Ms. Birgitte Marcussen  
Head of Africa Department  
Ministry of Foreign Affairs  
Asiatisk Plads 2  
DK-1448 Copenhagen  
Denmark

Amendment to the Administration Agreement between the Government of the Kingdom of Denmark, represented by the Ministry of Foreign Affairs and the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) Concerning the Cooperation in International Waters in Africa Multi-Donor Trust Fund (TF No. 071597)

Dear Ms. Marcussen:

1. We refer to the Administration Agreement between the Government of the Kingdom of Denmark, represented by the Ministry of Foreign Affairs (the “Donor”) and the International Bank for Reconstruction and Development and the International Development Association (“IBRD”, “IDA” or the “Bank”) regarding the Cooperation in International Waters in Africa Multi-Donor Trust Fund (CIWA or the “Trust Fund”) effective on December 21, 2011 (the “Administration Agreement”).

2. Pursuant to recent discussions between the Bank and the Donor, the Bank proposes to amend the Administration Agreement as follows:

3. The Trust Fund objective in Part A of Annex 1 to the Administration Agreement is amended to read as follows:

   “A. DESCRIPTION OF ACTIVITIES

   The objective of the CIWA Trust Fund is to strengthen cooperative management and development of international waters in Africa to facilitate sustainable, climate resilient growth. The expected results of CIWA Trust Fund are:

   (a) Regional cooperation and integration strengthened.
   (b) Water resources management strengthened.
   (c) Water resources development strengthened.
   (d) Stakeholder engagement and coordination strengthened.”

4. The second paragraph under Part B of Annex 1 to the Administration Agreement is amended to read as follows:

   “For Recipient-Executed activities, the Contributions may be used to finance (a) Goods; (b) Works; (c) Consultant Services; (d) Non-consulting Services; (e) Training and Workshops; (f) Operating Costs; and (g) Sub-grants.”

1 Non-consulting services are services in which the physical aspects of the activity dominate, such as drilling, mapping, and similar operations, and which are bid and contracted on the basis of performance of measurable physical output.”
5. Paragraph in second bullet of Annex 2 to the Administration Agreement is amended to read as follows:

- **Trust Fund Core Team.** A dedicated Trust Fund Core Team will be responsible for the day-to-day administration of the MDTF comprising initially a TTL of the MDTF and an Operations Analyst appointed by AFTWR. While the Trust Fund Core Team will consult the Advisory Committee for strategic guidance and advice, the trust fund management decisions will be the responsibility of a TTL of the MDTF, with oversight and guidance from World Bank Management (Sector Manager, Director, etc). They will be responsible for: (a) coordinating the allocation of resources to selected activities and projects; (b) approval of proposals; (c) providing updates on the implementation progress; (d) monitoring outputs and expenditures; (e) quality assurance; (f) overall fiduciary management; (g) any other related administrative responsibilities, including issuing the minutes of the Advisory Committee meetings; and (h) developing and updating CIWA operational guidelines. The guidelines provide procedures for the operation of CIWA and describe the objectives and modus operandi of the Trust Fund to provide a common operational platform for the CIWA program. The Core Team will assemble a panel for peer review of proposals that will provide recommendations to the CIWA Trust Fund Core Team on proposals. The core team will be expanded if needed as the CIWA program evolves.

6. Paragraph 3.1 of Annex 3 to the Administration Agreement is amended to read as follows:

3. **Administrative Cost Recovery**

“3.1. In order to assist in the defrayment of the costs of administration and other expenses incurred by the Bank under this Agreement, the Bank may deduct and retain for its own account an amount equal to two percent (2%) of each Contribution. In addition costs for program management and administration as defined in Annex 1 up to a maximum of six percent (6%) of each contribution will be charged to the Trust Fund on an actual basis.
7. A new paragraph 4 in Annex 3 to the Administration Agreement is added to read as follows, and existing paragraph 4 and the remaining paragraphs in such annex are re-numbered accordingly:

"4. Enhanced Supervision

For the purpose of paragraph 5.2 of Annex 3 this Agreement, the costs for enhanced supervision of CIWA activities are estimated to be six percent (6%) of the total contributions and will be charged to the Trust Fund on actual basis. The World Bank will seek CIWA Advisory Committee’s prior approval in case enhanced supervision costs of CIWA activities increase beyond what was originally expected at the time of counter-signature of the first administration agreement (or the amendments thereto), and these costs increase as a result beyond six percent (6%)."

8. All other terms of the Administration Agreement shall remain the same.

9. The Bank will disclose this Administration Agreement and related information (including the amendments) on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Agreement, the Donor consents to disclosure of this Agreement and related information on this Trust Fund.

10. We propose that this letter shall constitute an amendment to the Administration Agreement between the Bank and the Donor. Please confirm your acceptance to the foregoing, on behalf of the Donor, by signing and dating the two originals, retaining one original for your records and returning the other original to the Bank. Upon receipt by the Bank of the original Amendment countersigned by you, this Amendment will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION

Colin Bruce
Director, Strategy, Operations and Regional Integration
Africa Region

CONFIRMED AND AGREED:
THE GOVERNMENT OF THE KINGDOM OF DENMARK

By: Copenhagen
Name: BIRGITTE NYGAARD MARKUSSE
Title: Head of Department

Date: 24/10/2013

2 The Bank is responsible for supervision of activities executed by the recipients financed through the Grant Agreements signed between the Bank and such recipients.