



Dr. Ger Bergkamp
Executive Director
International Water Association
Alliance House
12 Caxton Street
London SW1H 0QS
United Kingdom

Ref: Amendment Letter No. 1 to Nonreimbursable
Technical Cooperation No. RG-T2456
(ATN/MA-14477-RG and ATN/MA-14485-RG),
Support of the Start of Operations of the
AquaRating Entity. (*Change re type of
expenditures*).

Dear Dr. Bergkamp:

On June 25, 2014, the Bank approved the Technical Cooperation Program RG-T2456 (ATN/MA-14477-RG and ATN/MA-14485-RG) (the “TC Program”), for up to the amount of US\$1,360,059. This TC Program was amended on July 10, 2014. Finally, on October 7, 2014, the International Water Association –IWA, a Company Limited by Guarantee and Not Having a Share Capital with registered office in England and Wales (“IWA”), and the Inter-American Development Bank (the “Bank”), acting as Administrator of the Multidonor AquaFund, entered into an agreement (the “Agreement”) which formalized the terms of a nonreimbursable grant for the execution of the TC Program.

As per IWA’s request, on December 15, 2014, the Water and Sanitation Division Chief, pursuant to Technical Cooperation Policy OP-400 (document GN-2470-2), approved a modification of the TC Program regarding the type of expenditures to allow the hiring of AquaRating Entity’s General Manager (i.e. the TC Program manager) as IWA staff (rather than as a consultant). The purpose of this letter (the “Amendment Letter”) is to formalize the corresponding amendment in the Agreement and the Annex to the Agreement as described below:

Section 5 of the Special Conditions will be substituted to read: **“Fifth. Special condition for the selection and hiring of AquaRating Entity's General Manager and AquaRating's System Developer.** The Beneficiary agrees to select and hire AquaRating Entity's General Manager, in accordance with IWA’s policies and procedures, and the

AquaRating's System Developer, in accordance with the policies and procedures set forth in the Consultant Policy referred to in paragraph Thirteenth herein. In all cases such selection and hiring shall be carried out in coordination and consultation with the Bank, pursuant to previously agreed upon terms of reference between the Beneficiary and the Bank.”

Paragraph 2.03 (Component 2: Development of operational and functional capabilities of the AquaRating Entity) of the Annex to the Agreement will be substituted to read: “**2.03.** This component will finance: (a) two new full-time positions (AquaRating General Manager and AquaRating System Developer) during two years, in the form of staff overhead and consultant fees, respectively, (b) consultants to provide technical support, on behalf of the AquaRating Entity, to utilities applying AquaRating; (c) office and administrative costs (including office space, office cleaning services, stationery, telephone charges, computer support services, among other costs), and (d) management support from IWA’s Executive Director and IWA’s Programs Director. The AquaRating General Manager will be in charge of the overall administration of the tool, including the license agreement between the Bank and IWA and the concession agreement(s) between IWA and the concessionaire(s). The AquaRating System Developer will be the AquaRating General Manager's main technical support to achieve the greatest possible use of the system and other AquaRating products worldwide. IWA will execute this component, which will be financed with both the Bank’s and IWA’s resources. IWA’s contribution will be in-kind, in the form of office and administrative costs, and the time of its Executive Director and Programs Director, complemented by a cash contribution. IWA will document its in-kind counterpart contribution fully, including man-hours dedicated to the Program, any and all reports or other materials prepared for the Program, and any traveling made exclusively for the Program.”

Please confirm your acceptance of the terms and conditions of this Amendment Letter by signing and returning one of the originals hereof to the Bank’s Notice address set forth in paragraph Twentieth of the Special Conditions of the Agreement.

This Amendment Letter shall be signed in two (2) identical originals by duly authorized representatives of the parties and shall enter into force on the date of its signature by IWA.

Yours faithfully,

/s/ Sergio Campos

Sergio Campos
Acting Manager
Infrastructure and Environment Sector
Inter-American Development Bank

Date: 12/22/2014

Place: Washington, DC

AGREED:

/s/ Dr. Ger Bergkamp

Dr. Ger Bergkamp
Executive Director
International Water Association

Date: 1/06/2015

Place: The Hague