Ref: WB/CD/163/05/07/2017

Ms. Leslie Reed
Mission Director
USAID/Ethiopia
Entoto Road

Amendment to the Administration Arrangement between the United States Agency for International Development (USAID) and the International Development Association regarding the Multi-Donor Trust Fund for the Ethiopia General Education Quality Improvement Project II (TF072612 parallel to TF072206) Corrigendum

Your Excellency,

1. We refer to the Administration Arrangement between the United States Agency for International Development (USAID) (the “Donor”) and the International Development Association (the “Bank”) regarding the Multi-Donor Trust Fund for the Ethiopia General Education Quality Improvement Project II (TF072612 parallel to TF072206) effective as of June 23, 2016, as amended (the “Administration Arrangement”). We also refer to the Amendment to the Administration Arrangement between the Bank and the Donor dated May 18, 2017 (the “Amendment”).

2. We are writing to notify you of the following modifications to the Attachment to the Amendment.

(a) Section 3.1 of Annex 1 to the Administration Arrangement is hereby deleted in its entirety and replaced to read as follows:

“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; and
(g) equipment and office premises lease cost.”
For purposes of the above expenditure categories: (i) staff cost (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."

(b) Section 2.1 of Annex 1 to the Administration Arrangement is hereby deleted in its entirety and replaced to read as follows:

"2.1 Bank-executed Trust Fund component for which the Bank has implementation responsibilities:
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; regularly monitoring the Project activities and providing progress reports to the contributing partners on implementation of Trust Fund and GEQIP at a technical and financial level, all in agreement with Ethiopia and the contributing partners; carrying 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, and ensuring timely disbursement of funds to Ethiopia."

3. All other provisions of the Administration Arrangement and the Amendment, except as corrected hereby, will remain in full force and effect.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Carolyn Turk
Country Director for Ethiopia, Sudan and South Sudan
Africa Region
Prepared by: Sheherezade Malik (LEGAM)
Cleared by: Rekha Ramakrishnan (TACT)

Bcc: M. Tadesse (GGO25); S. Woldehawariat (GGO01); N. Klinge (AFCET); C. Turk, A. Zerihun, A. Bakilana, F. Guangul (AFCE3); S.M.Kuwaza (WFALA); M. Nadeem (LEGAM); A.Olefir, G. Woldetsadik, R. Aristorenas (GED01); B. Wordofa, Wuleta Giday (AFCE3), WBDocs