

**AMENDMENT No. 2**

to the

**ADMINISTRATION AGREEMENT**

between

**THE INTER-AMERICAN DEVELOPMENT BANK**

and

**THE KOREA RESEARCH INSTITUTE FOR HUMAN  
SETTLEMENTS**

regarding

**Project Specific Grant to the Inter-American Development Bank for  
Project No. RG-W1028/RG-X1210 titled, “South Korean Affordable  
Housing Policies: Lessons for Latin American and Caribbean  
Countries”**

**WHEREAS**, on March 25, 2014, the Korea Research Institute for Human Settlements (the "Donor") and the Inter-American Development Bank (the "Bank", jointly referred to as the "Parties") entered into a Project Specific Grant (PSG) Administration Agreement, as amended pursuant to the Amendment No. 1 signed between the Parties on November 24, 2015 (hereinafter the "Administration Agreement") in connection with the Bank's Project No. RG-W1028/RG-X1210 titled, "South Korean Affordable Housing Policies: Lessons for Latin American and Caribbean Countries" (the "Project"), as further described in the Project Document attached to the Administration Agreement (the "Project Document"), as amended on April 25, 2014 by the Revised Project Document (as defined in Amendment No. 1) attached to the Amendment No. 1; and

**WHEREAS**, the Donor has agreed to continue supporting the Project by providing an additional grant contribution in the amount of U.S.\$140,000.00 (one hundred forty 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 RG-X1210 component of the Project and pursuant to the terms and conditions of the Administration Agreement.

**NOW, THEREFORE**, the Parties hereby agree to further amend the Administration Agreement pursuant to Section 14 of the Administration Agreement and to further amend the Project Document as contemplated in the Bank memorandum attached to this Amendment No. 2, as follows (throughout this Amendment No. 2, 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 Section 1 of the Administration Agreement is hereby superseded, which shall now read as follows: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.\$420,000.00 (four hundred twenty thousand United States dollars) (the "Contribution") to be administered by the Bank to co-finance the Project. The Contribution includes a five percent (5%) administration fee in the terms stated in Section 6 below. 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.\$100,000.00 (one hundred thousand dollars of the United States of America)

No later than December 8, 2015:

U.S.\$180,000.00 (one hundred eighty thousand dollars of the United States of America)

No later than December 23, 2016: U.S.\$140,000.00 (one hundred forty thousand dollars of the United States of America)"

For the avoidance of doubt, the Parties acknowledge that each of the first and second installments have previously been disbursed by the Donor to the Bank.

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, to 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. Section 6 (a) of the Administration Agreement is hereby superseded, which shall now read as follows:

"(a) a non-refundable fee equal to five percent (5%) of the total amount of any Contribution installment at the time such installment is deposited by the Donor into the Account; and"

4. For the avoidance of doubt, the Donor acknowledges 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.

5. Section 12 (b) of the Administration Agreement is hereby superseded, which shall now read as follows:

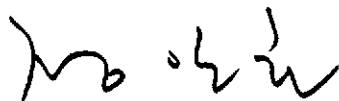
"(b) For the Donor:

Korea Research Institute for Human Settlements  
254 Simin-daero, Dongan-gu,  
Anyang-si, Gyeonggi-do, 431-712  
South Korea  
Attention: Director, Global Development Partnership Center (GDPC)  
Tel.: +82-31-380-0348  
Fax: +82-31-380-0468  
E-mail: gdpc@krihs.re.kr"

6. All other terms and provisions of the Administration Agreement not expressly modified herein shall remain in full force and effect. Further, this Amendment No. 2 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.

**IN WITNESS WHEREOF**, the Korea Research Institute for Human Settlements and the Inter-American Development Bank, each acting through its duly authorized representative, have signed this Amendment No. 2 in the English language as of the dates indicated below.

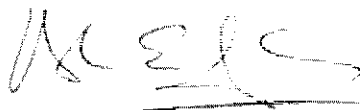
**KOREA RESEARCH INSTITUTE  
FOR HUMAN SETTLEMENTS**



Ilho Chung  
Director, Global Development Partnership  
Center

Date: 20/12/2016

**INTER-AMERICAN  
DEVELOPMENT BANK**



Bernardo Guillamon  
Manager, Office of Outreach and  
Partnerships

Date: \_\_\_\_\_

**To:** Sonia Rivera  
ORP/GCM

**From:** Ellis Juan  
CSD/HUD

**Subject:** Regional. South Korean Affordable Housing Policies: Lessons for LAC  
(RG-X1210 - ATN/CF-14388-RG). Increase Approval

**Date:** November 22, 2016

REF: Approval of an increase of the approved amount for operation RG-X1210  
"South Korean Affordable Housing Policies: Lessons for Latin American and  
Caribbean Countries" in the amount of US\$140,000.

Attached for your consideration is a proposal for activities with the additional resources provided by the Korean Research Institute for Human Settlements (KRIHS) to support the Bank's Technical Cooperation RG-X1210 "South Korean Affordable Housing Policies: Lessons for Latin American and Caribbean Countries." This TC aims at improving urban development and housing policies in LAC countries through sharing South Korea's knowledge and experience and applying the suitable positive aspects to LAC countries. The budget increase is in the amount of US\$140,000 (new total amount of the operation will be US\$347,500).

**Approval:**

**Approval Date:** December 6, 2016

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Ellis Juan  
Division Chief, CSD/HUD

**Cc:** Andres G. Blanco, Team Leader, CSD/HUD  
Arturo Zaragoza-Ruiz, LEG/CLA  
Escarlata Baza Nunez, LEG/SGO  
Claudia Ogliastro, ORP/GCM  
Evelyn Marie Casanova Barrios ORP/PTR  
Federica Volpe, Team Member, CSD/HUD

**ANNEX**

**Proposed activities for the additional resources to be provided by KRIHS TC  
"South Korean Affordable Housing Policies: Lessons for Latin American and  
Caribbean Countries (RG-X1210)"**

**1. Basic Information**

- Country/Region: Regional
- TC Name: "South Korean Affordable Housing Policies: Lessons for Latin American and Caribbean Countries"
- TC Number: RG-X1210
- Team Leader/Members: Andres Blanco, Team leader; Dianela Avila y Federica Volpe (CSD/HUD); Arturo Zaragoza-Ruiz (LEG/CLA) Escarlata Baza Nunez (LEG/SGO); Claudia Ogialoro (ORP/GCM); Evelyn Marie Casanova Barrios (ORP/PTR)
- Beneficiary: Regional
- TC taxonomy: Research and Dissemination (R&D)
- Executing Agency: Inter-American Development Bank (IDB)
- Donors providing funding: Korea Research Institute for Human Settlements (KRIHS)
- IDB Additional Funding Requested: US\$140,000<sup>1</sup>
- Person responsible for supervision: Andrés Blanco (ablanco@iadb.org)
- Approval date: April 25, 2014
- Expiration date: June 25, 2017
- Types of consultants: Individual International
- Prepared by Unit: Housing and Urban Development (HUD)
- Unit of Disbursement Responsibility: Climate Change and Sustainable Development (CSD)

**2. Background**

The Korea Research Institute for Human Settlements (KRIHS) committed US\$100,000 to the Bank to support the TCs (RG-X1210/RG-W1028) in April, 2014.

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<sup>1</sup> These funds will be administered by the IDB through a non-reimbursable project-specific grant (PSG). The commitment of KRIHS for the PSG will be established through an Amendment (Amendment N 2) of the Administration Agreement between the IDB and KRIHS regarding the Project Specific Grant for the Project No. RG-W1028/RG-X1210 titled, "South Korean Affordable Housing Policies: Lessons for Latin American and Caribbean Countries (RG-W1028/RG-X1210)".

The Bank will charge an administrative fee of 5% of the contribution, which is duly identified in the budget of this project.

The resources received from KRIHS were provided to the Bank through a Project Specific Grant (PSG). To continue with the successful implementation of the TC component (RG-X1210), KRIHS provided additional resources in the amount of US\$180,000 in 2015. This year, KRIHS expressed interest in providing additional resources for RG-X1210 in the amount of US\$140,000. The execution and disbursement period of the TC have been extended until June 25, 2017 to support the continuation of the ongoing activities.

### **3. Objective**

The objective of this TC has not changed, and is to improve urban development and housing policies in Latin American and the Caribbean (LAC) countries through sharing South Korea (Korea)'s knowledge and experience on urban development and housing and applying the suitable positive aspects of the Korea's experience to LAC countries.

### **4. Activities**

The additional resources provided by KRIHS will finance the continuation of the on-going activities through the following components:

**4.1 Component I – Joint Research and Consultation (US\$110,000).** This funding is to support two activities: (i) a TC on Rental Housing at Metropolitan Level, which entails consultancy work and knowledge dissemination of the results of the project about promotion of rental housing policies at the metropolitan level. The case studies and the design of the research will be further defined in coordination between IDB and KRIHS; and (ii) joint research between KRIHS and IDB to collect various studies on policy practices in Korea and analyze their potential applicability in LAC to back up Bank's TC operations. The topics of urban regeneration and housing deficit will be further defined in the process of executing the TC to bring out the best result of the TC.

**4.2 Component II – IDB-KRIHS Annual Urban Workshop (US\$10,000):** this international forum has the goal to share urban development and housing knowledge and experience of Korea and LAC countries, focused on the more urgent topics in LAC region. This will also be the chance to present the result of the 2016 Visiting Scholarship Program and KIUDA. The participants will be government officials, policy makers, and academics from LAC. It is expected to be held in December of 2016 at the IDB HQ, co-organized by KRIHS and IDB. More details (date, venue, audience, and agenda) will be decided jointly.

**4.3 Component III - Capacity Building Program in Korea (US\$13,000).** This funding is to support two activities: (i) KIUDA 2017, which is the annual capacity building program for LAC high-level officials in the area of urban development and housing. At its third edition, this program has proved very successful to exchange Korea and LAC knowledge and experience on urban issues; and (ii) the Visiting Scholarship Program, which is to support the development of working papers that will be drafted by LAC scholars selected through the third edition of the IDB-KRIHS Visiting Scholarship Program.

## 5. Budget

The total budget for the complementary PSG is US\$140,000, detailed as follows:

Components	Activities	Output	Total Amount
Component I - Joint Research and Consultation	Rental Housing TC in Metropolitan Level	Publication, Travel expense Consultancy	1 dissemination workshop/aide memoire
	KRIHS-IDB Joint Research	Publication and Consultancy	2 publications
Component II - IDB-KRIHS Annual Urban Workshop	2016 KRIHS-IDB Annual Workshop	Travel expenses for three scholars	1 event/ presentation materials
Component III - Capacity Building Program in Korea	2017 KIUDA	Travel expenses and Honorarium	1 program/ aide memoire
	Visiting Scholar Program	Publication	1 publication
Administrative fee	5% of the contribution		
<b>Total</b>			<b>\$140,000</b>

## 6. Executing Agency

The Bank, through the Housing and Urban Development Division, will execute this TC. The project team will prepare and submit project reporting to the donor.