

AMENDMENT No. 1

to the

ADMINISTRATION AGREEMENT

between

THE INTER-AMERICAN DEVELOPMENT BANK

and

MASTERCARD INTERNATIONAL INCORPORATED

regarding

**Project Specific Grant to the Inter-American Development Bank for
Project No. RG-X1265 titled, "ConnectAmericas Partnership Program"**

THIS AMENDMENT No. 1 is entered into between the Inter-American Development Bank (the "Bank") and MasterCard International Incorporated (the "Donor") (together referred to as the "Parties").

WHEREAS, on September 29, 2017, the Bank and the Donor entered into a Project Specific Grant (PSG) Administration Agreement (the "Administration Agreement") in connection with the Bank's Project No. RG-X1265 titled, "ConnectAmericas Partnership Program" (the "Project"), as further described in the Project Document attached to the Administration Agreement;

WHEREAS, the Donor has agreed to continue supporting the execution of the Project by providing an additional grant contribution in the amount of U.S.\$60,000.00 (sixty thousand dollars of the United States of America) to the Bank in one single installment (the "Additional Contribution"), to be administered by the Bank for the Project, pursuant to the terms and conditions of the Administration Agreement; and

WHEREAS, the Administration Agreement provides in Section 14 thereto that "[t]he Parties may amend any provision of [the] Administration Agreement in writing".

NOW, THEREFORE, the Parties hereby agree to amend the Administration Agreement pursuant to Section 14 of the Administration Agreement, and to amend the Project Document as contemplated in the Bank memorandum attached to this Amendment No. 1, as follows (throughout this Amendment No. 1, capitalized terms used but not defined herein shall have the meanings ascribed to them under the Administration Agreement):

1. Section 1 of the Administration Agreement is hereby superseded, which shall now read as follows:

"1. The Donor will make available to the Bank a grant contribution in the amount of U.S.\$170,000.00 (one hundred seventy thousand dollars of the United States of America) to be administered by the Bank to co-finance the Project (the "Contribution"). The Bank agrees and acknowledges that MasterCard's sole obligation and responsibility under this Administration Agreement (including the Project Document) shall be to make the Contribution to the Bank, and MasterCard shall have no other obligations or liabilities hereunder related to the Project, except as provided under Sections 7, 9, 11 through 15, 19 and 21.

The Donor shall transfer the Contribution to the Bank according to the following payment schedule:

Date:

Amount:

Upon signature of this Administration Agreement by the Parties:

U.S.\$110,000.00 (one hundred ten thousand dollars of the United States of America)

No later than September 30, 2018: U.S.\$60,000.00 (sixty thousand dollars of the United States of America)"

For the avoidance of doubt, the Parties acknowledge that the first installment due upon signature of the Administration Agreement has previously been disbursed by the Donor to the Bank, and pursuant to Section 6 (a) of the Administration Agreement, the Bank has charged the corresponding non-refundable fee equal to five percent (5%) of the total amount of such installment.

2. Section 3 of the Administration Agreement is hereby superseded, which shall now read as follows:

"3. The Donor will transfer the Contribution to the Bank in installments, upon the Bank's written request, into the account indicated by the Bank in writing (the "Account"). The Account is denominated in U.S. dollars and includes resources provided as grant funds by other donors for other Bank projects. The Contribution will be administered in the Account without distinction from other donors' contributions."


3. For the avoidance of doubt, the Parties acknowledge that the Bank will charge and retain a non-refundable fee equal to five percent (5%) of the total amount of the Additional Contribution at the time it is deposited by the Donor into the Account, to assist in the defrayment of administrative costs in relation to the Additional Contribution, in accordance with Section 6 (a) of the Administration Agreement.
4. All other terms and provisions of the Administration Agreement not expressly modified pursuant to this Amendment No. 1 shall remain in full force and effect. Further, this Amendment No. 1 shall enter into force on the latest date of its signature by the Parties below, and shall constitute an amendment to, and form an integral part of, the Administration Agreement.

(The remainder of this page is intentionally left blank.)

5. Subject to their respective policies and procedures with respect to the disclosure of information, the Parties may make this Amendment No. 1 publicly available.

IN WITNESS WHEREOF, the Inter-American Development Bank and MasterCard International Incorporated, each acting through its duly authorized representative, have signed this Amendment No. 1 in the English language as of the dates indicated below.

**INTER-AMERICAN
DEVELOPMENT BANK**



Bernardo Guillamon
Manager
Office of Outreach and Partnerships

Date: 08/17/2018

**MASTERCARD INTERNATIONAL
INCORPORATED**



Tara Nathan
Executive Vice President
Government and Development

Date: 9/11/2018

INTER-AMERICAN DEVELOPMENT BANK- MEMORANDUM

TO: Fabrizio Operti
Division Chief (INT/TIN)

FROM: Francisco Estrázulas de Souza
Integration and Trade Sector Specialist

SUBJECT: ConnectAmericas Partnerships Program. RG-X1265 – Regional Technical Cooperation. (ATN/CF-15238-RG). Increase of Resources.

DATE: June 20, 2018

I. INTRODUCTION

- 1.1 The non-reimbursable technical cooperation program RG-X1265, "ConnectAmericas Partnerships Program", (the "Program") was approved on October 13, 2015 for a total amount of US\$200,000, out of which US\$50,000 were expected to be provided by Visa² and US\$150,000 by DHL (on December 11, 2017, the amount approved to be provided by DHL was reduced to US\$75,000³). An additional contribution was approved on May 8, 2017 for an amount of US\$110,000 to be provided by Mastercard⁴. As a result, the total Program's approved budget is of an amount of US\$235,000. The execution and disbursement periods have already been extended to April 13, 2019.
- 1.2 The objective of the Program is to support the development of the ConnectAmericas platform and the dissemination efforts to attract users, by facilitating the organization of dissemination events with local partners and the organization of our institutional trade and investment forums. The Program contributes to the attainment of the following components: (i) Component I: Technology Development; (ii) Component II: Trade and Investment forums and Local Dissemination Events; and, (iii) Component III: Learning Materials for SMEs.
- 1.3 This memorandum seeks the approval of an increase of resources of the Program. To that extent, Mastercard has expressed interest in continuing supporting the Program, providing an additional contribution of US\$60,000, and SeaLand has expressed interest in supporting the Program, providing a contribution of US\$150,000 (the "Additional Resources"), **which will increase the Program's budget from US\$235,000 to a total of US\$445,000**. Each of the contributions will be provided by Mastercard and SeaLand to the Bank through separate Project Specific Grants.

¹ The Program has reached over 2 million entrepreneurs and business people in Latin America and the Caribbean. ConnectAmericas.com has helped these SMEs establish business links with clients, suppliers and investors from the rest of the region and the world, access relevant information and training tools to make international trade transactions simpler and less costly, and obtain information about financing opportunities.

² A PSG administration agreement (AA) was signed in 2015, and the contribution was received by the Bank in November 2015.

³ The PSG AA was signed in 2017 and the contribution was received during year 2017

⁴ The PSG AA was signed in 2017 and the contribution was received during year 2017

II. OBJECTIVE AND JUSTIFICATION OF THE INCREASE OF RESOURCES

- 2.1 The objective of the increase of resources is to fund activities consistent with the scope of the Program. The Additional Resources will finance the activities described in the Technical Cooperation Program under Components I, II, and III, as reflected in the budget table of Section III below. The Additional resources will be subject to the same execution mechanism established for the implementation of the Program. The execution of the Additional Resources provided by Mastercard and SeaLand can start separately and as soon as each of the contributions are received by the Bank.
- 2.2 The Additional Resources will be provided to the Bank through two Project Specific Grants (PSG). Each PSG is administered by the Bank according to the "Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSGs)" (Document SC-114). As contemplated in these procedures, the commitments from Mastercard and from SeaLand will be established through separate administrative agreements. Under such agreements, the resources for this project will be administered by the Bank and the Bank will charge an administrative fee of 5% to each of the contributions, which are duly identified in the following budget section. The respective 5% administrative fee will be charged after the corresponding contribution has been received by the Bank.

III. COST AND FINANCING

- 3.1 The total budget of the Program is expected to increase to an amount of US\$445,000, which is composed of the US\$235,000 already approved (provided by Visa, DHL, and Mastercard), plus the Additional Resources of US\$60,000 to be provided by Mastercard and US\$150,000 to be provided by SeaLand. The table below provides a breakdown of the use of the Program resources:

Table 1. Budget table including Additional Resources (expressed in US\$)

Comp	Description	DHL	Visa	Mastercard	Mastercard (2 nd contribution)	SeaLand	Total
1	Technology Development	\$34,975	\$0	\$64,500	\$57,000	\$82,500	\$238,975
2	Trade and Investment Forums and Local Dissemination Events	\$0	\$46,300	\$5,000	\$0	\$40,000	\$91,300
3	Learning Materials for SMEs	\$34,975	\$0	\$34,047	\$0	\$20,000	\$89,022
	Monitoring & Evaluation	\$1,300	\$1,200	\$953	\$0	\$0	\$3,453
	PSG Administration Fee	\$3,750	\$2,500	\$5,500	\$3,000	\$7,500	\$22,250
	TOTAL	\$75,000	\$50,000	\$110,000	\$60,000	\$150,000	\$445,000


IV. RECOMMENDATION

In accordance with the aforementioned information the Team Leader recommends to the Division Chief, in its delegated authority pursuant Resolution DE-103/14, the approval of the increase of resources for the Program, for a total amount of US\$210,000, out of which US\$60,000 will be

provided by Mastercard and US\$150,000 by SeaLand, through separate Project Specific Grants, to finance activities under Components I, II and III of the Program. The total amount of the Program resources will increase to US\$445,000. The additional resources provided by Mastercard will be effective only once the Bank and Mastercard have entered into an amendment of the corresponding Administrative Agreement. The additional resources provided by SeaLand will be effective only once the Bank and SeaLand have entered into the corresponding Administrative Agreement.

V. APPROVAL

In accordance with Resolution DE-103/14, the authority to approve the proposed change corresponds to the Division Chief.

A handwritten signature in black ink, appearing to be 'F. Operti', written over a horizontal line.

Fabrizio Operti
Trade and Investment Division Chief