Ref: WB/CD/199/07/06/2013

H.E. Mr. Stephan Schonemann
Ambassador
The Royal Danish Embassy
Addis Ababa

Your Excellency,

Administration Agreement between the Government of the Kingdom of Denmark, represented by the Royal Danish Ministry of Foreign Affairs, and the International Development Association concerning the Multi Donor Trust Fund for the Ethiopia Productive Safety Nets Partnership (TF055287)

1. The International Bank for Reconstruction and Development and the International Development Association (the “Bank”) acknowledges that the Government of the Kingdom of Denmark (the “Donor”, and together with the Bank, the “Parties” and each a “Party”) agrees to provide the sum of twelve million Danish Kroner (DKK12,000,000) (the “Contribution”) for the Ethiopia Productive Safety Nets Partnership Multi Donor Trust Fund (TF055827) (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 “Ethiopia Productive Safety Nets Partnership Multi Donor Trust Fund (TF055827) Trust Fund 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.

3. The Donor shall deposit the entire Contribution in the currency specified in Section 1 above (“Contribution Currency”) into such bank account designated by the Bank upon submission of a payment request by the Bank.
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 TF055827 (the Ethiopia Productive Safety Nets Partnership Multi Donor Trust Fund), 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”):

For the attention of Ms. Camilla Holmemo  
Senior Economist, AFTSE  
The World Bank, Africa Avenue, Bole Road Addis Ababa  
Ethiopia

For the Donor (the “Donor Contact”):

His Excellency Stephan Schönemann  
Ambassador, The Royal Danish Embassy  
Bole Ketema, Kebele 03, P.O. Box 12955  
Addis Ababa, Ethiopia

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’s applicable donor balance account with the Bank, unless otherwise agreed with the Bank.

7. 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.
8. 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.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Qaiser M. Khan
Acting Country Director for Ethiopia
Africa Region

AGREED:

KINGDOM OF DENMARK
(Represented by the Royal Danish Ministry of Foreign Affairs)

By: [Signature]

Name: STEPHAN SCHÖNEMANN

Title: [Ambassador]

Date: 21 June 2013
ANNEX 1

Description of Activities and Expenditures under the Multi-Donor Trust Fund for the Ethiopia Productive Safety Nets Partnership

Objectives and Scope

The objectives of the program supported by the Multi-Donor Trust Fund for the Ethiopia Productive Safety Nets Partnership is to: (a) improve donor coordination with respect to the Ethiopia Productive Safety Nets Program (the Program), and (ii) support analytical, advisory and knowledge sharing.

Activities

(a) Coordination/Facilitation

A full time coordinator/facilitator will: (i) support the Chair of the Donor Working Group and will facilitate the work of the Joint Coordination Committee (Government of Ethiopia/Donors); (ii) provide management of technical assistance activities; and (iii) identify and develop opportunities for enhancing harmonization.

(b) Analytical/Advisory

Support for analytical, advisory and knowledge sharing activities for the Program.

Categories of Expenditures

Staff Costs (Salary & Benefits), Staff Field Benefits, Associated Overheads, Short Term Consultant Fees, Contractual Services, Extended Term Consultants, Temporary Staff Costs, Travel Expenses, and Media and Workshops.
ANNEX 2

Standard Provisions Applicable to the Multi-Donor Trust Fund for the Ethiopia Productive Safety Nets Partnership

The following provisions (hereinafter referred to as the “Standard Provisions”) will be applicable to and form an integral part of all arrangements entered into between the International Development Association (“IDA”) and donor countries and/or organizations (hereinafter referred to as the “Donors”) that provide grants (referred to as the “Contributions”) to be administered by IDA for the Multi-Donor Trust Fund for the Ethiopia Productive Safety Nets Partnership (the “Project”).

1. **Administration of the Contributions**
   
   IDA will be responsible only for performing those functions specifically set forth in this Agreement and will 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 will be considered a waiver of any privileges or immunities of the IBRD and IDA under their Articles of Agreement or any applicable law, all of which are expressly reserved.

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

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

   2.2. The Contribution funds may be freely exchanged by IDA into other currencies as may facilitate their disbursement.

   2.3. IDA will invest and reinvest the Contribution funds pending their disbursement in accordance with IDA’s policies and procedures for the investment of trust funds administered by IDA. IDA will credit all income from such investment to the trust fund established under this Agreement to be used for the same purposes as the Contribution funds.

3. **Administrative Cost Recovery**

   In order to assist in the defrayment of the costs of administration and other expenses incurred by IDA under this Agreement, IDA may, following deposit of Contribution funds, deduct from such funds and retain for IDA’s own account an amount equal to five percent (5%) of the Contributions.

4. **Employment of Consultants**

   The employment and supervision of consultants financed by the Contributions will be the responsibility solely of IDA and will be carried out in accordance with its applicable policies and procedures.
5. **Accounting and Financial Reporting**

5.1. IDA will maintain separate records and ledger accounts in respect of the Contributions deposited in the trust fund account and disbursements made therefrom.

5.2. Within ninety (90) days of each March 31, June 30, September 30 and December 31, IDA will furnish to the Donors an unaudited cash-based statement of receipts, disbursements and fund balance in United States Dollars with respect to the Contributions. Within six (6) months of the final disbursement date specified in paragraph 7.1 after all commitments and liabilities under this trust fund have been satisfied and the trust fund has been closed, IDA will furnish to the Donors a final unaudited cash-based statement of receipts, disbursements and fund balance in United States Dollars with respect to the Contribution funds.

5.3. IDA will provide to the Donors, within six (6) months following the end of each Bank fiscal year, a management assertion together with an attestation from IDA’s external auditors concerning the adequacy of internal control over cash-based financial reporting for trust funds as a whole. The cost of such attestations will be borne by IDA.

5.4. If a Donor wishes to request, on an exceptional basis, a financial statement audit by IDA’s external auditors of the trust fund established under this Agreement, the Donor and IDA will first consult as to whether such an external audit is necessary. IDA and the Donor will agree on the most appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, IDA will arrange for such external audit. The cost of any such audit, including the internal costs of IDA with respect to such audit, will be paid by the Donor.

6. **Coordination and Project Reporting**

IDA will 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, IDA will furnish to the Donors a final report on the Project activities.

7. **Disbursement Deadline; Cancellation; Refund**

7.1. It is expected that the Contribution funds will be fully disbursed by IDA in accordance with the provisions of this Agreement by October 31, 2015. IDA will only disburse Contribution funds for the purposes of this Agreement after such date with the written approval of the Donors.

7.2. Any Donor or IDA 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 Contribution funds that is not committed pursuant to any arrangements entered into between IDA and any consultants and/or other third parties for the purposes of this Agreement prior to the receipt of such notice.
7.3. Upon the final disbursement date specified in paragraph 7.1, IDA will return any remaining balance of the Contribution funds to the Donors on a pro rata basis. In the event of a cancellation of an individual Donor’s pro rata share of uncommitted Contribution funds in accordance with paragraph 7.2, IDA will return such cancelled balance to the Donor.

8. Disclosure

IDA may disclose this Agreement and information on this trust fund in accordance with IDA’s policy on disclosure of information.
Drafted by: Mohammed Nadeem (LEGAM)
Cleared by: Anne Anglio (TACT), Mohammed Nadeem (LEGAM)