Supplemental Arrangement between the United States of America (acting through the United States Agency for International Development Association (USAID) and the International Development Association regarding the Ethiopia Productive Safety Net IV Partnership Multi Donor Trust Fund (Trust Fund No. TF072603 parallel to original Trust Fund No. TF072401)

1. Reference is made to the Administration Arrangement between the United States of America (acting through the United States Agency for International Development (USAID) (the “Donor”) and the International Development Association (collectively, the “Bank” and together with the Donor, the “Parties” and each a “Party”), regarding the Ethiopia Productive Safety Net IV Partnership Multi Donor Trust Fund (TF072401) effective as of September 2, 2015, as may have been amended (the “Administration Arrangement”).

2. In connection with the Administration Arrangement, and in support of the Ethiopia Productive Safety Net IV Partnership Multi Donor Trust Fund, the Bank acknowledges that the Donor agrees to obligate a contribution in the amount of one million United States Dollars (US$1,000,000) (the “Contribution”) in accordance with the terms of this Supplemental Arrangement (the “Supplemental Arrangement”). The total Contribution from the Donor has now increased to US$4,000,000 from the original commitment of US$8,000,000 for the Trust Fund in accordance with the terms of the Administration Arrangement.

3. In order to apply the Bank’s new cost recovery provisions, the Bank has established a new parallel trust fund account (Trust Fund No. TF072603 (the “Parallel Account”) for purposes of receiving contributions for the Ethiopia Productive Safety Net IV Partnership Multi Donor Trust Fund, which will be administered in parallel with the original trust fund account (Trust Fund No. TF072401) (the “Original Account”), both of which accounts constitute the Ethiopia Productive Safety Net IV Partnership Multi Donor Trust Fund.

4. The Donor will deposit the Contribution in the currency specified in Section 2 above into such bank account designated by the Bank promptly following effectiveness of this Supplemental Arrangement and submission of a payment request by the Bank.

5. When making a deposit, the Donor will instruct its bank to include in its deposit details information (remittance advice) field of its SWIFT deposit message, information indicating: the amount deposited, that the deposit is made by the Donor for Trust Fund No. TF072603 (the Ethiopia Productive Safety Net IV Partnership Multi Donor Trust Fund), and the date of the deposit (the “Deposit Instructions”). In addition, the Donor will provide a copy of the Deposit Instructions to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to (202) 614-1315.

6. The Parallel Account, including with respect to the Contribution funds and any other funds contributed thereto, will be governed by the terms of the Administration Arrangement, except that the revisions specified in the Schedule attached to this Supplemental Arrangement will apply.

7. At the date of Bank’s signature of this Supplemental Arrangement, the Indirect Rate (as defined in the Schedule to this Supplemental Arrangement) is 17%.

8. The Bank will disclose this Supplemental Arrangement in accordance with the Bank’s Policy on Access to Information. By entering into this Supplemental Arrangement, the Donor consents to such disclosure.
9. It is understood that this Arrangement, including its Schedule, is not an international treaty and is not eligible for registration as a treaty under Article 102 of the United Nations Charter. It is an administrative arrangement between the Bank and the Donor.

10. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Supplemental Arrangement and act in accordance with these terms and conditions. The Parties are requested to sign and date this Supplemental Arrangement, and upon possession by the Bank of this fully signed Supplemental Arrangement, this Supplemental Arrangement shall become effective as of the date of the last signature.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: ________________________________ Date: _________________

Name: Carney Furek
Title: Country Director for Ethiopia, Sudan and South Sudan

UNITED STATES OF AMERICA
(acting through the United States Agency for International Development)

By: ________________________________ Date: _________________

Name: ________________
Title: ________________
Schedule

Revisions to the Administration Arrangement for Purposes of the Parallel Account Only

(A) Section 3 of Annex 1 of the Administration Arrangement is hereby substituted with the following terms:

"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.

2. For purposes of the above expenditure categories: (i) “staff costs (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.

3. 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 3 (Trust Fund Fees and Costs) of Annex 2 of the Administration Arrangement is hereby eliminated.