

ATTACHMENT 1 OF THE FRAMEWORK AGREEMENT

FORM OF ADMINISTRATION AGREEMENT FOR EUROPEAN UNION CONTRIBUTIONS, AS REPRESENTED BY THE COMMISSION, TO TRUST FUNDS

<World Bank Group Trust Fund No and name>

<European Commission Trust Fund Number>

Article 1

Subject

Section 1.01. In pursuance of the Trust Funds and Cofinancing Framework Agreement between the European Union, represented by the European Commission (the "Commission"), and the International Bank for Reconstruction and Development ("IBRD"), the International Development Association ("IDA"), and the International Finance Corporation ("IFC") (collectively, the World Bank Group) dated March 20, 2009 (the "Framework Agreement"), the Commission hereby agrees to make available a Contribution for an amount referred to in Section 3.02, and to be administered by the *<insert name of relevant World Bank Group entity>* for the *<insert Trust Fund No and name>* (the "Project").

Section 1.02. The Contribution shall be used exclusively for the purposes set out in Annex I which includes a Description of the Project as well as, where required, the expenditures eligible for financing from the Commission, and the relevant indicators.

Section 1.03. The *<insert name of relevant World Bank Group entity>* shall administer the Contribution in accordance with the provisions of:

- the Framework Agreement;
- this Administration Agreement [and];
- the attached General Conditions applicable to European Union Contributions to Trust Funds (the "General Conditions"); [and]
- *[For Multi-Donor Trust Funds (select one and delete the others) [the provisions of the resolution for the trust fund adopted by the Executive Directors of the <insert name of the relevant World Bank Group entity> (the "Resolution")] / [the standard provisions agreed between the <insert name of the relevant World Bank Group entity> and the donors (the "Standard Provisions")] / [the terms and conditions of the trust approved by the <insert name of the relevant World Bank Group entity> (the "Terms and Conditions")].*

Section 1.04. The Contribution *<is/is not>* provided under Joint Management¹ for all purposes of this Administration Agreement.

Section 1.05. The Project *<is/is not>* a Multi-Donor Trust Fund² for all purposes of this Administration Agreement.

¹ As defined in Article 1 of the Framework Agreement. To be completed by the Commission. If the Contribution is provided through a Call for proposals pursuant to Section 2.02 of the Framework Agreement, the trust fund can only be a BETF and/or IFC activities.

² As defined in Article 1 of the Framework Agreement.

Section 1.06. The trust fund *<is/is not>* an Exceptionally large trust fund for the purposes of Section 16.03 of the General Conditions.

Article 2

Entry into force and Implementation Period

Section 2.01. This Administration Agreement shall enter into force when the last of the two Parties signs and will remain in force until the End Date.

Section 2.02. Expenses financed under the Contribution must be incurred after

(select one)

[the date following that on which the last of the two parties signs];

[a later date];

[a date preceding the signature of this Administration Agreement but not preceding either the date of the relevant World Bank Group entity's request for the Contribution, or the date of the signature of any relevant financing agreement between the Commission and the recipient country].

Section 2.03. It is expected that

(select one)

[For Single Donor Trust Funds: the Contribution]

[For Multi-Donor Trust Funds: an amount of the trust fund equal to the Contribution]

will be fully utilized in accordance with the provisions of this Administration Agreement by *<complete>* ("End Disbursement Date"). The End Disbursement Date can only be modified with the agreement of both Parties pursuant to Article 9 of the General Conditions.

Section 2.04. The *<insert name of relevant World Bank Group entity>* shall only disburse

(select one)

[For Single Donor Trust Funds: the Contribution]

[For Multi-Donor Trust Funds: the European Union's pro rata share of the funds remaining in the trust fund, including any investment income added thereto]

for the purposes of this Administration Agreement after the End Disbursement Date with the prior written agreement of the Commission.

Article 3

Amount of the Contribution

Section 3.01 The budget of the trust fund is estimated to be EUR <complete> as set out in Annex (*select one and delete the other*): [III/IV].

Section 3.02 The Commission undertakes to finance EUR <complete> for the trust fund.

Section 3.03 Indirect Costs under this Administration Agreement shall not exceed <percentage not exceeding 7%> % of the final amount of eligible Direct Costs of the Contribution.

[Add this paragraph when the standard cost recovery fee applies: the <insert name of relevant World Bank Group entity> may, following deposit of the first contribution from any donor to the trust fund, deduct from that contribution and retain for the <select one and delete the others: [IBRD's][IDA's][Bank's]> own account an amount equal to Thirty-Five Thousand United States Dollars (\$35,000) which is included in the above percentage.]

The <insert name of relevant World Bank Group entity> may, following deposit of the Contribution by the Commission, deduct from each Contribution of the Commission and retain for the <insert name of relevant World Bank Group entity> own account an amount equal to <complete> of the holding currency of the trust fund or <complete> % of the Contribution.

[Add this paragraph for customized cost recovery: In addition, staff costs for program management, preparation and Supervision up to a maximum of <complete> of the holding currency of the trust fund will be charged to the trust fund on an actual basis and as a Direct Cost provided they comply with Section 14.01 of the General Conditions.]

The final amount that the <insert name of relevant World Bank Group entity> is entitled for Indirect Costs shall be adjusted to the actual disbursed amounts of the Contribution in accordance with Articles 14 and 17 of the General Conditions.

Section 3.04 The following categories of costs shall be considered eligible under this Administration Agreement provided they comply with Section 14.01 of the General Conditions: <specify list of eligible costs as defined by the World Bank Group and agreed by the Commission>.

Article 4

Payment schedule and Reporting

Section 4.01. Payments will be made in accordance with Article 15 of the General Conditions, and in accordance with the following payment schedule:

(*select one option on the basis of the duration of the trust fund and delete the paragraphs which are not applicable*)

[Option1: For SingleDonor Trust Funds/ Multi-Donor Trust Funds where the trust fund has an anticipated duration of one year or less]:

Advance payment EUR<complete>

(subject to the provisions of the General Conditions).

[Option 2: For SingleDonor Trust Funds/For Multi-Donor Trust Funds where the trust fund has an anticipated duration of more than one year]

Advance payment EUR<complete>

Intermediate payment³ <Percentage>

EUR <complete>

(subject to the provisions of the General Conditions)

[2nd (additional, if applicable) <Percentage>
Intermediate payment]

EUR <complete>

(subject to the provisions of the General Conditions)

Final payment <Percentage>

EUR <complete>

(subject to the provisions of the General Conditions)

(select one option depending on the nature of the trust fund (Multi-Donor Trust Fund or Single Donor Trust Fund) and delete the paragraphs which are not applicable)

[In case of Single Donor Trust Fund: the Contribution funds shall be maintained in <EUR / other currency if the Parties may agree>]. [If other than EUR add: Promptly following the receipt of the Contribution and receipt of all the appropriate legal documentation and the payment details information, the <insert name of relevant World Bank Group entity> shall convert the Contribution into <state holding currency of the Trust Fund>.]

[In case of Multi-Donor Trust Fund: the World Bank Group shall convert such funds into <state holding currency of the trust fund> promptly following receipt of the funds, and receipt of all the appropriate legal documentation and the payment details information.]

Section 4.02. Narrative progress report(s) and financial information shall be provided consistent with Article 2 of the General Conditions, and in accordance with the following schedule:

(select one option on the basis of the duration of the trust fund and delete the paragraphs which are not applicable)

[Option 1: if payments follow option 1 of Section 15.01 of the General Conditions⁴]:

- a narrative progress report shall be forwarded to the Commission on an annual basis following the signature of this Administration Agreement. A final narrative report shall be forwarded to the Commission within six (6) months after the End Disbursement Date;
- the progress financial information shall be made available via the Bank's Trust Funds Donor Center secure website following the signature of this Administration Agreement. The final financial information shall be made available via the Bank's Trust Funds Donor Center secure website within six (6) months after the End Disbursement Date.

[Option 2: if payments follow option 2 of Section 15.01 of the General Conditions⁵]:

³ For trust funds with anticipated duration of more than two years there may be more than one intermediate payment.

⁴ In case of Single Donor Trust Funds or Multi-Donor Trust Funds where the trust fund has an anticipated duration of one year or less.

- a narrative progress report shall accompany every request for a further instalment of financing. A final narrative report shall be forwarded to the Commission within six (6) months after the End Disbursement Date;
- the progress financial information shall be made available via the Bank's Trust Funds Donor Center secure website following the signature of this Administration Agreement. The final financial information shall be made available via the Bank's Trust Funds Donor Center secure website within six (6) months after the End Disbursement Date.

Section 4.03. For the purposes of Section 2.03 of the General Conditions (*select one and delete the other*) *<an updated workplan / schedule of anticipated activities>*⁶ shall be provided with each report.

Article 5

Communications and addresses

Any communication relating to this Administration Agreement shall be in writing, shall state the number and title of the trust fund, and shall use the following addresses.

Payment requests and attached reports, including requests for changes to bank account arrangements pursuant to Section 9.02 of the General Conditions, shall be sent to:

For the Commission:

<Directorate General/Delegation>

For the attention of *<Financial Unit/Section, including address>*

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

European Commission

[<Directorate General / Delegation>]. For the attention of <Financial Unit/Section, including address>

A copy of the reports referred to in Section 4.02 shall be sent to the European Commission Delegation in charge of monitoring the Project, at the following address:

<...>

For the <insert name of relevant World Bank Group entity>:

<.....>

⁵ In case of Single Donor Trust Funds or Multi-Donor Trust Funds where the trust fund has an anticipated duration of more than one year.

⁶ World Bank's Task Team Leader (TTL) to choose the most appropriate option based on the requirements of the trust fund.

Article 6

Annexes

Section 6.01. The following documents are annexed to this Administration Agreement and form an integral part thereof:

Annex I: Description of the Project.

Annex II: General Conditions applicable to European Union Contributions to Trust Funds.

[Annex III⁷: *<select one and delete the others> [The resolution for the trust fund adopted by the Executive Directors of the <insert name of the relevant World Bank Group entity>] / The standard provisions agreed between the <insert name of the relevant World Bank Group entity> and the donors / The terms and conditions of the trust fund approved by the <insert name of the relevant World Bank Group entity>].*

Annex IV: Indicative Budget for the Project.

Section 6.02 In the event of a conflict between the provisions of the Annexes and those of this Administration Agreement, the provisions of this Administration Agreement shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other Annexes, the provisions of Annex II shall take precedence.

[Article 7⁸

Other conditions applying to the Project

Section 7.01. The measures taken to identify the European Union as the source of financing shall be *<complete>*.

Section 7.02. The following exceptions from the General Conditions shall apply:

[Include possible derogations, including but not limited to:

- In case of using exchange rates different than the rate indicated in Sections 15.04, 15.06, 18.01 of the General Conditions;

- In case of inconsistency between any provision of the Standard Provisions or Resolution or Terms and Conditions with the General Conditions, state the provisions of the former that will prevail over the General Conditions, as an exception to the last sentence of Section 6.02. This must be consistent with the applicable financial regulations;

- By way of exception to Article 15.07 of the General Conditions, in case of Contributions to a Single-Donor Trust Fund which are not Joint Management, financed under pre-accession aid, all investment income earned shall be used for the same purpose as the Contribution funds and shall not require to be reimbursed annually to the Commission. In such case, the accrued investment income may be taken into account under Section 18.02 of the General Conditions.]

Section 7.03. *[Only for Multi-Donor Trust Funds when using the notional approach is accepted]* Section(s) *<complete>*⁹ of the General Conditions shall be deemed to have been

⁷ Include in case of Multi-Donor Trust Funds.

⁸ Include this article if exceptions or clarifications to the Administration Agreement or the General Conditions are required. Note that all exceptions or clarifications shall be fully compliant with the legal requirements of the European Union and the Bank.

complied with, provided the amount contributed by the other donors to the Multi-Donor Trust Fund is sufficient to cover those amounts which are ineligible under the European Union rules including cost recovery fees.]]

This agreement is drawn up in three originals, two for the Commission and one for the World Bank Group entity.

For the European Union, represented by the Commission of the European Communities	For the [International Bank for Reconstruction and Development]; [International Development Association]; [International Finance Corporation]
Name:	Name:
Position:	Position:
Signature:	Signature:
Date:	Date:

⁹ For example, rules on nationality and origin (Section 10.03. It must be checked whether the rules on nationality and origin in the Basic Act are untied; rules on grants (last part of Section 10.02); Section 10.04; Section 14.03 of the General Conditions. It is also applicable when the geographic scope of the trust fund is wider than allowed by the Basic Act. If notional approach cannot be applied, the World Bank Group cannot accept the trust fund with tied funding.