June 11, 2014

Ms. Janet Durno  
Country Director and Head of Development Cooperation  
Canadian International Development Agency (CIDA)  
Canadian High Commission  
United Nations Road  
Baridhara, Dhaka 1212

Amendment 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, and the International Bank for Reconstruction and Development and the International Development Association concerning the Multi-Donor Trust Fund for the Strengthening Public Expenditure Management Program (SPEMP) (TF071187)

Dear Ms. Durno:

We refer to the Trust Fund Administration Arrangement dated March 20, 2011, which became effective on March 27, 2011, as amended, between the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively, the World Bank; referred to, hereinafter as the “Bank”), and the Government of Canada, as represented by the Minister for International Development acting through the Department of Foreign Affairs, Trade and Development (DFATD) (“Donor”) for the Multi-Donor Trust Fund for Strengthening Public Expenditure Management Program in Bangladesh (“Trust Fund”).

It is understood that the terms “Minister for International Development” and “Department of Foreign Affairs, Trade and Development (DFATD)” will be applicable to reflect the Contributor’s legislative name change since June 26, 2013 to replace the terms “Minister for International Cooperation” and the “Canadian International Development Agency (CIDA)” as defined in the Administration Arrangement.

Pursuant to recent discussions between representatives of the Donor and the Bank, we propose to amend the Trust Fund Administration Arrangement as set forth below:

1. Paragraph 2(b) of Annex 1 to the Trust Fund Administration Arrangement is hereby amended to read as follows:

“(b) Bank executed activities:

(i) Provide special technical, financial, fiduciary and performance reviews and reports;

(ii) Deliver analytical and advisory reports;
(iii) Provide technical assistance to the Recipient’s Planning Commission and selected line ministries in line with the Recipient’s public financial management reform efforts; and

(iv) Provide program management, including trust fund administration activities, supervision, implementation support, quarterly interim and annual donor reports.

The categories of expenditure will include staff costs, consultant fees, contractual services, travel expenses, Associated Overheads, media and workshop costs.”

2. Paragraph 3.1 of Annex 2 to the Trust Fund Administration Arrangement is hereby amended as follows:

“3.1. In order to assist in the defrayment of the costs of administration and other expenses incurred by IDA under this Arrangement, IDA may, following deposit of the contribution by the Donor, deduct from the contribution and retain for IDA's own account an amount equal to 0.61% (zero point six one percent) of the contribution. In addition, the Bank may also charge actual costs of program management and administration expenses up to a maximum of 3.3% (three point three percent) of the total Contributions.”

3. Paragraph 8.1 of Annex 2 to the Trust Fund Administration Arrangement is hereby amended to read as follows:

“8.1. It is expected that the Contribution will be fully disbursed in accordance with the provisions of this Arrangement by December 31, 2016. IDA shall only disburse Contribution funds for the purposes of this Arrangement after such date with the written approval of the Donors.”

All the terms and conditions of the Trust Fund Administration Arrangement that have not been amended hereby will remain unchanged and in effect. The Bank will disclose this amendment and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this amendment, the Donor consents to disclosure of this amendment and related information on this Trust Fund.

Please confirm your agreement with the foregoing, on behalf of the Donor, by signing and dating two originals, retaining one original for your records and returning the other original to the Bank. Upon receipt by Bank of the original 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

[Signature]

Johannes Zutt
Country Director
CONFIRMED AND APPROVED:

GOVERNMENT OF CANADA,
as represented by the
MINISTER FOR INTERNATIONAL DEVELOPMENT
acting through the
DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT

By:  
Name: Janet Durno
Title: Director, Bangladesh Program (Development)
Date: June 11, 2014