Ref: WB/CD/458/12/19/2016

Ms. Gillian Mellsop
Representative
UNICEF Ethiopia
Addis Ababa

Dear Ms. Mellsop,

Subject: Administration Agreement between the United Nations Children’s Fund and the International Development Association concerning the Multi Donor Trust Fund for the Ethiopia General Education Quality Improvement Project II (TF072612 parallel to TF072206)

1. The International Development Association (the “Bank”) acknowledge that the United Nations Children’s Fund (“UNICEF” or the “Donor”, and together with the Bank, the “Parties” and each a “Party”) agrees to provide the sum of one million United States Dollars (US$1,000,000) (the “Contribution”) for the Multi-Donor Trust Fund for Ethiopia General Education Quality Improvement Project II (TF072612) (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 General Education Quality Improvement Project II Multi-Donor 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 (including the Attachment thereto).

3. The Donor shall 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) Promptly following countersignature, by December 31, 2016, USD 500,000
   (B) By December 15, 2017, USD 500,000

4. The Contribution is being provided in Installments on the basis of financial needs of the Trust Fund. If the Bank determines, on the basis of the speed of the implementation of the activities and availability of funds in the Trust Fund, that it is necessary to either bring Installments forward or delay them, the Bank and the Donor will discuss and agree to revise the Installment schedule, as confirmed by the Bank to the Donor in writing.
5. 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 Ethiopia General Education Quality Improvement Project II Multi-Donor Trust Fund (TF072612), 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.

6. 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”):

Mr. Hiroshi Saeki  
Senior Economist  
GED01  
Addis Ababa  
Ethiopia  
Tel: +251-11 517-6017  
E-mail: hsaeki@worldbank.org

For the Donor (the “Donor Contact”):

Ms. Gillian Mellsop  
Representative  
UNICEF Ethiopia  
UNECZA Compound, Zambezi Building  
2nd, 3rd & 4th floors  
Box 1169 Addis Ababa, Ethiopia  
Tel: +251 11 518 4001  
Fax: +251 11 551 1628  
E-mail: gmellsop@unicef.org

7. In the event any amounts are to be returned to the Donor under this Administration Agreement, the Bank shall transfer such amounts to the Donor, unless otherwise agreed with the Bank. When making any deposit, the Bank shall 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 Bank in relation to the Ethiopia General Education Quality Improvement Project II Multi-Donor Trust Fund, and the date of the deposit. The Bank shall provide a copy of such information to the Donor.
8. At the date of Bank’s signature of this Administration Agreement, the Indirect Rate (as defined in Annex 1 to this Administration Agreement) is 17%.

9. 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.

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

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: [Signature]
Name: Andrew Goodland
Title: Country Director for Ethiopia, a/c
Date: Dec 19, 2016

UNITED NATIONS CHILDREN’S FUND (UNICEF)

By: [Signature]
Name: Gillian Mellsop
Title: Country Representative
UNICEF Ethiopia
Date: 7 Jan, 2016
Description of Objective and Activities

Multi Donor Trust Fund for the Ethiopia General Education Quality Improvement Project II

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”).

1. Objectives

The objective of the General Education Quality Improvement Project II (“the Project”) supported by the Trust Fund is improving learning conditions in primary and secondary schools and strengthening of institutions at different levels of educational administration.

2. Activities

The activities to be financed by the Trust Fund are:

2.1 Bank-executed Trust Fund component for which the Bank has implementation responsibility:

Program management and administration activities for the Trust Fund, including but not limited to, supporting any program governance arrangements and Trust Fund related meetings; planning and executing work plans and budgets; managing communications and conducting outreach; disseminating lessons learned; reporting on progress; and monitoring and evaluating the program.

2.2 Recipient-executed Trust Fund components for which the Recipient has implementation responsibility:

The Project constitutes the second series of GEQIP, and consists of the following parts:

Part 1: Curriculum, Textbooks, Assessment, Examinations and Inspection

Supporting General Education curriculum reform through provision of technical assistance for, inter alia: (i) improving the quality and relevance of the curriculum; (ii) maintaining and increasing the supply of textbooks and supplementary reading materials for primary schools; (iii) developing a robust national assessment and examinations system; and (iv) ensure curriculum implementation by developing an effective schools inspectorate.
Part 2: Teacher Development Program

(a) Enhancing the training of pre-service teachers in teacher education institutions through: (i) improved selection of entrants to teacher training; (ii) provision of teaching materials in the teacher education institutions (TEIs); (iii) enhanced practicum for teacher candidates; (iv) in-service pedagogical training for teacher educators; (v) enhanced English language supports in the TEIs; and (vi) provision of a training program for ABE facilitators.

(b) Improving the quality of in-service teacher training through: (i) enhancing the provision of continuous professional development at Schools; (ii) providing English language training for teachers of English and developing a cadre of school-based English mentors who will support all teachers using English as a medium of instruction; (iii) developing a teacher career structure, licensing and re-licensing system which recognizes professional development and behavior, and (iv) upgrading primary teachers from a certificate qualification to a diploma qualification.

Part 3: School Improvement Plan

(a) Improving the capacity of Schools to identify problem areas, develop priorities based on identified problems and prepare a School Improvement Plan to address the prioritized needs through: (i) providing training on linking SIPs with student learning; (ii) developing a simplified SIP framework for rural, isolated schools, smaller schools and ABE's; (iii) creating information campaigns for parents and communities to strengthen community support to improved learning through the SIP's; and (iv) encouraging activities focused specifically on reading.

(b) Provision of School Grants to improve basic teaching and learning conditions in Schools. The impact of the School Grants on learning outcomes will be made more efficient by: (i) revision of school grant guidelines to encourage use of funds for appropriate learning and teaching materials; (ii) additional per capita incentives for the most disadvantaged regions and disadvantaged students; (iii) introduction of performance based incentives; (iv) strengthening the social accountability mechanisms; and (v) strengthening the grievance redress and complaint management mechanisms to ensure efficient and equitable management of the grants.

Part 4: Management and Capacity Building, including EMIS

(a) Enhancing the capacity for strategic planning and budget analysis in the education sector, at national, Regional and Woreda level, and strengthening resource allocation and transfer systems.

(b) Enhancing the capacity for participatory school planning, leadership, management and monitoring to improve effectiveness and accountability in school performance.
(c)  Assisting the Ministry of Education to enhance its capacity for policy analysis and planning and assisting the Ministry of Education and Regional Education Bureaus in strengthening existing EMIS.

Part 5: Improving the Quality of Learning and Teaching through the use of Information and Communications Technology (“ICT”)

(a)  Developing an integrated Monitoring, Evaluation and Learning System for the ICT.

(b)  Developing a national policy and institutions for ICT in general education.

(c)  Developing a national ICT infrastructure improvement plan for general education through strengthening the specification, procurement, distribution and management of ICT in secondary education and developing a capacity for producing digital learning content.

(d)  Teacher professional development in the use of ICT through: (i) developing an Ethiopian-relevant ICT competency framework for teachers; (ii) supporting continuing professional development and training programs for teachers; (iii) and developing a professional development and training program that encourages teachers to use technology solutions.

(e)  Piloting the use of e-Braille display readers in select schools.

Part 6: Program Coordination, Monitoring and Evaluation and Communication

(a)  Strengthening the Recipient’s institutional capacity for coordinating and implementing the GEQIP Program at federal, Regional and Woreda levels.

(b)  Supporting the development of a monitoring and evaluation system for the Project at federal, Regional and Woreda levels.

3. Eligible Expenditures

3.1 For Bank-executed activities, the Trust Fund funds may be used to finance:

(a)  contractual services;

(b)  equipment and office premises lease cost;

(c)  media, workshops, conferences and meetings;

(d)  travel expenses;

(e)  short-term consultants and temporaries;

(f)  extended term consultants and temporaries; and

(g)  staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries).
3.2 For purposes of this section: (i) “staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries)” includes salaries, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; (ii) “extended term consultants and temporaries” includes fees, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; and (iii) “short term consultants and temporaries” includes fees and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures.

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

3.4 For Recipient-executed activities, the Trust Fund funds may be used to finance:

(a) Goods
(b) Non-Consulting Services
(c) Consultants’ Services
(d) Operating Costs
(e) School Grants
(f) Training

4. Taxes

4.1 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

Multi Donor Trust Fund for the Ethiopia General Education Quality Improvement Project II

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 the 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 reinvest 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 Fee**

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

(i) 5% of any portion of the Grant Amount that results in a Cumulative Grant Total below or equal to US$ 50 million or equivalent; plus

(ii) 4% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 50 million or equivalent and below or equal to US$ 500 million or equivalent; plus

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

(iv) 2% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 1 billion or equivalent.

3.2 Following each Calculation Date, the Bank shall deduct from the Trust Fund, and retain for its own account, the fee as set forth above. Grant Amounts may not exceed the balance of uncommitted funds in the Trust Fund net of the related fee.

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 quarterly 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 January 31, 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.
ATTACHMENT

Definitions

1. "ABE" means Alternative Basic Education.
2. "EMIS" means Education Management Information Systems.
3. "General Education" means formal education offered at grade KG1–12 including ABE centers in the education system of the Recipient.
4. "GEQIP Program" and "GEQIP" means the Recipient’s strategic plan designed to improve the quality of General Education throughout the Recipient’s territory, as referred to in a letter from the Recipient, dated November 4, 2008.
5. "Ministry of Education" or "MoE" means the Recipient’s Ministry of Education, or any successor thereto.
6. "Region" means the second tier of government in the Recipient’s administrative system as established under the Recipient’s constitution.
7. "Regional Education Bureau" and "REB" mean the Education Bureau of any Region which is participating in the Project.
8. "School" means a public educational institution offering General Education (Grade KG–12) in the territory of the Recipient, including ABE centers.
9. "School Grant" means a grant proposed to be made to Schools under Part 3 of the Project.
10. "School Improvement Plan" or "SIP" means a plan for improving quality of education focusing on inter alia: (i) teaching and learning conditions; (ii) student environment; (iii) leadership and management of Schools; and (iv) community involvement by a School, prepared by a School which is seeking or has been awarded a School Grant.
11. "Woreda" means the lowest administrative unit of government in the Recipient’s territory as established under relevant Regional legislation.