OFFICIAL DOCUMENTS

Administration Agreement between Sweden, represented by Swedish International Development Cooperation Agency, and the International Development Association concerning the Multi-Donor Trust Fund for the Ethiopia Protection of Basic Services Social Accountability Program (TF072726 parallel to original trust fund TF071654)

1. The International Development Association (collectively, the “Bank”) acknowledges that Sweden, represented by Swedish International Development Cooperation Agency (Sida) (the “Donor”, and together with the Bank, the “Parties” and each a “Party”) agrees, subject to legislative appropriations, to provide the sum of four million nine hundred thousand Swedish Kronor (SEK 4,900,000) (the “Contribution”) for the Multi-Donor Trust Fund for the Ethiopia Protection of Basic Services Social Accountability Program (TF072726) (the “Trust Fund”) in accordance with the terms of this Administration Agreement. Other donors are also expected to contribute to the Trust Fund on the terms and conditions specified in the Annexes to this Administration Agreement.

2. The Contribution shall be used to finance the activities set forth in the “Multi-Donor Trust Fund for the Ethiopia Protection of Basic Services Social Accountability Program Description” attached hereto as Annex 1, and shall be administered by the Bank on behalf of the Donor in accordance with the terms of this Administration Agreement, including the “Standard Provisions” attached hereto as Annex 2 and the provisions on “Governance” attached hereto as Annex 3.

3. The Donor shall deposit the Contribution promptly following countersignature in full amount and currency (“Contribution Currency”) specified in Section 1 above into such bank account designated by the Bank upon submission of a payment request by the Bank (such deposit being an “Installment”).

4. When making any deposit, the Donor shall instruct its bank to include in its deposit details information (remittance advice) field of its SWIFT deposit message, information indicating: the amount deposited, that the deposit is made by the Donor for TF072726 (the Multi-Donor Trust Fund for the Ethiopia Protection of Basic Services Social Accountability Program), and the date of the deposit (the “Deposit Instructions”). In addition, the Donor shall provide a copy of the Deposit Instructions to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to +1 (202) 614-1315.

5. Except with respect to the Deposit Instructions, any notice, request or other communication to be given or made under this Administration Agreement shall be in writing and delivered by mail, fax or e-mail to the respective Party’s address specified below or at such other address as such Party notifies in writing to the other Party from time to time:

For the Bank (the “Bank Contact”):

Victoria Monchuk
Senior Economist
GSP01
The World Bank
Africa Avenue, Bole Road, Addis Ababa, PO Box 5515

Tel: 251-115-176050
Fax: 251-116-627717
E-mail: vmonchuk@worldbank.org
For the Donor (the “Donor Contact”):

Anette Dahlström
Counsellor
The Embassy of Sweden in Addis Ababa
P.O Box 1142, Addis Ababa, Ethiopia

Tel: +251 911 225 371
Fax: +251 11 518 0030
E-mail: anette.dahlstrom@gov.se

6. In the event any amounts are to be returned to the Donor under this Administration Agreement, the Bank shall transfer such amounts to the Donor, unless otherwise agreed with the Bank.

7. At the date of Bank’s signature of this Administration Agreement, the Indirect Rate (as defined in Annex 1 to this Administration Agreement) is 17%.

8. All annexes hereto constitute an integral part of this Administration Agreement, whose terms taken together shall constitute the entire agreement and understanding between the Donor and the Bank. Unless otherwise specified in an annex hereto, this Administration Agreement may be amended only by written amendment between the Bank and the Donor; provided, however, that any annexes to this Administration Agreement may be amended only by written amendment of all donors contributing to the Trust Fund.

9. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Administration Agreement and act in accordance with these terms and conditions. The Parties are requested to sign and date this Administration Agreement, and upon possession by the Bank of this fully signed Administration Agreement, this Administration Agreement shall become effective as of the date of the last signature.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Carolyn Turk
Country Director Ethiopia, Sudan and Comoros

Date: November 08, 2017

SWEDEN, represented by
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (SIDA)

By: Annika Nordin Jayawardena
Minister-Counsellor
Head of Development Cooperation, Ethiopia

Date: November 13, 2017
Description of Activities and Expenditures under the Multi-Donor Trust Fund for the Ethiopia Protection of Basic Services Social Accountability Program

This Annex shall be applicable to and form an integral part of all agreements entered into between the Bank and entities (collectively, the "Donors") that provide contributions (the aggregate of all contributions from the Donors, the "Contributions") to be administered by the Bank for the Trust Fund.

1. DEFINITIONS

   (a) "Ethiopia Protection of Basic Services Social Accountability Program" or the "Program" means the Federal Democratic Republic of Ethiopia's (Ethiopia's) social accountability program consisting of a program of interrelated actions, measures, and instruments adopted or entered into by the government with the aim to strengthen the use of accountability tools, approaches and mechanism in Ethiopia by: (i) citizens and citizen groups; (ii) civil society organizations; (iii) local government officials; and (iv) service providers as a mean s to make basic service delivery more equitable, effective, responsive and accountable.

   (b) "Steering Committee" means a committee established to oversee implementation of the Program and chaired by the State Minister of Ethiopia's Ministry of Finance and Economic Cooperation.

   (c) "SAIP" means the social accountability implementing partners.

2. OBJECTIVES

The overall objective of the Trust Fund is to strengthen the institutional capacity for social accountability to make service delivery more effective and responsive in Ethiopia.

3. DESCRIPTION OF ACTIVITIES

   (a) Recipient Executed Activities:

      (i) Provision of technical assistance and institutional support, enabling a scaling up of social accountability activities, mainly through the sponsorship of grant subprojects or activities that will be implemented by social accountability implementing partners (SAIPs), each such SAIP to be selected by the Recipient in respect of a particular subproject or activities, and each operating with a discrete set of defined tasks and in a specific area of finite social accountability needs, and/or within a defined social subgroup, and/or for a defined time period, and/or within a specific geographic area; and collectively, contributing to the overall aim of achieving an expansion of social accountability results in all regions of Ethiopia;
(ii) Provision of enhanced institutional capacity building opportunities, with the object of deepening social accountability capacity of partner institutions at all levels, and identification and strengthening of support institutions;

(iii) Provision of technical support for lessons-learning, monitoring, evaluation, audits and reporting, including evaluation of gaps and bottlenecks in scale-up of social accountability activities and a continual assessment of progress throughout the Program period;

(iv) Supporting effective implementation, management and coordination of the Program financed by the Trust Fund.

(b) Bank Executed Activities: Program management and administration activities for the Trust Fund, including but not limited to, supporting any program governance arrangements and Trust Fund related meetings; planning and executing work plans and budgets; managing communications and conducting outreach; disseminating lessons learned; reporting on progress; and monitoring and evaluating the program; strengthening oversight and technical design under the Program, through:

(i) carrying out of activities designed to support the Steering Committee's oversight role or to strengthen its capacities, or to enhance other aspects of Program design or the achievement of its intended results;

(ii) provision of technical assistance in specific areas at the request of the authorities the Federal Democratic Republic of Ethiopia in the area of social accountability that reflect international good practices and fall within an area of the Bank's comparative advantage and available capacity;

(iii) carrying out assessments and studies; and

(iv) coordination of independent evaluations.

4. CATEGORIES OF EXPENDITURE

The following eligible expenditures categories may be used to finance Trust Fund activities.

Eligible Expenditures for Bank Executed Activities:

(i) staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries);
(ii) extended term consultants and temporaries;
(iii) short-term consultants and temporaries;
(iv) contractual services;
(v) media, workshops, conferences and meetings; and
(vi) travel expenses.
For purposes of the above expenditure categories: (i) "staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries)" includes salaries, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; (ii) "extended term consultants and temporaries" includes fees, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; and (iii) "short term consultants and temporaries" includes fees and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures.

The "Indirect Rate" means the indirect rate, defined as a percentage of personnel costs and available at the World Bank's Donor center secure website, as such rate may be revised from time to time by the Bank and applied to this Trust Fund, in accordance with its policies and procedures.

(a) For Recipient-Executed activities, the Contributions may be used to finance:

(i) Goods
(ii) Consultants' Services
(iii) Training and Workshops (including media costs),
(iv) Operating Costs, and
(v) Grants for Subprojects.

5. The foregoing categories of expenditures may include the financing of taxes.
This Annex shall be applicable to and form an integral part of all agreements entered into between the Bank and the Donors that provide Contributions to be administered by the Bank for the Trust Fund.

1. **Administration of the Contributions**

   1.1. The Bank shall be responsible only for performing those functions specifically set forth in this Agreement and shall not be subject to any other duties or responsibilities to the Donors, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement shall be considered a waiver of any privileges or immunities of IDA under its Articles of Agreement or any applicable law, all of which are expressly reserved.

   1.2. The Contributions shall be administered in accordance with the Bank's applicable policies and procedures, as the same may be amended from time to time, including its framework to prevent and combat fraud and corruption and its screening procedures to prevent the use of Bank resources to finance terrorist activity, in line with the Bank's obligations to give effect to the relevant decisions of the Security Council, taken under Chapter VII of the Charter of the United Nations. The Donor acknowledges that this provision does not create any obligations of the Bank under the anti-terrorist financing and asset control laws, regulations, rules and executive orders of an individual member country that may apply to the Donor, nor shall it be deemed a waiver, express or implied, of any of the privileges and immunities of the Bank.

2. **Commingling, Exchange and Investment of the Contributions**

   2.1. The Contributions shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the Bank. The Contributions may be commingled with other trust fund assets maintained by the Bank.

   2.2. The Contributions may be freely exchanged by the Bank into other currencies as may facilitate their disbursement.

   2.3. The Bank shall invest and reinvest the Contributions pending their disbursement in accordance with the Bank's policies and procedures for the investment of trust funds administered by the Bank. The Bank shall credit all income from such investment to the Trust Fund to be used for the same purposes as the Contributions.
3. **Grant to Recipient**

3.1. The Bank shall, as administrator of the Trust Fund on behalf of the Donors, enter into a grant agreement (the "Grant Agreement") with a Management Agent (the "Recipient", or the "Management Agent"), who shall be authorized to act on behalf of Ethiopia, consistent with the purposes of the Trust Fund and in accordance with the provisions of this Agreement, and who shall exercise rights and privileges with respect to the disposition of the portion of the proceeds of the Trust Fund which shall be committed under such Grant Agreement, and on the specific terms and conditions as shall be set forth in the Grant Agreement, and who shall likewise be bound to observe certain obligations regarding the proper use of such proceeds, including with respect to the supervision of the utilization of funds granted to SAIPs for discrete social accountability subprojects or activities to be implemented by such SAIPs. The Grant Agreement may be entered into up to the maximum amount of the Contributions that all Donors have agreed to make available under the Administration Agreements between the Bank and the Donors. Upon request by a Donor, the Bank shall furnish a copy of the Grant Agreement to the Donors.

3.2. The Bank shall, within the customary limits of its role as a development institution and as an administrator of a multi-donor trust fund for a member country, undertake to provide appropriate support to the Recipient for the supervision of the activities financed under the Grant Agreement. Subject to the consent of the Recipient and the authorities of the Federal Democratic Republic of Ethiopia, representatives of the Donors may be invited by the Bank to participate in Bank supervision missions related to the Trust Fund.

3.3. The Bank shall promptly inform the Donors of any significant modification to the terms of any Grant Agreement and of any contractual remedies that are exercised by the Bank under any Grant Agreement. To the extent practicable, the Bank shall afford the Donors the opportunity to exchange views before effecting any such modification or exercising any such remedy.

4. **Procurement**

4.1. For Recipient-executed activities, the Grant Agreement shall provide that the Contributions shall be used by the Recipient to finance expenditures for goods and services, as the case may be, in accordance with the Bank's Guidelines on "Procurement under IBRD Loans and IDA Credits" and the Bank's Guidelines on the "Selection and Employment of Consultants by World Bank Borrowers," as in effect at the date of entry into the Grant Agreement.

4.2. For Bank-executed activities, the employment and supervision of any consultants and the procurement of any goods financed by the Contributions shall be the responsibility of the Bank and shall be carried out in accordance with its applicable policies and procedures.

5. **Accounting and Financial Reporting**

5.1. The Bank shall maintain separate records and ledger accounts in respect of the Contributions deposited in the Trust Fund account and disbursements made therefrom.
5.2. The Bank shall furnish to the Donors current financial information relating to receipts, disbursements and fund balance in United States Dollars of the Trust Fund with respect to the Contributions via the World Bank's Trust Funds Donor Center secure website. Within six (6) months after all commitments and liabilities under the Trust Fund have been satisfied and the Trust Fund has been closed, the final financial information relating to receipts, disbursements and fund balance in United States Dollars of the Trust Fund with respect to the Contributions will be made available to the Donors via the World Bank's Trust Funds Donor Center secure website.

5.3. The Bank shall provide to the Donors, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (1) a management assertion together with an attestation from the Bank's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (2) a combined financial statement for all cash-based trust funds together with the Bank's external auditor's opinion thereon. The cost of the single audit shall be borne by the Bank.

5.4. If a Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank's external auditors of the Trust Fund, the Donor and the Bank shall first consult as to whether such an external audit is necessary. The Bank and the Donor shall agree on the appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Bank shall arrange for such external audit. The costs of any such audit, including the internal costs of the Bank with respect to such audit, shall be paid by the requesting Donor.

5.5. The Bank shall provide the Donors with copies of all financial statements and auditors' reports received by the Bank from the Recipient pursuant to the Grant Agreement.

6. Progress Reporting

6.1. The Bank shall provide the Donors with an annual report on the progress of activities financed by the Contributions. Within six (6) months of the final disbursement date specified in paragraph 7.1, the Bank shall furnish to the Donors a final report on the activities financed by the Trust Fund.

6.2. Any Donor may review or evaluate activities financed by the Trust Fund. The Donor and the Bank shall agree on the scope and conduct of such review or evaluation, and the Bank shall provide all relevant information within the limits of its policies and procedures. All associated costs shall be borne by the Donor. It is understood that any such review or evaluation will not constitute a financial, compliance or other audit of the Trust Fund.

7. Disbursement Cancellation/Refund

7.1. It is expected that the Contributions will be fully disbursed by the Bank by June 30, 2019. The Bank shall only disburse Contributions for the purposes of this Agreement after such date with the written approval of the Donors.

7.2. Any Donor or the Bank may, upon three (3) months' prior written notice, cancel all or part of the Donor's pro rata share, of any remaining balance of the Contributions that is not committed pursuant to any agreements entered into between the Bank and any consultants and/or other third parties for the purposes of this Agreement prior to the receipt of such notice, including the Grant Agreement.
7.3. Following the final disbursement date specified in paragraph 7.1, the Bank shall return any remaining balance of the Contributions to the Donors or to the relevant Donor Balance Account on a pro rata basis based on the Donors' paid Contributions. In the event of a cancellation the Bank shall promptly return to the relevant Donor or Donors or to the relevant Donor Balance Account the Donor's pro rata share of uncommitted Contributions in accordance with paragraph 7.2.

8. Disclosure

8.1 The Bank will disclose this Agreement and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Agreement, Donors consent to disclosure of this Agreement and related information on this Trust Fund.

9. Trust Fund Fee

9.1. The Bank shall calculate a fee each time funds (the "Grant Amount") from the Trust Fund become committed under a Grant Agreement. Such commitment shall occur when such Grant Agreement is fully countersigned (the “Calculation Date”). The fee so calculated by the Bank shall be based on the cumulative total of funds from the Trust Fund committed under all Grant Agreements that have been fully countersigned on or prior to the Calculation Date (the "Cumulative Grant Total"). The calculated fee shall depend on where the Cumulative Grant Total stands as the Grant Amount is added and shall be determined in accordance with the following schedule:

(i) 5% of any portion of the Grant Amount that results in a Cumulative Grant Total below or equal to US$ 50 million or equivalent; plus
(ii) 4% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 50 million or equivalent and below or equal to US$ 500 million or equivalent; plus
(iii) 3% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 500 million or equivalent and below or equal to US$ 1 billion or equivalent; plus
(iv) 2% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 1 billion or equivalent.

9.2. Following each Calculation Date, the Bank shall deduct from the trust fund account TF072726, and retain for its own account, the fee as set forth above. Grant Amounts may not exceed the balance of uncommitted funds in such account net of the related fee.
ANNEX 3

Governance Structure for the Multi-Donor Trust Fund for the Ethiopia Protection of Basic Services Social Accountability Program

Steering Committee

The Steering Committee consists of three representatives each of the Federal Democratic Republic of Ethiopia, development partners and the civil society. The representative of the Ministry of Finance and Economic Development of the Federal Democratic Republic of Ethiopia will continue to be the chair of the Steering Committee and will provide the focus and direction to the Program implementation and enhance public sector acceptance and responsiveness. The development partners will also play the role of knowledge partners by bringing into the Program international best practice experience. Civil society representatives will bring in the voices of people and citizens' perspectives, and greater diversity to the policy dialogue.

The Steering Committee will act as the owner of the Program and give directions to and supervise the Recipient, especially with regard to policy and strategic decisions. The responsibilities of the Steering Committee will be as follows:

(a) provide strategic direction and guide program implementation and endorse annual plans and budgets prepared by the Recipient;

(b) oversee the implementation of the Program by the Recipient including the screening and contracting of SAIPs;

(c) review and assess lessons learnt and provide guidance on replication of best practices to improve the quality, quantity and access to basic services; and

(d) inform the authorities of the Federal Democratic Republic of Ethiopia on the Program progress and provide strategic support in institutionalization of social accountability within the Government of Ethiopia's other initiatives.