Administration Arrangement between the United Kingdom of Great Britain and Northern Ireland, represented by the Department for International Development (DFID) and the International Bank for Reconstruction and Development and the International Development Association concerning the South Asia Food and Nutrition Security Initiative, Phase II (SAFANSII) Multi-Donor Trust Fund (No. 072171)

(Donor Reference No. 201093)

1. The International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank”) acknowledge that the United Kingdom of Great Britain and Northern Ireland, represented by the Department for International Development (DFID) (the “Donor”, and together with the Bank, the “Parties” and each a “Party”) has decided to provide the sum of twelve million six hundred thousand Pounds Sterling (GBP 12,600,000) (the “Contribution”) for the South Asia Food and Nutrition Security Initiative, Phase II (SAFANSII) Multi-Donor Trust Fund, No. 072171 (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 will be used to finance the activities set forth in the “SAFANSII Trust Fund Description” attached hereto as Annex 1, and will be administered by the Bank on behalf of the Donor in accordance with the terms of this Administration Arrangement, including the “Standard Provisions” attached hereto as Annex 2.

3. The Donor will deposit the Contribution in accordance with the following schedule and in the currency specified in Section 1 above (“Contribution Currency”) into such bank account designated by the Bank (each amount deposited hereinafter referred to as an “Installment”) upon submission of a payment request by the Bank:

(A) By 30 November 2014 – GBP 1,400,000
(B) By 20 June 2015 – GBP 875,000
(C) By 15 December 2015 – GBP 875,000
(D) By 15 June 2016 – GBP 1,575,000
(E) By 15 Dec 2016 – GBP 1,575,000
(F) By 15 June 2017 – GBP 1,575,000
(G) By 15 Dec 2017 – GBP 1,575,000
(H) By 15 Jun 2018 – GBP 1,575,000
(I) By 15 Dec 2018 – GBP 1,575,000

4. When making any deposit, the Donor will 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 TF No. 072171 (the SAFANSII Trust Fund), and the date of the deposit (the “Deposit Instructions”). In addition, the Donor will 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 Arrangement will 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 Contract”):
6. In the event any amounts are to be returned to the Donor under this Administration Arrangement, the Bank will transfer such amounts to the Donor, unless the Donor and the Bank decide otherwise.

7. In providing funds under this Administration Arrangement, the Donor does not intend to accept any responsibility or liability towards any third parties for any claims, debts, demands, damage or loss as a result of the implementation of the activities under the Trust Fund.

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

9. It is understood that this Administration Arrangement, including any annexes, is not an international treaty. It is an administrative arrangement between the Trustee and the Donor.

10. All references made in the Annexes to “shall”, “Administration Agreement”, and “Project”/“MDTF” will have, respectively, the same meaning as the term “will”, “Administration Arrangement”, and “Trust Fund” herein.

11. Each of the undersigned represents, by confirming its acceptance below, that it is authorized to enter into this Administration Arrangement and act in accordance with its provisions. The Bank and the Donor are each requested to sign and date this Administration Arrangement, and upon possession by the Bank of this fully signed Administration Arrangement, this Administration Arrangement will become carried out as of the date of the last signature.
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: [Signature]
Name: [Signature]
Title: [Signature]
Date: Dec 4, 2014

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, REPRESENTED BY THE DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

By: [Signature]
Name: Jenny Yates
Title: Team Leader, Asia Regional Team
Date: 15/11/14
SAFANSI II Trust Fund Description

This Annex shall be applicable to and form an integral part of all administration agreements for the Trust Fund (collectively, the "Administration Agreements" and each an "Administration Agreement") between the Bank and any entities that provide any funds to the Trust Fund (collectively, the "Donors").

Introduction and Context

1. The South Asia region has both the highest prevalence of malnutrition and the largest numbers of undernourished children in the world. Malnutrition slows economic growth and perpetuates poverty. The combined effect of malnutrition on cognitive development (hence school performance), health status and cost to the health system, and productivity leads to a significant loss in GDP. Under-nutrition has been attributed to between 30 and 45 under-five mortality.

2. In addition, the region has the largest number of people (over 295 million) who are routinely hungry; that is, they do not have daily access to adequate calories (FAO 2009). India, for example, ranks 66 (out of 88) on the Global Hunger Index. The region has succeeded in increasing aggregate food production. However despite this achievement the poor and marginalized groups in the SAR countries face severe constraints to regular access and availability of food. Adding further pressures to this constrained food availability is the region-wide slowing agricultural growth, inefficient markets and restrictive trade practices.

3. Progress in improving nutrition has been unacceptably slow (given positive economic trajectories). Given the current high levels and slow progress in the reduction of malnutrition during the past decade, most South Asian countries are unlikely to achieve the Millennium Development Goal (MDG) for nutrition (target 1c of MDG 1) of halving, between 1990 and 2015, the proportion of people who suffer from hunger. Although there are declining trends in malnutrition compared to the rates 5 years ago, these rates are still alarmingly high. India, Bangladesh, Pakistan, Afghanistan, and Nepal are among the 36 countries in the world which account for 90% of the global malnutrition burden. The World Health Organization’s global database on Body Mass Indices estimates that over a third of adult women in Bangladesh, India and Pakistan are underweight, and the prevalence of iron deficiency anemia ranges between 55% and 81% across the region.

4. Improving the food and nutrition security (FNS) status of both children and adults is a key human development challenge for the South Asia Region. The lack of food and nutrition security - the foundation for human development - increases susceptibility to infections, increases related morbidity, disability and mortality burden (SAR also has a high burden of non-communicable diseases and the rising problem of obesity), and lowers lifelong learning capacities and adult productivity. Within this, a specific area of concern is inadequate nutrition for mothers and infants, especially in the “one thousand day” window - roughly the 1000 days from the first day of pregnancy through the first two years of life - since it imposes extensive, and largely irreversible, costs in terms of damage to physical growth, brain development, and consequent cognitive capacities and life-time human capital formation. This core focus on improving the nutritional status of infants (by directly targeting children in the vulnerable age group,

---

1 The Section 'Introduction and Context' is included for information purposes only to reflect the main considerations taken into account by the Parties in agreeing to support the Project.

2 UNICEF 2013: Improving Child Nutrition, The achievable imperative for global progress

3 Black et al, Lancet 2013; 382: 427-51

4 FAO 2009: The State of Food Insecurity in the World 2009

5 China, Thailand and Brazil have taken bold actions to successfully accelerate reductions in under-nutrition, and are on track to reach the first Millennium Development Goal on target, by 2015. India is expected to do so only in 2043 at the present pace of actions.
their mothers as well as pregnant women) is absolutely essential to accelerate the reduction of child malnutrition, and decrease the overall burden of malnutrition over time.

5. **The challenge of hunger and malnutrition in South Asia is multi-faceted, and requires a multi-pronged approach**, including interventions that: (i) expand availability, accessibility and diversity of food through improved agricultural production; (ii) enhance livelihoods; (iii) increase access to quality education; (iv) expand access to clean water and sanitation; (v) empower women; (vi) improve social protection; and (vii) focus on infant and child care, amongst other relevant areas. The region’s economic growth has only had marginal positive correlation with improved nutritional status as evident from several country examples.

**Objective of the Project**

6. The objective of the Project is to improve FNS for individuals and communities in South-Asia through a strengthened commitment and increased capacity for more effective and integrated FNS actions across South Asia.

**Description of the Project Activities**

7. The Project will fund activities that are demand-driven, focus on priority countries (as determined from time to time by the Donors Committee referred to in para. 21 below) and contribute to one or more of the following pillars:

**Pillar 1: Improved Evidence and Analysis**

8. This pillar is concerned with strengthening the substantive (evidential) and analytical basis for greater and more effective investments to improve FNS, including supporting thematic groups for better exchange of data and knowledge, re-orienting existing programs and innovating with cross-cutting, multi-sectoral approaches. Activities will be financed within this pillar under the following clusters:

- *Credible evidence base generated on specific FNS issues*. Activities under this cluster may include, *inter alia*: identification of the precise channels through which undernutrition occurs in different contexts (shocks and vulnerability; Low Birth Weight pathways; early feeding and care practices; micro-nutrient deprivation; continuous re-infection due to poor sanitation and water, food pathogens, access to primary health care etc.) as well as its impact on welfare, both inter and intra-generationally; analysis of innovative approaches that link safety net programs with nutritional security - such as the early childhood development programs - will also be considered;

- *Improved data collection, analysis and management on key FNS issues*. Activities under this cluster may include, *inter alia*: support for making data on nutrition more frequent, more accessible, and producing data of higher quality for larger areas.

- *Improved testing/impact assessment of FNS programs*. Activities under this cluster may include, *inter alia*: activities resulting in better understanding of relative causal significance of various factors affecting undernutrition, or optimal policy trade-offs that obtain; investing in systematic evaluations of existing FNS-related programs to ensure timely learning to assess efficacy to help identify elements of feasible reform and to allow policy makers to consolidate support for these programs.

- *Improved analytics on specific FNS issues*. Activities under this cluster may include, *inter alia*: Programming guidance (on various aspects of program formulation, implementation and monitoring) for country level partners, and other toolkits that can support government operations (e.g., supporting the updating of Food Composition Systems, which provide information on nutritive value of foods, and the basis for planning a satisfactory diet).
Pillar 2: Enhanced Awareness and Commitment

9. This pillar relates to building regional and country-level commitment to invest further in programs delivering FNS outcomes by increasing emphasis on it in various policies, development strategies and action plans. In particular, country policy makers and development partners have highlighted the need to understand and address the incentives for uptake and implementation of evidence based and integrated policy and programs to improve FNS. Activities will be financed within this pillar under the following clusters:

- **Improved Political Economy Analysis to inform strategies and action plans for promoting change.** Activities under this cluster may include, *inter alia*: political economy analysis to understand the incentives and barriers for policy reform in FNS-related programs; analysis in each of the SAFANSI countries with the aim of identifying the underlying political economy dynamics and incentives structures that restrain or support effective multisectoral FNS action.

- **Networks established to build policy support and momentum for FNS actions.** Activities under this cluster may include, *inter alia*: creation of networks at the local, national and regional levels to function as “brokers” of credible research, analysis and information; selectively supporting high profile and high level events helps bring prominence and sustainability to such networks.

- **Strategic Communication and Outreach including through high profile events.** Activities under this cluster may include, *inter alia*: a comprehensive Strategic Communications strategy to sensitize stakeholders to the need for action and mobilize public interest in the issue and create a public accountability mechanism for service delivery; a range of activities intended to identify, engage and reach key audiences; developing a regional network of ‘Ambassadors for Change’ – influential policy makers or thought leaders committed to FNS – and equipping them with the means to influence others through statements in public fora and in the media; web-enabled dissemination of evidence and analysis.

- **Reports/Assessments of FNS status and actions at various level.** Activities under this cluster may include, *inter alia*: analysis of the ‘State of Food and Nutrition’ in SAFANSI countries to be used as a baseline assessment for the Project and as an in-house strategy document that guides a developing work program at the country level.

Pillar 3: Building Systems and Capacity

10. This pillar relates to strengthening institutional capacities at regional, national and local community levels to help, on the demand side, by organizing and articulating community demands and, on the supply side, improving the quality and effectiveness of public programs. Furthermore, this component is expected to fill gaps such as: capacity to plan programs at scale (using evidence), capacity to implement programs at scale, capacity to manage in an evidence-based manner (generating and using data), capacity to advocate using evidence and political intuition. Activities will be financed within this pillar under the following clusters:

- **Improved monitoring and evaluation and learning (MEL) systems operational.** Activities under this cluster may include, *inter alia*: the establishment of “Social Observatories” in a range of livelihoods programs to provide real time monitoring systems to substantially improve the practice and implementation of FNS-related interventions for community-based livelihoods programs.

- **Networks of development partners established/strengthened/trained/operational.** Activities under this cluster may include, *inter alia*: establishment of a technical network of development partners – comprising entities in the UN system, Multilateral Development Banks, Bilateral Agencies, Government, civil society and philanthropic organisations where appropriate – will be built to contribute to the human resource needs of the system.

- **Improvement in (existing) systems/capacities for technical stewardship program development/management and implementation.** Activities under this cluster may include, *inter alia*: development
and strengthening of systems for tracking comparative data across the region, such as gender and nutrition sensitive statistics for agriculture development and Codex Alimentarius data for food products in the region; provision of capacity support for the client countries through providing quality, experienced, technical personnel to work within government ministries.

**Pillar 4: Fostering Innovations**

11. Fostering innovations on the ground. The Project will seek to support three kinds of activities aimed at increasing innovations on the ground: (i) introduction or increased emphasis on FNS in existing project designs / operations; (ii) analytical and feasibility studies to support design of promising new interventions; and (iii) analysis, experience sharing, learning, program customization / contextualization etc. design to improve implementation approaches. Activities will be financed within this pillar under the following cluster:

- **Innovations in FNS-related projects and programs supported.** Activities under this cluster may include, *inter alia:* facilitation of changes in the design of existing FNS programs or programs which want to add FNS interventions in their scope; financial support to pilot FNS programs.

- **Design of new FNS interventions supported.** Activities under this cluster may include, *inter alia:* combating micro-nutrient deficiencies through food based approaches, bio-security risk management and food safety through the food chain, introducing different animal and fish protein sources in diets.

- **Development of new implementation approaches supported.** Activities under this cluster may include, *inter alia:* effectiveness studies to test the impact of existing interventions, under normal operating conditions, including in challenging geographical environments and varied social and cultural environments, such as studies on interventions to address low birth weight.

12. The Project strategy will add value to on-going efforts by exploiting gaps or overlooked opportunities for strengthening the FNS agenda and its operationalization. As such a necessary element of the Project will be exploitation of opportunities as they present themselves (rather than following through a rigid, time-bound plan which is characteristic of most projects). Effort will be made, therefore, to structure and resource the evaluation of the Project activities accordingly, i.e., to focus on the impact and value-for-money aspect of the activity rather than consistency with strictly pre-specified target values.

**Implementation Arrangements**

**Multi-Country and Multi-sector Approach**

13. The Project will promote an integrated and cross-sectoral approach to cover the critical issues involved in ensuring improved FNS. In the context of the regional level, a food and nutrition matrix with key indicators to monitor over a long-term time horizon (10 to 15 years) will provide means for tracking the regional outcomes on achieving nutritional improvements for populations of interest. At country level, `State of FNS' baseline studies and their conclusions on entry points and opportunities, will inform a series of tasks each of which will demonstrably contribute to one or more of the four pillars described above. These tasks will either be Recipient Executed grants or Bank Executed tasks made in response to specific needs.

**Links and synergies with other initiatives**

14. The Project will complement and supplement other initiatives in the region. In particular the Project will (i) be cognisant of the FNS status in each of the countries of operation and at the regional level (ii)
explicitly work with existing networks of development partners and especially civil society networks and develop new networks where needed.

Role of the various actors and stakeholders

15. **Regional bodies**, represent important partners in developing FNS policies, setting norms and standards regionally and making the countries adopt consistent approaches to FNS issues.

16. **Development Partners**. Partners actively contributing to implementation of and investments in a multi-sectoral approach to under-nutrition. These may include bi-lateral and multi-lateral donors and other international organizations.

17. **Governments**. At central level, the partner governments from South Asian countries (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka) mainly through their sectoral Ministries and in particular the Ministries of Health and Social Welfare will be key partners for more effective and integrated food and nutritional security-related policies and investments.

18. **Civil Society**. The civil society is required as redoubtable partner to active support to raise their awareness and capacities to participate in public food and nutritional security-related programs.

19. **Universities and Policy Institutes**. Universities and institutes can provide significant resources to addressing the capacity gaps of the current system.

20. **Private Sector**. Finally, the private sector is also a critical stakeholder involved in agricultural inputs, and the storage, transportation, processing and marketing of food. The private sector is the source of income for many individuals, an important requirement for food security, and their policies and supply chains can have a substantial effect on availability, quality and price of food.

MDTF Governance Structure

21. The governance structure for the MDTF will comprise a Donor Committee, the Secretariat and country focal points.

22. The Donor Committee will include each donor contributing to the MDTF and the Bank. The Donor Committee will provide strategic guidance and will review the annual work-plan and the overall progress and implementation of the Project. The Donor Committee will meet annually in person or virtually. Other stakeholders may be invited to participate in the donor committee meetings as needed.

23. The Secretariat will comprise the program manager supported by a small team of Bank staff. The Secretariat will be responsible for the day-to-day management and administration of the MDTF. In addition, the Secretariat will organize Donor Committee meetings, coordinate the allocation of funds and prepare annual reports.

24. A country focal point will be selected for each country in the South Asia region. The country focal point will be responsible for in-country coordination of FNS activities and partnership development.

25. In addition, the structure will also include designated Country Focal Points as "knowledge brokers" – one in each country – who will be responsible for portfolio management, coordination, and partnership development. Similarly, the FNS Spokespersons / Champions would be identified in each of the countries as senior opinion leaders with convening power to influence policy making and set the direction for highlighting FNS issues in each country.

Preliminary Risk analysis and mitigation plan
26. The preliminary anticipated risks and the mitigation plan for the Project, which may be reviewed and updated from time to time by the Donor Committee and do not create any right or obligation on the Parties, can be categorized as follows:

- **Regional Level**: (i) propensity to act nationally; (ii) lack of sufficient regional platforms/ "space" to plan and coordinate regional actions; (iii) lack of established mechanisms for follow-through on regional agreements reached; (iv) logistical barriers in implementation coordination across national boundaries. However, favoriting the Project is the fact that even at the regional level (e.g. SAARC) it is widely appreciated that food and nutrition security offers one of the best prospects for closer and more integrative regional work.

- **National/ Subnational Level** lack of adequate response by governments due to political economy factors such as; (i) other spending priorities and short-term goals; (ii) systemic inertia preferring existing arrangements; (iii) insufficient learning from traction of Project messages; and (iii) deep institutional barriers to effective multi-sectoral work on FNS. Mitigation measures include: (a) actionable political economy analysis (PEA), focused at understanding and navigating around these constraints; (b) a PEA-informed outreach/communications strategy to empower a broad front of stakeholders and “champions” for change, at all levels; (c) enhanced learning from other countries’ (cross-cutting) experiences to enlarge the (perceived) zone of feasible actions (notably from South-South exchanges).

- **Local Level**: lack of adoption due to weaknesses in understanding Project messages and/or weaknesses in program design and implementation capacity. As such, Project design includes mitigation measures against these factors, including better learning and more accessible messages, and attention to design and implementation issues.

**Strategic Communications and Knowledge Management**

27. The Project will have a multi-proroged communications strategy. The strategy would focus on promoting cross-sectoral learning, generating awareness amongst various stakeholders at country and regional levels, maintaining visibility amongst key stakeholders, and focus on communication and outreach of key messages through periodic knowledge products and events.

**Monitoring**

28. The World Bank, as the administrator of the MDTF, will have responsibilities for monitoring the Project, in accordance with the provisions of this Administration Arrangement.

29. The Project will support activities at regional, national and community/household levels with indicative results, as follows:

(a) At the regional level it is expected that (i) an emerging set of standards (e.g. Food and Nutrition Matrix of Key Indicators, Food Safety guidelines) will provide regional public goods; and (ii) a network for cross-country learning can facilitate change at the national level.

(b) At the national and sub-national level, the Project will focus on development policies and plans that can; (i) expand the scale/scope and effectiveness of food nutrition safety (FNS) operations, or (ii) facilitate improvements in the design of delivery mechanisms.

(c) At the community level, the Project results will relate to; (i) ‘best practice’ learning through community projects, (ii) improved demand-side accountability for FNS-related public services,

---

6 These risks are to be regarded as "given conditions", since any mitigation measure will be beyond the reach any such program.
(iii) support implementation of local service providers that improve their systems and capacities, and (iv) foster innovations in FNS program and service to better address community and culture-specific needs. The cross-cutting foundation of this approach will be to create a conducive environment that allows a range of partners to increase the scale, scope and effectiveness of the FNS programs.

30. The Donor and the Bank agree that the above mentioned indicative results (as such may be reviewed, refined and updated from time to time) will be utilized by the Bank to assess the progress achieved by the Project and will be referred to in the reports prepared by the Bank pursuant to paragraph 3 of Annex 2 (Standard Provisions) to this Administration Arrangement.

31. Furthermore, the Project is intended to finance a program of activities, of which some will be executed by the Bank and others by third party recipients, including Bank’s member countries, public/private sector entities and non-governmental organizations. The Donor and the World Bank accept that: (i) any indicators and results developed for the Project shall be indicative only in nature and subject to change for reasons beyond the World Bank’s control and responsibility such as, but not limited to, policy or managerial actions or decisions of third party recipients of financing under this Project; (ii) such indicative indicators and results are to be used exclusively for monitoring purposes; and (iii) progress against such indicative indicators or results does not constitute a ground for the Donor to: withhold any amount of its contribution; withhold any payment under the schedule set out in paragraph 3 of this Administration Arrangement; or request a refund of any amount of its contribution already disbursed to the World Bank.

Operations Manual

32. The Project is going to be implemented, in accordance with an operations manual to be adopted by the Donor Committee, which will set out, inter alia: (i) detailed management and governance structures and arrangements; (ii) eligibility criteria/eligible sectors or themes, etc. along with details on the procedures for accessing funding; (iii) a logical framework matrix including baseline data and indicators and a methodology for monitoring progress under the Project and expected results; and (iv) multiannual indicative work-plan; (v) a strategy for communication and visibility.

Eligible Expenditures

33. For Bank-executed activities, the Trust Fund funds may be used to finance: (i) Associated overheads; (ii) Consultants fees individuals and firms; (iii) Contractual services; (iv) Extended term consultants (no indirect); (v) Extended term consultants (vi) Media, workshop, conference and meeting costs; (vii) Staff Costs (with indirect costs); (viii) Staff costs (no indirect costs); (ix) Temporary staff costs (no indirect); (x) Temporary staff costs; and (xi) Travel expenses related to the Project, incurred by regular Bank staff and consultants.

34. For Recipient-executed activities, the Trust Fund funds may be used to finance: (i) Works; (ii) Goods; (iii) Consultant Services; (iv) Training and Workshops; (v) Sub-grants; and (vi) Operating Costs.

Taxes

35. The foregoing activities and categories of expenditures may include the financing of taxes in accordance with the Bank’s applicable policies and procedures.
Standard Provisions

This Annex shall be applicable to and form an integral part of all Administration Agreements between the Bank and the respective Donors.

1. **Administration of the Contributions**

1.1 The Bank shall be responsible only for performing those functions specifically set forth in this Administration 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 Administration Agreement shall be considered a waiver of any privileges or immunities of the Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

1.2 Each Donor's Contribution (collectively, 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 procurement, financial management, disbursement and safeguard policies, 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 Donors acknowledge 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 a Donor.

2. **Management of the Contributions**

2.1 The funds deposited in the Trust Fund shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the Bank. The funds deposited in the Trust Fund may be commingled with other trust fund assets maintained by the Bank. The Bank, in its capacity as trustee, has legal title to the funds deposited in the Trust Fund.

2.2 The currency in which the funds in the Trust Fund shall be held is United States Dollars (the "Holding Currency").

2.3 Donors agree to deposit their Contributions in the Contribution Currency stated in their respective Administration Agreements. In the case of deposits received in a Contribution Currency other than the Holding Currency, promptly upon the receipt of such amounts and the accompanying Deposit Instructions, the Bank shall convert such amounts into the Holding Currency at the exchange rate obtained by the Bank on the date of the conversion. Where deposits prove to be insufficient to complete activities as a result of exchange rate fluctuations, neither the Bank nor the Donor shall bear any responsibility for providing any additional financing.

2.4 The funds deposited in the Trust Fund may be freely exchanged by the Bank into other currencies as may facilitate their disbursement at the exchange rate obtained by the Bank on the date of the conversion.

2.5 The Bank shall invest and re-invest the funds deposited in the Trust Fund pending their disbursement in accordance with the Bank's applicable 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. **Trust Fund Fees and Costs**

3.1 The Bank shall deduct and retain for its own account, as a deduction from each Installment, an amount equal to two percent (2%) per Installment as an administrative fee for the Trust Fund.

3.2 In addition, costs incurred by the Bank for other expenses, such as for program management and Trust Fund administration, that are (i) not covered by the percentage deduction specified above as an administrative fee and (ii) not included under Annex 1 of the Administration Agreements in accordance with the Bank’s applicable policies and procedures shall be charged to the Trust Fund on an actual basis up to a maximum of five percent (5%) of the total Contributions under all Administration Agreements.

3.3 Each Donor acknowledges and agrees that the percentage deductions for fees in this Trust Fund Fees and Costs section are estimated on the basis of anticipated Contributions. If actual Contributions significantly differ from what was originally anticipated at the time of signature of the first Administration Agreement, or if other circumstances affecting Trust Fund fees or costs change, the Bank reserves the right to request a change to the terms of this Trust Fund Fees and Costs section, which would be effectuated by amendments made to the Administration Agreements of all Donors and which would thereafter be applicable to all new Contributions that are provided either as amendments to supplement existing Administration Agreements or from new Donors under new Administration Agreements.

4. **Accounting and Financial Reporting**

4.1 The Bank shall maintain separate records and ledger accounts in respect of the funds deposited in the Trust Fund and disbursements made therefrom.

4.2 The Bank shall furnish to the Donors current financial information relating to receipts, disbursements and fund balance in the Holding Currency 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 the Holding Currency with respect to the Contributions shall be made available to the Donors via the World Bank’s Trust Funds Donor Center secure website.

4.3 The Bank shall provide to the Donors via the World Bank’s Trust Fund Donor Center secure website, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (i) 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 (ii) 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.

4.4 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 borne by the requesting Donor.
4.5 The Bank shall make available to the Donors copies of all financial statements and auditors’ reports received by the Bank from Recipients pursuant to any Grant Agreements (as defined below) in accordance with the Bank’s Access to Information Policy.

5. **Progress Reporting**

5.1 The Bank shall provide the Donors with annual reports on the progress of activities financed by the Contributions. Within six (6) months of the End Disbursement Date (as defined below), the Bank shall furnish to the Donors a final report on the activities financed by the Trust Fund.

5.2 Any Donor may review or evaluate activities financed by the Trust Fund at any time up to six (6) months following the End Disbursement Date. 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 the Bank’s applicable policies and procedures. All associated costs, including any costs incurred by the Bank, 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.

6. **Disbursement; Cancellation; Refund**

6.1 It is expected that the funds deposited in the Trust Fund will be fully disbursed by the Bank by September 30, 2019 (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.

6.2 Any Donor may cancel all or part of such Donor’s pro rata share, and the Bank may cancel all or any Donors’ pro rata shares, upon three (3) months’ prior written notice, of any Contributions (paid and not yet paid) that are not committed pursuant to any agreements entered into between the Bank and any consultants and/or other third parties for the purposes of this Administration Agreement, including any Grant Agreements, prior to the receipt of such notice. In the event of a cancellation, the Bank shall return to the Donor its pro-rata share in the Holding Currency as specified in the Administration Agreement; unless otherwise agreed between the Bank and the Donor.

7. **Disclosure; Dispute Resolution**

7.1 The Bank shall disclose the Administration Agreements and related information on this Trust Fund in accordance with the Bank’s Policy on Access to Information. By entering into Administration Agreements, the Donors consent to such disclosure of their respective Administration Agreements and such related information.

7.2 The Donors and the Bank shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of or relating to the Administration Agreements.

8. **Grants to Recipients**
8.1 The Bank shall, as administrator of the Trust Fund on behalf of the Donors, enter into one or more grant agreements (the “Grant Agreements”) with recipients (the “Recipients”) consistent with the purposes of this Administration Agreement and on the terms and conditions set forth in the Grant Agreements. Grant Agreements 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.

8.2 The Bank shall be responsible for the supervision of the activities financed under any Grant Agreements. Subject to the consent of any relevant Recipients, representatives of the Donors may be invited by the Bank to participate in Bank supervision missions related to the Trust Fund.

8.3 The Bank shall promptly inform the Donors of any significant modification to the terms of any Grant Agreements and of any contractual remedies that are exercised by the Bank under any Grant Agreements. 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.