AMENDMENT No. 1

Amendment to the Administration Agreement between the European Union, represented by the European Commission and the International Bank for Reconstruction and Development, the International Development Association and the International Finance Corporation concerning the Dominican Republic Public Expenditures Management

COUNTRY: DOMINICAN REPUBLIC

Dominican Republic Public Expenditures Management TF071758 – (P125894)

European Commission (CRIS: 278-126)

Type of modifications

The European Union, and its member states, hereinafter referred to as "the EU", represented by the European Commission in its capacity as manager of the European Development Fund, hereinafter referred to as “the Commission”,

of the one part, and

The International Bank for Reconstruction and Development, in its capacity as administrator of the Dominican Republic Public Expenditures Management ("the Project"), as represented by the Director of the Latin America and the Caribbean Region, hereinafter referred to as “IBRD”,

of the other part,

HAVE AGREED AS FOLLOWS:

The above-mentioned Administration Agreement signed on the 23rd November 2011 is modified as follows:

Article 2 – Entry into force and Implementation Period

Section 2.03 is amended to read as follows

Section 2.03. It is expected that the Contribution will be fully utilized in accordance with the provision of this Administration Agreement by December 13th, 2015 ("End Disbursement Date"). The End Disbursement Date can only be modified with the agreement of both Parties pursuant to Article 9 of the General Conditions.

Article 3 – Amount of the contribution

Article 3 is amended to read as follows

Section 3.01. The budget of the trust fund is estimated to be EUR 3,000,000 as set out in Annex III.

Section 3.02. The Commission undertakes to finance EUR 3,000,000 for the trust fund.

The third paragraph under Section 3.03 is amended to read as follows:

In addition, program management, preparation and Supervision costs up to a maximum amount equal to EUR 90,000 of the Contribution will be charged to the trust fund on an actual
basis and as a Direct Cost provided they comply with Section 14.01 of the General Conditions.

**Article 4 – Payment schedule and Reporting**

Section 4.01 is amended to read as follows

Section 4.01. Payments will be made in accordance with Article 15 of the General Conditions, and in accordance with the following payment schedule:

- Advance payment       EUR 750,000.00
- Intermediate payment (50%) EUR 1,500,000.00
- Final payment         (25%)   EUR 750,000.00

The Contribution funds shall be maintained in EUR.

**ANNEX III OF THE ADMINISTRATION AGREEMENT**

**Indicative Budget for the project**

Annex 3 is amended to read as follows

Recipient Executed Technical Assistance EUR 1,558,125.45
Bank Executed Technical Assistance     EUR 1,261,054.85
Trust Fund Administration and Supervision EUR 180,819.70

Total                                     EUR 3,000,000.00

The addendum shall enter into force on the date on which it is signed by the last party.

Done in two original copies, one copy being handed to the Commission and one to the IBRD.

For the European Union, represented by the Commission of the European Communities

Name: Alberto Navarro
Position: Ambassador
Head of the European Union Delegation to the Dominican Republic

Signature
Date 10/2013

For the International Bank for Reconstruction and Development

Name: Sophie Sirtaine
Position: Director
Caribbean Country Management Unit Latin America and the Caribbean Region

Signature
Date 10/12/2013