Ref: WB/CD/434/12/23/2014

H.E. Mr. Stephan Schønemann
Ambassador
The Royal Danish Embassy
Addis Ababa

Dear Mr. Schønemann,

**Trust Fund Administration Agreement between the Government of the Kingdom of Denmark, represented by the Royal Danish Ministry of Foreign Affairs, and the International Development Association concerning the Multi Donor Trust Fund for the Ethiopia Productive Safety Net APL III Project (TF No. TF071468)**

**Amendment No. 2 to the Administration Agreement**

We refer to the Administration Agreement (the “Agreement”) dated July 29, 2011, as amended to date, between the Government of the Kingdom of Denmark, represented by the Royal Danish Ministry of Foreign Affairs (the “Donor”) and the International Development Association (“IDA” or the “Bank”) for the Multi Donor Trust Fund established for the Ethiopia Productive Safety Net APL III Project (“APL III”), in particular for: (a) the co-financing for Part 1, Part 2, and Part 3 of APL III; and (b) Bank execution of some selected activities (the “Trust Fund”).

We also refer to a recent discussion between the Bank and the Donor to amend the Agreement in respect of the provisions below:

1. Paragraph 1 of the Agreement is amended to read as follows:

   “1. We are pleased to acknowledge on behalf of the International Development Association (“IDA” or the “Bank”) that the Government of the Kingdom of Denmark, represented by the Royal Danish Ministry of Foreign Affairs (the “Donor”), shall make available as a grant the sum of: (a) twenty five million Danish Kroner (DKK25,000,000) (“Initial Contribution”); (b) sixty eight million Danish Kroner (DKK 68,000,000) (“Additional Contribution”); and (c) two million Danish Kroner (DKK 2,000,000) (“Second Additional Contribution”) (collectively, the “Contribution”) for the Multi Donor Trust Fund for the Ethiopia Productive Safety Net APL III Project (“APL III”), in particular for: (a) the co-financing for Part 1, part 2, and Part 3 of APL II; and (b) Bank execution of some selected activities (the “Trust Fund”), in accordance with the terms of this Agreement. Other donors are also expected to contribute to the Trust Fund on the terms and conditions specified in the Annexes to this Agreement.”
2. The Donor shall deposit the Second Additional Contribution in the currency specified in paragraph 1 above into such bank account designated by the Bank promptly following effectiveness of this Amendment and submission of a payment request by the Bank.

3. Paragraph 8.1 of Annex 2 to the Agreement is amended to read as follows:

"8. Disbursement; Cancellation; Refund

8.1. It is expected that the Contributions will be fully disbursed by the Bank by December 31, 2015. The Bank will only disburse Contributions for the purposes of this Arrangement after such date with the written approval of the Donors."

All other terms of the Agreement, except amended herein, will remain the same.

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 understanding to the foregoing, on behalf of the Donor, by signing, dating, and returning to us one of the enclosed originals of this Amendment. Upon receipt by the Bank of the original of this Amendment countersigned by you, this Amendment will become effective as of the countersignature.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]
Guang Z. Chen
Country Director for Ethiopia
Africa Region

CONFIRMED AND AGREED:

KINGDOM OF DENMARK

By: [Signature]
Name: Stephan Schønemann
Title: Ambassador
Drafted by: Mohammed Nadeem (LEGAM)

Cleared by: R. Ramakrishnan (TACT), Mohammed Nadeem (LEGAM)

Bcc: M. Wang, C. Holmemo, S. Coll-Black, M. Nadeem, R. Ramakrishnan, A. Yicheneku, WBDOCs