

Amendment No. 4 to the Administration Agreement between the Government of Flanders and the International Bank for Reconstruction and Development and the International Development Association regarding the Malawi ASWAp Support Project Multi-Donor Trust Fund (TF072750 parallel to original TF072023)

1. Reference is made to the Administration Agreement between the Government of Flanders (the “Donor”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank” and together with the Donor, the “Parties” and each a “Party”, regarding the Malawi ASWAp Support Project Multi-Donor Trust Fund (TF072023) (“Original Account”) effective as of June 17, 2013, as amended (the “Administration Agreement”).
2. Reference is also made to the Supplemental Agreement between the Donor and the Bank regarding Malawi ASWAp Support Project Multi-Donor Trust Fund (Parallel TF072750) (the “Parallel Account”) effective as of January 13, 2017, as amended (the “Supplemental Agreement”).
3. The Parties agree to amend the Administration Agreement and the Supplemental Agreement as follows:

- (a) Paragraph 2.2 (B) of Annex 1 will be deleted and replaced with the following:

“B. Component 2: Sustainable Food Security, Agricultural Growth and Diversification

Carrying out a program aimed at increasing food security by supporting the existing and generalized maize-based subsistence farming system, while encouraging diversification and marketing and promoting public-private investments, including:

- (a) provision of capacity-building support to smallholder production systems by:
 - (i) scaling up research and extension activities (on, inter alia, farm trials on new varieties of different crops, demonstrations on nutrient management and conservation agriculture techniques, post-harvest loss reduction) to increase the adoption rate of selected technologies diversified crops (cereals, roots and tubers, pulses and leguminous, agro-forestry productions, etc.) and livestock productions by farmers;
 - (ii) expanding the coverage and improving the quality of extension activities to reach out to more farmers by promoting innovative and more pluralistic extension methodologies (use of lead farmers, contract out to non-governmental organizations, dissemination via radio, brochures and pamphlets, phone text messages, training);
- (b) provision of support to the design, programming and implementation of the Farm Input Subsidy Program (FISP), including support to:
 - (i) improving the efficiency of the FISP in terms of procurement, tracking of fertilizer and seeds distribution and implementation time line;
 - (ii) operating the FISP logistics unit;
 - (iii) purchasing of seed supplies;
 - (iv) increasing maize and legume seeds availability;
 - (v) improving the quality of seeds through enhanced seed certification and quality monitoring procedures, including independent testing of seed quality;
 - (vi) securing the voucher system (additional safety features or electronic voucher);
 - (vii) strengthening the transparency of FISP targeting (display/publication of the beneficiary lists in public domain) and the beneficiary complaint mechanism; and
 - (viii) ensuring close monitoring and evaluation, including an independent impact evaluation;
- (c) provision of support to the strengthening of market based agricultural risk management strategies (including payment of weather derivative contracts and insurance

premium to cover agricultural production, studies on macro- and micro-weather insurance schemes, technical assistance to develop warehouse receipt systems);

(d) provision of support to improve legume crop production and marketing (including feasibility and value chain studies on legume production, processing and marketing, need assessment for related infrastructure development), to promote legume seed production, to facilitate formation and strengthening of legume seed growers and producers' organizations and cooperatives, source and distribute high quality legume seed for multiplication, to improve seed inspection and technical supervision and support to seed multipliers;

(e) provision of support to improve the agricultural business environment and promote agribusiness partnerships (including studies relating to the promotion of private investments in agriculture and provision of training; identification and preparation of public-private investments; workshops designed to promote alliances between smallholder farmers and agri-business entrepreneurs);

(f) provision of support for the promotion of integrated soil fertility management, including: (i) the scaling-up of activities to increase productivity, strengthen resilience to climate change and reduce greenhouse gas emissions among smallholder farmers; (ii) the implementation of good agronomic practices based on soil testing results; and (iii) the piloting in specific districts of the implementation of recommendations based on soil analysis; and

(g) provision of support to development of livestock production and marketing, including (i) conducting a market assessment to map the critical value chain actors, demand needs, quantity/quality requirements, and bottlenecks for goats, pigs and dairy to ensure inclusion of smallholder farmers; (ii) carrying out a 12-month pilot pass-on program oriented towards meeting specific market needs; (iii) establishing a scheme of provision of drugs and vaccines on a cost-recovery basis that complements the pilot and serves as the basis for sustainable service delivery; and (iv) conducting further analytical work that helps the Ministry of Agriculture (MoA) develop this market and value chain approach further and lay the foundations for future multi-year investments and policy reforms.”

(b) Paragraph 6.1 of Annex 2 to the Administration Agreement shall be deleted and replaced with the following:

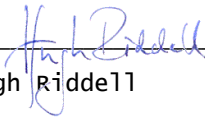
“6.1 It is expected that the funds deposited in the Trust Fund will be fully disbursed by the Bank by June 30, 2024 (the “End Disbursement Date”). The Bank shall only disburse funds deposited in the Trust Fund for the purposes of this Administration Agreement (other than returns to Donors) after such date to the extent such date is changed in accordance with amendments made to the Administration Agreements of all the Donors. Following the End Disbursement Date, the Bank shall return any remaining balance of the Trust Fund to each Donor in the Holding Currency in the manner specified in its respective Administration Agreement on a pro rata basis with regard to the total funds deposited in the Trust Fund by such Donor relative to the total funds deposited in the Trust Fund by all Donors, all calculated as Holding Currency amounts.”

4. In accordance with the terms of paragraph 8 of the Supplemental Arrangement, the amendment in paragraph 3 above will also apply to the funds in the Parallel Account.


5. All other terms of the Administration Agreement and the Supplemental Agreement shall remain the same.

6. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Amendment and act in accordance with these terms and conditions. The Parties are requested to sign and date this Amendment, and upon possession by the Bank of this fully signed Amendment and respective amendments signed by all other donors to the Trust Fund, this Amendment shall become effective as of the date of the last signature.

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION**

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GOVERNMENT OF FLANDERS

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