multi-Donor Trust Fund.

4. The Donor hereby authorizes the Bank, promptly following countersignature of this Supplemental Arrangement, to transfer the Contribution from its Donor Balance Account (Trust Fund No. 029048) to the Parallel Account and, if the fund balance in Canadian Dollars proves to be insufficient, to convert into Canadian Dollars the available fund balance in United States Dollars.

5. 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.

6. For clarity, (a) subject to paragraph 5 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.

7. At the date of Bank’s signature of this Supplemental Arrangement, the Indirect Rate (as defined in the Schedule to this Supplemental Arrangement) is 17%.

8. The Bank will convert the Contribution funds into the holding currency of the Trust Fund, namely United States Dollars, where applicable, promptly upon receipt of the Contribution funds at the exchange rate obtained by the Bank on the date of the conversion. Where the Contribution proves to be insufficient to complete the activities as a result of an exchange rate fluctuation, neither the Bank nor the Donor will bear any responsibility for providing any additional financing.
9. The Donor (i) seeks to ensure that no current or former public office holder, member of the Canadian House of Commons, member of the Senate or public servant of the Government of Canada who is not in compliance with the Canadian Conflict of Interest Act, 2006, c. 9, s. 2, the Conflict of Interest Code for Members of the House of Commons, the Conflict of Interest Code for Senators, the Values and Ethics Code for the Public Service and the Values and Ethics Code for the Public Sector will derive a direct benefit from this Administration Arrangement; and (ii) recognizes that it is the obligation of such persons to ensure compliance with their obligations under the above Canadian laws and codes.

10. 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.

11. It is understood that this 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. It is an administrative arrangement between the Bank and the Donor.

12. Each of the Participants represents, by confirming its acceptance below, that it is authorized to enter into this Supplemental Arrangement and act in accordance with its provisions. The Bank and the Donor 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 come into effect as of the date of the last signature.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: ______________________________

Caren Grown
Senior Director
08-Aug-2018

Date: ______________________________

GOVERNMENT OF CANADA acting through the Department of Foreign Affairs, Trade and Development

By: ______________________________

Christopher MacLennan
ADM, Global Issues and Development, Global Affairs Canada
27-Aug-2018

Date: ______________________________
Revisions to the Administration Arrangement for Purposes of the Parallel Account Only

(A) Section 3 (Administrative Cost Recovery) of Annex 2 of the Administration Arrangement is hereby eliminated.

(B) The first paragraph under Section C of Annex 1 of the Administration Arrangement is hereby substituted with the following terms:

“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; and
(f) travel expenses.

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 Development Partner 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.”

(C) The following activities description is added to the second paragraph of Section A of Annex 1 of the Administration Agreement:

“The following activities may also be financed as Bank-executed activities by the Trust Fund:

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; managing communications and conducting outreach; disseminating lessons learned; reporting on progress; and monitoring and evaluating the program.”

(D) The following Section is added to Annex 2 of the Administration Arrangement:

“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, Trust Fund No. TF072809, 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.”