

ADMINISTRATIVE ARRANGEMENT

December 10, 2010

With reference to the Cooperation Framework Arrangement (the "Framework Arrangement") dated as of October 3, 2004 between the Government of the United Kingdom of Great Britain and Northern Ireland (the "U.K."), represented by the Department for International Development ("DFID"), and the Inter-American Development Bank (the "IDB"), I am pleased to inform you of the intention of DFID to make available a contribution (the "Contribution") of seven hundred fifty thousand Pounds Sterling (£750,000.00), to be administered by the IDB for the project titled: "Support for the Expansion of the Citizen Security and Justice Program", IDB project No. JA-X1003 (the "Project").

The provisions of the Framework Agreement will apply to this Administrative Arrangement. The IDB will administer the Contribution in accordance with the provisions of the Framework Agreement, except as otherwise provided herein. The financial reporting will be expressed in U.S. dollars.

The Contribution is for a COFAB and will be used exclusively for the purposes set out in the Project document, substantially in the form set forth in Annex A attached hereto.

Special reporting requirements: pursuant to the Framework Arrangement (provisions 5.1.2 (a) and (b)), the IDB will *not* provide audited financial statements for the Project. Nevertheless, DFID may request that the IDB have its external auditors issue a special report related to this Administrative Arrangement, based on agreed-upon procedures and paid according to the second paragraph of provision 4.2.6 of the Framework Arrangement.

DFID will deposit the Contribution, upon written request from the IDB, in one single installment, into the account indicated by the IDB promptly following the date hereof, in accordance with the following schedule:

£750,000.00 (seven hundred fifty thousand Pounds Sterling):

Upon signature of this Administrative Arrangement.

The payment schedule may be amended with DFID's written approval dependent on actual expenditure and need.

The officers responsible for coordination of all matters related to this Administrative Arrangement are:

For DFID:

Antonette Grant, Senior Programme Officer
DFID Caribbean – Jamaica
Department of International Development
28 Trafalgar Road
Kingston 10, Jamaica
Tel.: +(1) 876-764-0174
Email: a-grant@dfid.gov.uk

For the IDB:

- a. All communications pertaining to donor relations and resource mobilization will be directed to:

Attention: Advisor, Office of Outreach and Partnerships
Inter-American Development Bank
1300 New York Ave., NW
Washington, D.C. 20577 U.S.A.
Tel.: + 1 (202) 623-1583
Fax: +1 (202) 623-2543
E-mail: partnerships@iadb.org

- b. Day-to-day communications regarding the implementation of this Administrative Arrangement shall be directed to:


Attention: Chief, Grants and Co-financing Management Unit
Vice Presidency for Countries
Inter-American Development Bank
1300 New York Ave., NW
Washington, D.C. 20577 U.S.A.
Tel.: +1 (202) 623-1774
Fax: +1 (202) 623-3171
E-mail: vpc-gcm@iadb.org

The IDB's commitment to use the Contribution as contemplated herein remains subject to the IDB's formalization of all internal approvals necessary for the Project.

Subject to their respective policies and procedures with respect to the disclosure of information, DFID and the IDB may make this Administrative Arrangement publicly available.

I would like to propose that this letter, upon your confirmation where indicated below, constitutes an arrangement under the Framework Arrangement between DFID and the IDB.

Sincerely yours,



Harry Hagan
Head of Office
DFID Caribbean
Department for International Development

Confirmed and agreed:
Inter-American Development Bank



for Bernardo Guillamon
Advisor, Office of Outreach and Partnerships

Date: December 10, 2010