TRUST FUND MTO NO: 069025

THE GOVERNMENT OF AUSTRALIA REPRESENTED BY THE AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

CONTRIBUTION ARRANGEMENT

relating to the trust fund for the AgResults Initiative
AgResults Fund TF No. 069025

Dated 12 June 2013
This Contribution Arrangement (the "Arrangement") is made on 12 June 2013 between

(1) THE GOVERNMENT OF AUSTRALIA REPRESENTED BY THE AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (the "Contributor"); and

(2) INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, an international organization which maintains its headquarters at 1818 H Street, NW, Washington, DC, 20433, United States of America ("IBRD").

Whereas:

(A) The Contributor has on March 14, 2013 agreed to the AgResults Fund Framework with, amongst others, IBRD, as attached in Annex 2 (the "AgResults Fund Framework") in relation to an innovative initiative that will enhance global food security and improve the livelihoods of developing country farmers through prizes and other market-based incentives with a results-driven funding or pull mechanisms that reward innovators for tackling some of the biggest problems in food security and agricultural development (the "AgResults Initiative").

(B) The AgResults Fund Framework contemplates the establishment of a financial intermediary fund with IBRD as trustee that will receive contributions from the Contributor and others in connection with the AgResults Initiative TF No.069025 (the "AgResults Fund").

(C) The Contributor now intends to make a contribution to the AgResults Fund in accordance with the terms of this Arrangement.

NOW THEREFORE:

1. We are pleased to acknowledge on behalf of IBRD, as trustee (the "Trustee"), that the Contributor will make available as a grant the sum of AUD 20,000,000 plus any investment income accrued on the principal amount of AUD 5,000,000 which was transferred to donor balance account TF No.029047 (the "Contribution") for the AgResults Fund TF No.069025, a financial intermediary fund established for the financing of activities undertaken in relation to the AgResults Initiative consistent with the terms of the AgResults Fund Framework attached for information purposes in Annex 2. Other contributors are also expected to contribute to the AgResults Fund on the terms and conditions specified in Annex 1 to this Arrangement and consistent with the AgResults Fund Framework. The Contributor will not under any circumstances be liable to IBRD or the other contributors of
the AgResults Fund for any amount in excess of the amounts from time to time obligated under this or an amended Contribution Arrangement.

2. The Contribution will be administered by the Trustee on behalf of the Contributor in accordance with the terms of the "Standard Provisions Applicable to the AgResults Fund" (the "Standard Provisions") attached hereto as Annex 1. Annex 1 constitutes an integral part of this Arrangement. Capitalized terms used in this Arrangement (including Annex 1) and that are not defined will have the meanings given to them in the AgResults Fund Framework.

3. The Contributor will deposit the Contribution into such bank account designated by IBRD

(a) AUD 5,000,000 to be transferred from the Contributor’s donor balance account TF No. 029047 held at IBRD, including any investment income accrued on that amount to the donor balance account TF No. 029047, promptly following countersignature of this Agreement by the Contributor; and

(b) on or before July 31, 2014, AUD 15,000,000;

4. When making each such deposit of Contribution funds, the Contributor will instruct its corresponding bank to include in its payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Contributor for TF No. 069025 (the AgResults Fund), and the date of the deposit.

5. Except as provided for in paragraph 4 above, any notice, request or other communication to be given or made under this Arrangement will be in writing and delivered by mail or facsimile 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 Trustee:

Susan McAdams
Director
Multilateral Trusteeship and Innovative Financing
The World Bank
1818 H Street, NW
Washington, DC 20433
U.S.A.
For the Contributor:

Kerri Elgar

G20 Program and Policy Manager
Sustainable Economic Development Branch
Australian Agency for International Development
GPO Box 887
Canberra, ACT. 2601
Australia
Tel: +61 2 6178 5609
Fax: +61 2 6178 4634

7. This Arrangement may be amended only in writing between IBRD and the Contributor; provided, however, that Annex 1 to this Contribution Arrangement may be amended only by written amendment of all donors contributing to the AgResults Fund.

8. Each of the undersigned represents, by confirming its acceptance below, that it is authorized to enter into this Contribution Arrangement and act in accordance with its provisions. IBRD and the Contributor are each requested to sign and date this Contribution Arrangement and upon possession by IBRD of this fully signed Contribution Arrangement, this Contribution Arrangement will become carried out as of the date of the last signature.

10. Each of IBRD and the Contributor hereby acknowledge and accept their ongoing collaboration and negotiations with respect to the overall framework for implementing and applying the Australian Due Diligence Standards as such standards are currently being implemented and applied by the Contributor.
For the International Bank for Reconstruction and Development

By: Susan McAdams
Title: Director
Multilateral Trusteeship and Innovative Financing

April 25, 2013

For the Australian Agency for International Development

By: Blair Exell
Title: FA-DC
Policy & Sector DO
Australia

12/6/13
This Annex 1, Standard Provisions Applicable to the AgResults Fund, (the "Standard Provisions") will be applicable and form an integral part of all arrangements entered into between the International Bank for Reconstruction and Development ("IBRD"), serving as trustee (the "Trustee") of the AgResults Fund (the "Trust Fund") and the contributing countries and/or the other entities (collectively, the "Contributors") that provide contributions (the aggregate of all contributions from the Contributors, the "Contributions") to be administered by the Trustee for the Trust Fund.

1. Establishement of the Trust Fund

1.1 The Trustee will establish the Trust Fund to receive Contributions from the Contributors and will hold in trust, as legal owner, and administer the funds, assets and receipts that constitute the Trust Fund, to support the activities of the Trust Fund in accordance with the terms of this Arrangement. Without prejudice to the foregoing, and except as otherwise provided herein, the Trustee will administer the funds, assets and receipts that constitute the Trust Fund only for the purpose of, and in accordance with the relevant decisions of the Steering Committee in connection with the AgResults Fund Framework. The Trustee will be closely consulted in the development of decisions taken by the Steering Committee which relate in any way to the functions of the Trustee performed or to be performed under this Arrangement. In the absence of such consultation with and the agreement of the Trustee, the Trustee will not be bound by any decision of the Steering Committee, to the extent that such a decision relates to the functions of the Trustee performed or to be performed under this Arrangement.

1.2 The Contributors acknowledge and agree that neither the Trustee, nor any part of IBRD, has responsibility for (i) confirming that funds from the AgResults Fund were used for its intended purposes; (ii) unless otherwise approved by the Steering Committee, implementing, monitoring, supervising, evaluating, or providing quality assurance for activities funded by the Trust Fund; (iii) providing the Steering Committee with financial progress, results or impact reporting for activities funded by the Trust Fund; (iv) any misuse or mis-procurement by any entity other than the Trustee with respect to funds from the Trust Fund.
1.3 The Contributors further acknowledge and agree that the Trustee will transfer funds requested by the Secretariat on the basis of documented approvals by the Steering Committee and fully completed Funds Transfer Requests as specified in the AgResults Fund Framework, without any further requirement for the Trustee to review any project proposals submitted to the Steering Committee or any other activities to implement Approved AgResults Projects. The Trustee will be entitled to rely on any decision of the Steering Committee and on fully completed Funds Transfer Requests without additional review. In particular, the Trustee will not have any responsibility for reviewing the appropriateness of any decision by the Steering Committee and/or Secretariat or for reviewing the accuracy of any information that forms part of the Funds Transfer Requests, including payment information.

1.4 IBRD will serve as the Trustee of the Trust Fund from March 26, 2013 until the end of the AgResults Term unless such appointment is terminated by the Steering Committee and/or IBRD upon providing six (6) months prior written notice. Once such notice of termination has been provided, IBRD as Trustee will cooperate with the Steering Committee as reasonably necessary to arrange for an orderly transition of all services provided under this Arrangement in connection with the AgResults Fund Framework to another trustee, as well as the transfer of assets and records of the Trust Fund.

2. **Administration of the Contributions**

2.1 The Trustee will be responsible only for performing those functions specifically set forth in this Arrangement and will not be subject to any other duties or responsibilities to the Contributors, 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 Arrangement will be considered a waiver of any privileges or immunities of IBRD under its Articles of Agreement or any applicable law, all of which are expressly reserved.

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

3.1 The Contributions will be accounted for as a single trust fund and will be kept separate and apart from the funds of IBRD. The Contributions may be commingled with other trust fund assets maintained by IBRD.
3.2 The Contributions may be freely exchanged by the Trustee into other currencies as may facilitate their disbursement at the exchange rate obtained by the Trustee on the date of the conversion.

3.3 In the case of deposits received in a currency other than United States dollars, promptly upon the receipt of such amounts and the accompanying Deposit Instructions, the Trustee will convert such amounts into United States dollars at the exchange rate obtained by the Trustee on the date of the conversion. The Trustee will promptly inform the Contributor of the corresponding United States dollar amount. Where deposits prove to be insufficient to complete activities as a result of exchange rate fluctuations, neither the Trustee nor the Contributor will bear any responsibility for providing any additional financing.

3.5 The Trustee will invest and reinvest the funds deposited in the Trust Fund pending their disbursement in accordance with the Trustee’s applicable policies and procedures for the investment of trust funds administered by the Trustee. The Trustee will credit all income from such investment to the Trust Fund to be used for the purposes of the Trust Fund.

4. Trust Fund Fees and Costs

4.1 The Trust Fund will operate under full cost recovery basis, including recovery of all actual costs associated with the design and establishment of the Trust Fund. These include administrative costs of the Trustee such as staff time associated with supporting the AgResults Initiative for cash flow and liquidity analysis, management of Contributions, fund transfers to the Secretariat and other AgResults Initiative participants, periodic financial reporting to Contributors including an annual single audit assertion and attestation, investment management, legal services and accounting. Costs of systems (development and maintenance as applicable) and other institutional costs may also be covered.

4.2 Any additional costs and expenses incurred by the Trustee for providing certain interim secretariat services prior to the establishment of the Trust Fund and the appointment of the Secretariat will be charged to the Trust Fund on an actual basis.

4.3 The Trustee will submit an annual budget report to the Steering Committee with an estimate of expected costs and expenses for the then current fiscal year, providing a breakdown of such costs and expenses. This report will also contain details of the Trustee’s actual costs and
expenses incurred during the previous fiscal year with an explanation of any differences, positive and negative, as compared with its estimate provided during the previous fiscal year.

4.4 Upon submitting an annual budget report to the Steering Committee, the Trustee may transfer to the Trustee's account, as applicable, the respective amount of compensation as set out in such annual budget report; provided that such amount of compensation transferred will be subject to an end of year adjustment based on actual costs incurred.

5. **Accounting and Financial Reporting**

5.1 The Trustee will maintain separate records and ledger accounts in respect of the funds deposited in the Trust Fund and disbursements made therefrom.

5.2 The Trustee will report to the Steering Committee semi-annually on the financial status of the Trust Fund including information on the status of Contributions, investment income, commitments, transfers and funds available for allocation by the Steering Committee.

5.3 The Trustee will provide to the Contributors via the World Bank's Trust Fund Donor Center secure website, within six (6) months following the end of each fiscal year, an annual single audit report, comprising (i) a management assertion together with an attestation from the Trustee'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 Trustee's external auditor's opinion thereon. The cost of the single audit will be borne by the Trustee.

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

6. **Disbursement; Cancellation; Refund**

6.1 It is expected that the funds deposited in the Trust Fund will be fully disbursed by the Trustee by 31 December 2022. The Trustee will only disburse funds deposited in the Trust Fund
for the purposes of this Arrangement (other than returns to Contributors) after such date to the extent such date is changed in accordance with amendments made to the AgResults Fund Framework. Following such date, the Trustee will, as instructed by each Contributor in writing, return any remaining balance of the Trust Fund to each Contributor or, to the relevant Donor Balance Account, or, transfer such remaining balance to any other trust fund or fund administered by IBRD, in United States dollars on a pro rata basis with regard to the total funds deposited in the Trust Fund by such Contributor relative to the total funds deposited in the Trust Fund by all Contributors, all calculated in United States dollars.

6.2 Any Contributor may cancel all or part of such Contributor's pro rata share, and the Trustee may cancel all or any Contributors' pro rata shares, upon three (3) months' prior written notice, of any Contributions (paid and not yet paid) that are not committed in connection with the AgResults Fund Framework prior to the receipt of such notice. In the event of a cancellation, the Trustee will return to the relevant Contributor or Contributors, in United States dollars, the pro rata share(s) of any such uncommitted balance of the Trust Fund, in accordance with any additional terms that may be agreed between the Trustee and each such Contributor.

7. Disclosure; Dispute Resolution

7.1 IBRD will disclose the Contribution Arrangements and related information on this Trust Fund in accordance with IBRD's Policy on Access to Information. The Contributors may disclose the Contribution Arrangement and related information in accordance with any applicable legislation, regulations or pursuant to the policies and practices of any Contributor. By entering into Contribution Arrangements, the Contributors and IBRD consent to such disclosure of their respective Contribution Arrangements and such related information.

7.2 The Contributors and IBRD will use their best efforts to amicably settle any dispute, controversy, or claim arising out of or relating to the Contribution Arrangements.
AgResults Fund Framework
(For information purposes only)
AGRESULTS FUND FRAMEWORK

relating to the AgResults Initiative
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INTRODUCTION

The idea of applying "pull mechanisms" in agriculture was launched at the June 2010 G20 summit in Toronto, where leaders committed to find incentives to harness the private sector for agricultural innovation. In order to investigate these mechanisms further, AusAID, Canada, the United States of America, DFID and the Bill & Melinda Gates Foundation collaborated with like-minded contributors and with the support of IBRD.

Together they developed an innovative initiative that will enhance global food security and improve the livelihoods of developing country farmers through market-based incentives with results-driven funding or pull mechanisms that reward innovators for tackling some of the biggest problems in food security and agricultural development (the "AgResults Initiative"). Pull mechanisms are designed to overcome market failures and encourage private and public sector innovators to develop products and services that they would not otherwise bring to the market.

Pull mechanisms constitute a particular genus within the broad family of mechanisms that provide incentives for innovation, and pull mechanisms for development constitute a particular species of mechanism within that genus. Speaking generally, pull mechanisms involve the ex post provision of economic incentives for innovation where the aim is to solve a specific, well-defined problem. Pull mechanisms provide rewards for desired results that are extensively specified in advance, without preference as to the market participants, strategies and technologies that might be involved in achieving them.

Push mechanisms, by contrast, involve the ex ante provision of incentives for private sector innovation. They direct incentives to the inputs and processes that are considered likely to be required to achieve desired results. The results may or may not be specified to some degree in advance, but the incentives are not conditional on their achievement. Incentives might be directed to specific private actors, selected competitively on the basis of capability, or to an open field of actors by means of legislative or regulatory concessions.

IBRD solicited 38 pull mechanism ideas from 24 experts in four different thematic areas. With the assistance and recommendation of an Expert Advisory Group, the Steering Committee has recommended a number of those ideas for further development and donor funding.

The AgResults Initiative was officially launched at the G20 Summit in Los Cabos, Mexico, on June 18, 2012. AusAID, Canada, DFID, the United States of America, as well as the Bill & Melinda Gates Foundation, are supporting this effort, including financial contributions that will be administered by IBRD as Trustee with the additional support of the Secretariat.

The stakeholders of this initiative now wish to set out their understanding of the operating framework for the AgResults Initiative.
PART ONE: DEFINITIONS

1 Definitions

Unless otherwise expressly defined in this AgResults Fund Framework all capitalised provisions have the meanings as follows:

“Additional Contributor” means any contributor to the AgResults Fund from time to time in addition to the then current Contributors under this AgResults Fund Framework;

“AgResults Fund” means the financial intermediary fund managed by IBRD as Trustee in relation to the AgResults Initiative;

“AgResults Objectives” means the key aims and goals of the AgResults Initiative as set out in Paragraph 2.1 of this AgResults Fund Framework;

“AgResults Term” means the term beginning from the first anniversary of the date of this AgResults Fund Framework and ending on 31 December 2022 or any other date as determined by the Steering Committee in consultation with the Trustee and the Secretariat;

“AgResults Website” means the website accessible to the public and maintained by the Secretariat;

“Approved AgResults Projects” means the final project proposals developed by the Secretariat that have been approved by the Steering Committee;

“AusAID” means the government of Australia as represented by the Australian Agency for International Development;

“Canada” means Her Majesty in Right of Canada as represented by the Minister of Finance;

“Confidential Information” means (i) any information discussed or deliberated by the Steering Committee in connection with the AgResults Initiative which is of a commercially sensitive or price-sensitive nature and clearly marked or otherwise identified as confidential; (ii) any other information received by the Steering Committee in connection with the AgResults Initiative that is clearly marked or otherwise identified as confidential; or (iii) any other information received by any of the Secretariat, Trustee or other participants in the AgResults Initiative at any time which is of a commercially sensitive or price-sensitive nature that is clearly marked or otherwise identified as confidential, provided that such term does not include information that: (a) is publicly available at the time of disclosure; (b) becomes publicly available following disclosure in accordance with the provisions of the relevant project; (c) was lawfully known by the recipient prior to being disclosed; (d) subsequently becomes publicly known through no act or omission by the recipient or any person acting on behalf of the recipient or (e) is required to be disclosed by action of any court, tribunal or regulatory authority or by any requirement of law, legal process, regulation, or governmental order, decree or rule;

“conflicts of interest” means financial, professional or other interests that may, or may be reasonably likely to, affect a participant’s objectivity and independence in relation to the AgResults Initiative and the AgResults Objectives, including but not limited to, the interests of immediate family members, employers, close professional associates or any others with whom the member has or has had in the past a substantial common personal, financial or professional interest;
"Contribution Agreement" means the agreement or arrangement between a Contributor and IBRD in relation to contributions to the AgResults Fund;

"Contributor" means each current contributor to the AgResults Fund from time to time including AusAID, Canada, DFID, USAID, the Gates Foundation and any Additional Contributor;

"DFID" means the Department for International Development representing the Government of Great Britain and Northern Ireland;

"Expert Advisory Group" means the group of technical experts selected by the Steering Committee to provide advice and recommendations to the Steering Committee regarding pull mechanism ideas best suited for further development and contributor funding under the AgResults Initiative;

"External Impact Evaluator" means the evaluator appointed by the Steering Committee to carry out the impact assessment in relation to each Approved AgResults Project as well as the AgResults Initiative as a whole as set out in Paragraph 14 of the AgResults Fund Framework.

"Funds Transfer Request" means a request, substantially in the form set out in Schedule 1, which is sent by the Secretariat to the Trustee requesting payment to be made to AgResults participants such as Project Managers, Verifiers and award recipients;

"Gates Foundation" means the Bill & Melinda Gates Foundation, a charitable trust formed under the laws of the state of Washington, United States of America;

"IBRD" means the International Bank for Reconstruction and Development, an international organization which maintains its headquarters at 1818 H Street, N.W.;

"IFC Performance Standards" means the performance standards as set out from time to time on the International Finance Corporation website at (http://www1.ifc.org/);

"Minimum Threshold" means the specific provisions which set out the objective criteria, requirements or thresholds that need to be met by interested participants under a project proposal or an Approved AgResults Project;

"Project Manager" means the project implementing entity which will carry out the implementation of an Approved AgResults Project in consultation with the Steering Committee and the Trustee in accordance with Paragraph 9;

"R&D" refers to research and development in the context of forms of project proposals as described in greater detail at Paragraph 4.2;

"Secretariat" means the entity selected and appointed by the Trustee on behalf of and at the direction of the Steering Committee to carry out certain secretariat functions in relation to the AgResults Fund under Paragraph 7;

"Secretariat Minimum Standards of Operation" means the minimum standards which the Secretariat will need to comply with in connection with its duties and commitments under this AgResults Fund Framework as set out in Schedule 3, as may be amended from time to time by the Steering Committee in accordance with Paragraph 6.7(xv);

"Steering Committee" means the committee of Contributors and the World Bank Group as established under this AgResults Fund Framework who have specific roles and...
responsibilities in the governance structure of the AgResults Initiative as set out in Paragraph 6;

“Trustee” means IBRD acting in the capacity of trustee of the AgResults Fund;

“USAID” means, representing the United States of America, the United States Agency for International Development;

“United States of America” means the government of the United States of America as represented by the United States Agency for International Development;

“Verifier” means the entity appointed in accordance with Paragraph 10 to verify that each Approved AgResults Project has met the required Minimum Thresholds prior to disbursement of funds by the Trustee; and

PART TWO: AGRESULTS INITIATIVE OVERVIEW

2 Objectives

2.1 The AgResults Initiative is intended to enhance global food security and improve the livelihoods of prospective end-users in developing countries. The objectives of the AgResults Initiative are as follows:

(i) to overcome market failures impeding the establishment of sustainable markets for developmentally-beneficial agricultural innovations, by offering results-based economic incentives (pull financing) to participants to develop and ensure the uptake of new agricultural technologies; and

(ii) to test the effectiveness and efficiency of pull financing by comparison to alternative approaches to supporting the development and uptake of innovative agricultural technologies.

3 Contributor Commitment to the AgResults Initiative

3.1 In furtherance of the objectives above, each Contributor has entered into a Contribution Agreement with the Trustee, pursuant to which it has committed to make contributions to the AgResults Fund in the manner set out therein and pursuant to the provisions thereof, including in respect of amounts due and payment dates on which each contribution is due and payable.

3.2 In the event that it is proposed that an Additional Contributor become a Contributor to the AgResults Fund, the Trustee and the Secretariat will convene a meeting of all the Contributors to discuss the proposed contribution. The Contributors will determine by consensus whether to accept such new contribution and whether to admit such Additional Contributor to the Steering Committee.

4 Scope of AgResults Initiative

The AgResults Initiative supports innovative pull mechanism projects in multiple thematic areas in agriculture including the following areas:

(i) increasing yields;

(ii) reducing post-harvest losses;

(iii) improving livestock management; and

(iv) enhancing nutrition.

4.2 Under the guidance and oversight of the Steering Committee, one or more project proposals in relation to each thematic area are to be developed by the Secretariat. These projects will be categorized as “Adoption” projects, “Research & Development” (“R&D”) projects, a hybrid of Adoption and R&D projects or another category that may develop. Adoption projects will provide financial incentives for the adoption of existing agriculture technologies with the potential to improve prospective end-users’ welfare but which have not already been adopted as a result of market failures. Adoption projects will generally focus on one country or geographic area and aim to provide a demonstration impact that could potentially be scaled up in the future. R&D projects provide financial incentives to stimulate the invention of new technologies through research and development. R&D
projects may have a global reach rather than focusing on one geographic area and would encourage private firms around the world to compete.

4.3 The Secretariat will carry out separate processes for sourcing Adoption and R&D project proposals. The processes for hybrid or other categories of project proposals will be determined on a case-by-case basis. Subject to the provisions in Parts Three and Four of this AgResults Fund Framework, only project proposals which have been approved by the Steering Committee will be developed further under the AgResults Initiative and implemented by the Secretariat.

5 Initiative Term and Targets

5.1 During the AgResults Term, the AgResults Initiative participants intend to launch Approved AgResults Projects annually on the AgResults Website. It is intended that there will be a balance between Adoption and R&D projects. Accordingly, during the first 5 years of the AgResults Term two or more Approved AgResults Projects which are launched on the AgResults website are intended to be R&D projects.

5.2 The Steering Committee may in its sole discretion, determine if the term of the initiative should be renewed for a further term, the duration of such term to be determined by the Steering Committee in consultation with the Trustee and Secretariat.
PART THREE: GOVERNANCE AND ACCOUNTABILITY

6 Steering Committee

6.1 In consideration for their contributions to the AgResults Fund and for their commitment in developing the AgResults Initiative, AusAID, Canada, DFID, USAID and the Gates Foundation will have permanent decision-making membership on the Steering Committee, subject to the provisions of this AgResults Fund Framework, in particular Paragraph 6.7.

6.2 In view of its support of the AgResults Fund and development of the AgResults Initiative, the World Bank Group is to have permanent non decision-making membership on the Steering Committee for so long as IBRD acts as Trustee of the AgResults Fund. For the avoidance of doubt, the World Bank Group will not be entitled to vote in any decision or determination of the Steering Committee other than in connection with any amendment of this AgResults Fund Framework under Paragraph 6.7(xv). Furthermore, neither the World Bank Group nor IBRD as Trustee will be responsible for

(i) monitoring or supervising the operations and performance of the Secretariat under this AgResults Fund Framework, including in respect of the Secretariat’s compliance with the Secretariat Minimum Standards of Operation and/or the IFC Performance Standards; and

(ii) the performance management or oversight of any project proposals, including in respect of those project proposals for which IBRD has accepted to provide interim secretariat services prior to the appointment of the Secretariat.

6.3 Any Additional Contributors who enter into a Contribution Agreement with IBRD committing to make contributions of no less than USD 5 million in aggregate to the AgResults Fund will have membership on the Steering Committee as determined by the then current Steering Committee members provided that the Steering Committee may waive, at its sole discretion, the requirement for a minimum contribution of USD 5 million prior to accepting a new member on the Steering Committee.

6.4 Prior to accepting non-sovereign members to the Steering Committee, the Steering Committee will be entitled to request a formal declaration from such entity that they have no conflicts of interests with the AgResults Objectives or any Approved AgResults Projects being implemented or proposed at the time.

6.5 Steering Committee members will elect one member to act as a Chairperson of the Steering Committee for a term of 12 calendar months, such term to be renewed at the discretion of the Steering Committee. In order to facilitate and support the Chairperson’s role, the members will elect one member to act as Vice-Chairperson of the Steering Committee for a term of 12 calendar months, such term to be renewed at the discretion of the Steering Committee.

6.6 Subject to Paragraph 6.7(xv), all determinations and decisions of the Steering Committee in relation to its responsibilities under this AgResults Fund Framework and in respect of the AgResults Initiative generally are to be made by consensus of its decision-making members. All Steering Committee meetings will be conducted in the manner set out in Schedule 2.
6.7 The Steering Committee is to have sole decision making authority and oversight over the AgResults Initiative as a whole, including but not limited to:

(i) Selecting and appointing the Secretariat and External Impact Evaluator in accordance with the process and criteria approved amongst the Steering Committee including in respect of specific provisions of appointment for each entity;

(ii) Providing guidance to the Secretariat on the Secretariat’s annual work plan, including as to which specific thematic areas or categories of project proposals are to be focussed on during project sourcing and development;

(iii) Approving annual work plans submitted by the Secretariat;

(iv) Reviewing and providing feedback, if any, on progress reports submitted by the Secretariat;

(v) Reviewing and approving preliminary project proposals presented to it by the Secretariat which include a clear description of the market failure the project attempts to address as well as proposed pull mechanism solution for such market failure;

(vi) Reviewing and approving final project proposals presented to it by the Secretariat which include specific project design and implementation elements such as the anticipated operating budget of Project Managers and Verifiers as well as the specific provisions of such project;

(vii) Reviewing and approving the implementation of an Approved AgResults Project, including the allocation of a proportion of resources in the AgResults Fund for such project;

(viii) Requesting and/or convening the use of technical experts in sourcing and designing project proposals if so desired by the Steering Committee;

(ix) Monitoring and supervising the operations and performance of the Secretariat under this AgResults Fund Framework, including in respect of the Secretariat’s compliance with the Secretariat Minimum Standards of Operation and/or the IFC Performance Standards as well as making determinations as to the termination, renewal of term and replacement of the Secretariat, such determination to be implemented by the Trustee on behalf of the Steering Committee;

(x) Approving the selection process and appointment of Project Managers and Verifiers by the Secretariat, as well as making determinations as to their termination, renewal of term and replacement as necessary;

(xi) Approving modifications to material provisions of Approved AgResults Projects, if any;

(xii) Making a determination as to whether the AgResults Term should be extended;

(xiii) Encouraging additional contributions to the AgResults Fund amongst other potential contributors;

(xiv) Ensuring adequate collaboration and representation at each relevant stage of the project approvals process as appropriate, including key regional or recipient-country collaboration and representation; and
7 Secretariat

7.1 IBRD, at all times acting on behalf of and under the direction of the Steering Committee will through a competitive selection process shortlist a number of entities for the role of Secretariat for the AgResults Initiative. Once appointed by the Steering Committee under Paragraph 6.7(i), the Secretariat will assume the commitments and duties of the Secretariat as set out in its appointment and consistent with the provisions of this AgResults Fund Framework. Upon receiving the appropriate authorisation from the Contributors, IBRD will sign a contract with the Secretariat in a manner and form as approved by the Contributors prior to that. Unless an alternative comparable set of standards and/or approach is approved by the Steering Committee, the Secretariat will at all times during the course of its appointment perform its duties and commitments under this AgResults Fund Framework in accordance with the Secretariat Minimum Standards of Operation and/or the IFC Performance Standards, where applicable.

7.2 The Secretariat will be directly accountable to the decision-making members of the Steering Committee for all of its duties and commitments under the AgResults Fund Framework and will have at all times fiduciary responsibilities and duties to the Contributors, in particular relating to the management and supervision of the funds of the Contributors, who are contributing public or philanthropic resources to this endeavor. The Secretariat will initially be appointed for a term of five years beginning from the date of this AgResults Fund Framework and the decision-making members of the Steering Committee will review the Secretariat's performance as and when deemed appropriate. The Secretariat's appointment may be renewed at intervals at the discretion of the Steering Committee.

7.3 The Secretariat will submit for the Steering Committee's approval a proposed work plan for the Fund on an annual basis as well as semi-annual progress reports. Each such work plan and progress report will be in respect of the Secretariat's five primary areas of responsibility as follows:

(i) Program management, oversight and administration;
(ii) Sourcing and development of new project proposals;
(iii) Coordinating the expert review of project proposals;
(iv) Oversight and monitoring of Approved AgResults Project; and
(v) External communications and outreach.

7.4 Project Management, Oversight and Administration

Throughout the term of its appointment, the Secretariat will

(i) communicate with and coordinate between the Trustee and External Impact Evaluator as needed to assist each of those participants in performing their functions under this AgResults Fund Framework. In particular, the Secretariat is
responsible for authorizing and delivering Funds Transfer Requests to the Trustee in the form set out in Schedule 1 prior to the Trustee making any disbursement from the AgResults Fund;

(ii) coordinate the bi-annual meetings of the Steering Committee and any additional interim teleconference calls as may be needed by the Steering Committee. Schedule 2 sets out the Secretariat's roles in relation to coordinating and supporting these meetings, including in relation to preparing meeting materials; and

(iii) coordinate an external impact evaluation exercise of the AgResults Initiative in accordance with Paragraph 14.

7.5 Sourcing and Development of New Project Proposals

Subject at all times to the provisions in Paragraph 8 which relate to the process for sourcing and developing new project proposals, the Secretariat will initiate new project proposals by leading initiatives to source Adoption, R&D or other categories of projects in the thematic areas set out in Paragraph 4 or as determined by the Steering Committee at a later date. The Secretariat will prepare and submit to the Steering Committee (i) preliminary project proposals, (ii) final project proposals and (iii) Approved AgResults Projects which are ready for implementation. For the avoidance of doubt and pursuant to Paragraph 6.7 above, the Steering Committee retains the exclusive right to approve or reject project proposals as well as the implementation of Approved AgResults Projects at its sole discretion.

7.6 Coordinating the Expert Review of Project Proposals

The Secretariat will coordinate an expert review process to obtain advice and recommendations for new proposals. Such reviewers must be experts in any of the approved thematic areas but cannot be permanent staff members of the Secretariat. The Secretariat will be required to obtain a formal declaration from each reviewer indicating any potential conflicts of interest with the AgResults Objectives or any Approved AgResults Projects being developed at the time. As part of its role in approving project proposals, the Steering Committee may request the views and advice of such expert reviewers.

7.7 Oversight and monitoring of Approved AgResults Projects

The Secretariat will be responsible for the implementation of all Approved AgResults Projects. The Secretariat will select and appoint Project Managers and Verifiers for each Approved AgResults Project in consultation with the Steering Committee and the Trustee, as well as the prior approval of the Steering Committee. Furthermore, the Secretariat will ensure that Project Managers and Verifiers are performing their respective functions in accordance with the provisions of the relevant Approved AgResults Project. Notwithstanding any other provisions in this AgResults Fund Framework, in the event that IBRD or any other member of the World Bank Group is identified to perform the role of a Project Manager and/or Verifier in connection with the AgResults Initiative, the Secretariat will consult with the Steering Committee to determine the appropriate method of appointment and supervision required in that context. For the avoidance of doubt, in performing such roles of Project Manager and/or Verifier, IBRD or any other member of the World Bank Group would be applying its own policies and procedures, including performance standards, as may be applicable to it from time to time.
7.8 External Communications and Outreach

In coordination with all stakeholders, the Secretariat will be responsible for all external communications efforts relating to the AgResults Initiative. This includes maintaining and updating the AgResults Website with the current information on Approved AgResults Projects and other matters that may be relevant to potential participants and ensuring that any such information is made promptly available and is broadly disseminated; responding to inquiries in relation to the AgResults Initiative; and seeking out potential interested participants for each Approved AgResults Project either through publicity or other initiatives. In addition, while sourcing additional contributions to the AgResults Fund will be the responsibility of the Steering Committee, the Secretariat may be requested to facilitate some resource mobilisation activities as may be necessary. The Secretariat, the Trustee and each Contributor may include information on the AgResults Initiative in its periodic public reports and may make such information public at any time as part of press releases, public reports, speeches, newsletters and other public documents. Each Contributor and the Trustee will be provided with the opportunity to review and provide comments on press releases relating to the AgResults Initiative and their involvement therein, including the opportunity to provide advance approval for the use of a Contributor’s and/or Trustee’s name and/or logo as necessary.

PART FOUR: AGRESULTS PROJECT PROCEDURES

8 New AgResults Project Sourcing and Development

8.1 Each preliminary project proposal to be developed by the Secretariat will include, amongst other things,

(i) A project objective which is consistent with the AgResults Objectives;

(ii) Practical examples of market failure which the project aims to address;

(iii) General description of the pull mechanism intended to form the basis of the project, including an indication of whether it is an Adoption or R&D project proposal.

8.2 Each final project proposal to be developed by the Secretariat will include, amongst other things,

(i) a project objective which is consistent with the AgResults Objectives;

(ii) practical examples of market failure which the project aims to address;

(iii) design and description of pull mechanism which forms the basis of the project proposal, including the Minimum Thresholds as well as an indication of whether it is an Adoption or R&D project proposal;

(iv) implementation requirements and timeline including proposed location for implementation and desired development impact;

(v) nature of award, including amount, trigger event, timing for payment and other aspects as necessary;

(vi) indication of how evaluation of such project can be carried out effectively, as supported by the External Impact Evaluator;

(vii) process for interested participants to apply for an award from the AgResults Fund;
(vii) method in which the project proposal was developed including any specific research and consultation carried out in designing the project;

(ix) any supporting documentation from the project development phase or any other material information that would be useful to the Steering Committee in making a decision on whether to approve such project;

(x) an assessment of the risks and proposed risk mitigation strategies for the project, including social, environmental and economic risks and related mitigation strategies as is consistent in all respects with the IFC Performance Standards or such other comparable standards as may be approved from time to time by the Steering Committee;

(xi) evidence that the project design has been reviewed by interested participants, including but not limited to potential participants and local government officials, and that the feedback received from these participants has been considered in project design;

(xii) details as to how knowledge and information gained from the project will be promptly and broadly disseminated to the public and/or interested partners, such as potential participants including local government officials, civil society organisations, scientific communities and other interested stakeholders; and

(xiii) where project proposals contemplate the development of inventions (including but not limited to products, services, processes, technologies, materials, software, data and/or other innovations) embodying intellectual property rights, a description of how such intellectual property rights will be managed to further the AgResults Objectives.

8.3 In preparing project proposals at each stage, the Secretariat may adopt reasonable methods to source suitable expertise, including but not limited to:

(i) engaging industry associations and other existing networks to identify research leaders and obtain their views on market failures and targeted development impact;

(ii) conducting in-depth conversations with one expert who then recommends other experts;

(iii) establishing a public window through which start-up organizations, private firms, public organizations, non-profit organizations, research organizations or individuals can propose ideas;

(iv) conducting focused, facilitator-led workshops with participation from global experts in different areas related to agriculture and nutrition; and

(v) conducting activities through social media to identify market failures and targeted development impact where problems are broadcast in the form of an open call for solutions.

8.4 Details of each Approved AgResults Project, including the provisions for implementation, nature of award and process for applying for such award, will be updated on the AgResults Website once the Steering Committee provides its final approval for implementation.
9 **AgResults Project Management**

9.1 Once an Approved AgResults Project has received the Steering Committee's approval for implementation, the Secretariat may, as determined by the project design and in consultation with the Steering Committee and the Trustee, select and propose to the Steering Committee Project Managers to implement such project. The Steering Committee will approve the appointment of each Project Manager.

9.2 The Project Manager may have responsibility for, amongst other things,

(i) sourcing potential recipients and other participants in the relevant geographical area through advertising or other methods,

(ii) contracting with potential award recipients or similar arrangements as may be appropriate taking into account the specific provisions of an Approved AgResults Project,

(iii) monitoring and supervising the provisions of the Approved AgResults Project, including for misuse of funds and fraud; and

(iv) any other role, as determined by the Secretariat and/or the Steering Committee, which would be useful for the Project Manager to perform depending on the nature of the project and provisions for implementing such project.

9.3 At all times upon the prior approval of the Steering Committee, a Project Manager’s appointment will be suspended or terminated if so proposed by the Secretariat to the Steering Committee and/or if the Steering Committee determines a conflict of interest has arisen due to such manager’s participation in the relevant Approved AgResults Project.

10 **AgResults Project Verification**

10.1 In conjunction with the appointment of a Project Manager, the Secretariat, in consultation with the Steering Committee and the Trustee, will select and propose to the Steering Committee Verifiers to verify that each potential recipient of an AgResults award has met the Minimum Thresholds and other provisions of the relevant Approved AgResults Project. The Steering Committee will approve the appointment of each Verifier.

10.2 At all times upon the prior approval of the Steering Committee, a Verifier’s appointment will be suspended or terminated if so proposed by the Secretariat to the Steering Committee and/or if the Steering Committee determines a conflict of interest has arisen due to such verifier’s participation in the relevant Approved AgResults Project.

11 **AgResults Project Dispute Resolution**

11.1 In the event that a dispute arises in the course of implementing an Approved AgResults Project, including any disputes or concerns brought to the attention of the Secretariat by a potential interested participant, the Secretariat will ensure that an appropriate and transparent dispute resolution mechanism may be accessed by all AgResults Initiative participants. The Steering Committee and Trustee will not have any responsibility or involvement in mediating and/or settling any disputes between participants of an Approved AgResults Project.
PART FIVE: FINANCING OF AGRESULTS

12 Trust Fund Establishment and Administration

12.1 All contributions received by the Trustee in relation to the AgResults Initiative will be held as part of the AgResults Fund - a co-mingled, financial intermediary fund established at IBRD and managed by IBRD as Trustee. The AgResults Fund will be kept separate and apart from other funds of IBRD, however, it may be co-mingled with other trust fund assets maintained by IBRD.

12.2 Earmarking of contributions in support of specific thematic areas or projects will not be possible.

12.3 The Trustee may in its sole discretion invest and reinvest the funds in the AgResults Fund pending their transfer in accordance with IBRD’s applicable policies and procedures in place from time to time in relation to the investment of trust funds administered by IBRD. Any income received from such investment activities will be credited to the AgResults Fund.

13 Access to Resources and Transfer of Funds

13.1 Subject to the specific provisions of each Approved AgResults Project, participants that meet the Minimum Thresholds of each Approved AgResults Project will qualify for an award under the AgResults Initiative, provided that

(i) The Project Manager and Verifier for such project have provided their confirmation to the Secretariat;

(ii) The Secretariat has sent the Trustee a Funds Transfer Request specifying that it has confirmed that such recipient has satisfactorily met with the relevant Minimum Thresholds and as such that such transfer of funds is approved by the Steering Committee.

13.2 The Secretariat will also send a Funds Transfer Request to the Trustee in respect of amounts to be transferred to pay the Secretariat’s own costs and expenses as well as the Project Manager’s and Verifier’s costs and expenses where such entities are proposed and appointed by the Secretariat. Each set of costs and expenses referred to in this paragraph will be approved by the Steering Committee and such approval will be indicated in each corresponding Funds Transfer Request.

13.3 Based on the approvals of the Steering Committee indicated in each Funds Transfer Request, the Trustee will transfer the requested amounts to the payment account details of the designated recipient as specified in such Funds Transfer Request. All payments from the AgResults Fund will be made in US dollars unless otherwise determined in conjunction with project proposals which have specified payment to be made in other currencies.

13.4 Upon the transfer of such funds, IBRD, acting in its capacity as Trustee for the AgResults Fund will no longer hold any legal or other commitments over the effective financial management of the funds.
PART SIX: EVALUATION

14 External Impact Evaluator

14.1 Consistent with the AgResults Objectives to test the effectiveness and efficiency of pull mechanisms, the Steering Committee has appointed an evaluator of each Approved AgResults Project as well as for the AgResults Initiative as a whole.

14.2 The External Impact Evaluator will:

(i) Define a compelling and coherent impact evaluation framework for the AgResults Initiative.

(ii) Design an impact evaluation for each Approved AgResults Project;

(iii) Design a coherent impact evaluation for at least two new pipeline AgResults project proposals selected in 2013;

(iv) Design, implement and analyze field surveys in accordance with established best practice;

(v) Assist as needed in the communication of the learning agenda, impact evaluation strategy, and evaluation results; and

(vi) Participate in Steering Committee meetings as requested by the Steering Committee.

14.3 The External Impact Evaluator is expected to produce the following deliverables, for each Approved AgResults Project:

(i) At baseline, a report including full study protocols;

(ii) After four years of implementation, an impact evaluation report providing evidence of the impact of the AgResults Initiative on private sector involvement in development and spread of agricultural innovation and uptake of innovation by farmers;

(iii) After four years of implementation, evidence on the scale of any effect and their cost-effectiveness (relative to no intervention or traditional push mechanisms) of the AgResults Initiative;

(iv) After four years of implementation, a process indicator report providing lessons learnt on how best to deliver the AgResults Initiative;

(v) No more than three years after the end of the AgResults Initiative implementation, based on a time frame to be determined at the initial methodology design phase, a report on the sustainability of the impact of the AgResults Initiative.

(vi) After four years of implementation and two years after the end of AgResults implementation: data sets of all data collected for the evaluations made publicly available.

14.4 The External Impact Evaluator is expected to produce the following deliverables, for AgResults Initiative as a whole:
A summary report that analyzes and discusses evaluation findings from the perspective of the entire initiative, rather than individual project proposals. The summary may take the form of a high quality policy report, and be published in a reputable research paper series, rather than an academic journal; and

(i) A shared lessons learnt paper.

14.5 The External Impact Evaluator will report and be accountable to the Steering Committee. The Steering Committee will be the arbiter of any disputes between the evaluation function and project design and implementation function. The External Impact Evaluator will work closely with the Secretariat. The Secretariat will lend support in communication as requested by the External Impact Evaluator. The External Impact Evaluator will perform its tasks in close consultation with the Secretariat, each Project Manager and Verifier. In particular, it is expected that the External Impact Evaluator will work hand in hand with each of these participants as necessary to design evaluation into the pull mechanism contracts of each project proposal.

14.6 The External Impact Evaluator will provide the Steering Committee with semi-annual progress reports highlighting progress to date and any areas for concern.
From: [SECRETARIAT]
To: The International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington DC 20433
United States of America
Attention: Director, Multilateral Trusteeship and Innovative Financing
(the "Trustee")

Dated: [*]

Dear Sirs,

AgResults Fund Framework

1. We refer to the AgResults Fund Framework relating to the AgResults Initiative dated [*] as set out on the AgResults Website, as the same may be further amended, varied, supplemented and/or restated from time to time (the "Framework"). This is a Funds Transfer Request pursuant to Paragraph 13 of the Framework. Provisions defined in the Framework have the same meaning in this Funds Transfer Request unless given a different meaning in this Funds Transfer Request.

2. Further to the [approval received from the Steering Committee in respect of this [transfer]/[Approved AgResults Project]] we hereby request a funds transfer from the AgResults Fund, subject to and in accordance with the provisions of the Framework, in the amount of [*] in respect of the Approved AgResults Project (reference: [*1]). Please find attached a copy of the related Steering Committee's approval.

3. We hereby confirm that disbursement of funds to this recipient is consistent with the Secretariat Minimum Standards of Operation and/or the IFC Performance Standards as applicable[insert other form of standards approved by the Steering Committee as applicable].

4. The funds transfer should be credited to the following:

The details of the recipient account are as follows: [*]

Yours faithfully,

Signed by: _________________________
[*]
Authorised Signatory of [SECRETARIAT]

Signed by: _________________________
[*]
Authorised Signatory of [SECRETARIAT]
SCHEDULE 2
STEERING COMMITTEE MEETINGS

1. Frequency
   (i) The Steering Committee will meet semi-annually or as frequently as necessary to enable it to discharge its responsibilities as set out in the AgResults Fund Framework.
   (ii) The Chairperson will determine the location of all Steering Committee meetings.
   (iii) The Steering Committee may convene meetings by means of a telephone or video conference or other means whereby all persons participating in the meeting can hear each other. Participation by such means will be deemed equivalent to in-person participation.
   (iv) The Chairperson will give notice of the date of each in-person meeting of the Steering Committee not less than four weeks prior to the date of such meeting. The Chairperson will give such notice for any teleconference meeting of the Steering Committee not less than two weeks prior to the date of such meeting. Notice will be conveyed to all those invited to the meeting in writing.
   (v) The Steering Committee may convene meetings by means of a telephone or video conference on an emergency basis as may be required from time to time. In such instances, the prior notice will be given as soon as reasonably practicable.

2. Attendance
   (i) Steering Committee meetings will be open to all decision-making and non-decision making members.
   (ii) A representative of the Secretariat will be invited to observe all Steering Committee meetings except in such cases where the Steering Committee members expressly decide to meet alone;
   (iii) The Chairperson may, in consultation with the Steering Committee, invite representatives of other organizations and entities to attend or observe Steering Committee meetings as deemed necessary.
   (iv) In order to assist the Steering Committee in making any inquiry, review, modification or determination, the Steering Committee may at any time engage or rely upon independent expert advice from consultants and/or other advisors as the Steering Committee may deem necessary in its sole discretion.
   (v) For the avoidance of doubt, attendees and observers listed in paragraphs (ii), (iii), and (iv) above will not have any voting benefits in respect of any determination to be taken by the Steering Committee.

3. Quorum
   Two-thirds of the members of the Steering Committee will constitute a quorum.

4. Agenda, Meeting Materials and Records
   (i) An agenda for each meeting of the Steering Committee will be prepared by the Chairperson, and a copy of such agenda, will be transmitted to all those invited to the meeting by facsimile or e-mail.
   (ii) The Steering Committee will adopt, at the beginning of each meeting, the agenda for the meeting.
(iii) Any item included on the agenda for a meeting of the Steering Committee's consideration of which has not been completed at that meeting, will be, unless the Steering Committee decides otherwise, automatically included on the agenda for the next meeting.

(iv) Whenever possible, the Chairperson will transmit the documentation relating to items on the agenda to all those invited to the meeting by facsimile or e-mail at least one week before the start of a meeting.

(v) The Secretariat will be responsible for keeping accurate minutes and records of Steering Committee meeting proceedings. Where Steering Committee meetings cover Confidential Information or matters, including the disclosure and resolution of any conflict of interest, the Steering Committee may request that minutes be drafted for public disclosure excluding such Confidential Information.

(vi) Draft minutes and more detailed or specific meeting reports as requested by the Steering Committee will be prepared by the Secretariat for review and approval by the Steering Committee at its next meeting. The Secretariat and Steering Committee will consult and jointly determine what Steering Committee reports and related documents can be made publicly available, subject to confidentiality and other legal considerations.
SCHEDULE 3

SECRETARIAT MINIMUM STANDARDS OF OPERATION

1. Definitions

1.1 The following definitions apply:

(a) Administrative Agreement. Means an agreement between the Secretariat and a vendor prescribing provisions and commitments the vendor must meet to be considered conditionally responsible.

(b) Affiliate. An entity is an affiliate of another entity if:

(i) Either entity controls or has the power to control the other; or

(ii) A third party controls or has the power to control both entities. Indications of control include, but are not limited to, interlocking management or ownership, identity of interests among family members, shared facilities and equipment, common use of employees, or a business entity organized following the suspension or determination of non-responsibility of a vendor that has the same or similar management, ownership, or principal employees as the vendor that was suspended or deemed non-responsible, including business entities organized as a result of a merger, acquisition or reorganization.

(c) Collusive practice. Means an arrangement between two or more participants designed to achieve an improper purpose, including to influence improperly the actions of another party.

(d) Coercive practice. Means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

(e) Conviction. Means a conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of no contest.

(f) Corrupt Practice. Means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

(g) Fraudulent Practice. Means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead a party to obtain a financial or other benefit or to avoid an obligation or causes a loss.

(h) Non-responsibility. Means a decision by the Secretariat, in consultation with the Steering Committee, to exclude a vendor from eligibility to receive Secretariat contract awards and to bid on Secretariat solicitations for a specified or indefinite period of time in connection with the AgResults Initiative.

(i) Obstructive practice. Means:

(i) deliberately destroying, falsifying, altering or concealing evidence material to the investigation or making false statements to investigators in order to materially impede a Steering Committee investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
(ii) acts intended to materially impede the exercise of the Steering Committee's inspection and audit benefits provided under its contract with a Vendor.

(j) **Suspension.** Means an action taken by the Secretariat, in consultation with the Steering Committee, to temporarily exclude a vendor from Secretariat procurement pending a determination whether the vendor is responsible.

(k) **Vendor.** Means

(i) A business or organization that has been incorporated, registered as a company (corporation, company/limited, partnership), or any business entity legally recognized in a country to contract for the provision of goods and/or services. Organizations registered as "not-for profit" (e.g., universities, hospitals) or state owned are also considered businesses; or

(ii) A Sole Proprietor/Independent Contractor engaged in a business as either a 'self employed individual' (an individual in business for himself or herself and is self employed), or as a "sole proprietor" (an individual in business for himself or herself and who is the only owner of the unincorporated trade or business).

2. **Fraud**

2.1 The Secretariat and its employees, agents, representatives and subcontractors will not engage in any Fraudulent Practice. The Secretariat is responsible for preventing and detecting Fraudulent Practices.

2.2 If the Secretariat becomes aware of any detected, suspected or attempted Fraudulent Practice involving any activities funded in whole or in part with a contribution made to the AgResults Fund, then the Secretariat will report it promptly to the Steering Committee on a quarterly basis, copied to all Contributors to the AgResults Initiative, in writing. The Secretariat will investigate the alleged Fraudulent Practice and take actions in accordance with its regulations, rules, policies and procedures.

2.3 Following the conclusion of any investigation which identifies Fraudulent Practice, the Secretariat will:

(i) make every effort to recover any part of the contribution, the subject of Fraudulent Practice;

(ii) refer the matter to the relevant police or other authorities responsible for prosecution of Fraudulent Practice;

(iii) as required by the Steering Committee, reimburse any part of the Contribution misappropriated through Fraudulent Practices, or credit it to a jointly approved activity and

(iv) provide the Steering Committee with regular updates, no greater than 3 monthly, copied to all Contributors to the AgResults Initiative, regarding the status of actions carried out with respect to the Fraudulent Practice.

The commitments of the Secretariat under paragraph 2.3(i) to (iv) above will survive the termination or expiration of the Secretariat's contract of appointment.

3. **Transparency**

3.1 The Steering Committee and the Secretariat are committed to internationally recognized principles of transparency which are consistent with national transparency charters of the Contributors. The Steering Committee and the Secretariat will apply these principles of transparency to information relating to the AgResults Initiative.
3.2 The Steering Committee may periodically publish detailed information about work under the AgResults Initiative on donor websites. This will include information about the Secretariat’s policies, plans, processes, the results of Secretariat aid activities and the Steering Committee’s evaluations of the Secretariat’s performance. The Steering Committee and the Secretariat will consult prior to publication or release of information regarded as sensitive (for example, fraud or corruption matters).

4. Child protection

4.1 The Secretariat will not engage in, or allow the funds to be used in, any practice inconsistent with the benefits set forth in the Convention on the Rights of the Child.

4.2 The Secretariat will be responsible for protecting children from abuse of all kinds in the delivery of aid activities under the AgResults Initiative.

5. Anti-corruption

5.1 The Steering Committee and the Secretariat are committed to preventing and detecting corruption and bribery.

5.2 The Secretariat, through its employees, agents, representatives or subcontractors, will not make or cause to be made, or receive or seek to receive, any offer, gift or payment, consideration or benefit of any kind, which would or could be construed as an illegal or Corrupt Practice, either directly or indirectly to any party, as an inducement or reward in relation to the implementation of the AgResults Initiative or any arrangement or provision of funds in relation to the Secretariat’s operations in connection with the AgResults Initiative, including, for the avoidance of doubt, any bribery of public officials.

5.3 The Secretariat will use its best endeavours to ensure that any employee, agent, representative or other entity it is responsible for will comply with this paragraph.

5.4 The Secretariat will promptly notify the Steering Committee, copied to all Contributors in writing, of any suspected or detected corruption or bribery affecting programs funded by the AgResults Fund and actions taken by the Secretariat in response.

6. Counter-terrorism

6.1 Consistent with UN Security Council Resolutions relating to terrorism, including UNSC Resolution 1373 (2001) and 1267 (1999) and related resolutions, the Steering Committee and the Secretariat are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of the Steering Committee to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. To those ends, the Secretariat is committed to taking appropriate steps to ensure that funding provided by the Steering Committee under the AgResults Initiative to support the Secretariat’s activities under the AgResults Initiative is not used to provide assistance to, or otherwise support, terrorists or terrorist organizations, and will inform the Steering Committee immediately if, during the term of the AgResults Initiative, the Secretariat determines that any such funds have been so used.
7. Branding

7.1 The Secretariat will acknowledge each Contributor’s contribution and any other relevant support for the AgResults Initiative in any promotional material including speeches, media statements, PowerPoint presentations, opening screens of DVDs, folders, merchandise, publications, advertisement, signage and stationery. In doing so, the Secretariat will make it clear that it is responsible for the implementation of the AgResults Initiative with funding and/or support from the Contributors.

8. Accounting, Inspection and Auditing

8.1 The Secretariat will ensure that all its employees, agents, representatives or subcontractors keep and maintain accurate and systematic accounts and records in respect of the Services hereunder, in accordance with internationally accepted accounting principles and in such form and detail as will clearly identify all relevant charges and costs, and the bases thereof; and (ii) permit the Steering Committee or its designated representative periodically to inspect the same and make copies as well as to have them audited by auditors appointed by the Steering Committee.

9. Procurement

9.1 Vendor Eligibility

(i) The following prescribes policies, standards, and procedures for determining whether a vendor is excluded, either permanently or for a specified period of time, from receiving future contract awards from the Secretariat, in consultation with the Steering Committee, that the vendor is non-responsible.

(ii) Only vendors found to be responsible or conditionally responsible are eligible to be awarded Secretariat contracts and to bid on Secretariat solicitations.

(iii) No person will be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination on the basis of race, color, religion, sex (including pregnancy and gender identity), national origin, disability, age, veteran’s status, sexual orientation, genetic information, marital status, parental status, political affiliation, and any other conduct that does not adversely affect the performance of the individual under any program or activity funded by under this award.

9.2 General Standards

To be deemed a responsible vendor with whom the Secretariat will conduct business in relation to the AgResults Initiative, a vendor:

(a) Must have adequate financial resources to perform the contract (or the ability to obtain those resources);

(b) Must be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and other business commitments;

(c) Must have a satisfactory performance record;

(d) Must have the necessary organization, experience, accounting, and operational controls, appropriate insurance and technical skills (including, as appropriate, such elements as production control procedures, property control systems, quality assurance measures, and safety programs applicable to materials to be produced or services to be performed by the vendor);

(e) Must have the necessary technical experience, equipment, and facilities;
(f) Must not have committed any act or offense indicating a lack of integrity or honesty that seriously and directly affects the present responsibility of a vendor, including fraudulent, corrupt, collusive, coercive, or obstructive practices as defined above;

(g) Must not have been suspended or debarred, or otherwise identified as ineligible for contracting with the World Bank Group in connection with the vendor's involvement in operational work;

(h) Must not have been identified on any Anti-Money Laundering/Combating the Financing of Terrorists sanctions lists monitored by the World Bank Group, including but not limited to the United Nations 1267 sanctions list, the United States Executive Order 13224 sanctions list, and the United Kingdom terrorist sanctions list;

(i) A business enterprise must demonstrate that they have been operating under its business name for a period of not less than one year;

(j) Must be able to conduct business legally in the country for which they are registering.

The Secretariat, in consultation with the Steering Committee, may also consider a vendor to be non-responsible if it, or its owners, officers or key personnel have been suspended, debarred, or otherwise identified as ineligible for contracting or employment by the World Bank Group, or any World Bank Group member government or other international organization.

9.3 Suspension of Vendors

(i) The Secretariat may suspend a vendor, whenever the Secretariat determines, in consultation with the Steering Committee, that there is a reasonable likelihood that further investigation will lead to a finding of non-responsibility.

(ii) When a vendor and any specifically named affiliates are suspended, they shall be advised in writing by the Secretariat:

(a) that they have been suspended;

(b) of the cause(s) relied upon and reasons for imposing suspension;

(c) of the effect of the suspension;

(d) that the suspension is for a temporary period pending the completion of proceedings that may ensue; and

(e) that within the time period specified in the notice, the vendor may submit either in writing or through oral presentation, information showing that the vendor is responsible, including any additional specific information that raises a genuine dispute over the material facts, as well as any evidence of remedial measures taken or proposed by the vendor, or mitigating factors.

(iii) A vendor suspended (a) is not eligible to receive Secretariat contract awards and/or to bid on Secretariat solicitation in connection with the AgResults Initiative; (b) is excluded from conducting new business with the Secretariat as agents or representatives of other vendors in connection with the AgResults Initiative; and (c) is precluded from having discussions with the Secretariat concerning the award of new contracts. A suspension applies to all affiliates of the vendor, unless the suspension decision is limited by its provisions to specific divisions, organizational elements, or commodities.