This Administration Agreement is concluded under Direct Management in the context of the Framework Agreement between the World Bank Group and the European Commission dated April 15, 2016 (the Framework Agreement), which sets the general conditions for this Agreement. The Framework Agreement shall be applicable and form an integral part of the Administration Agreement for the Trust Fund.

1. The International Bank for Reconstruction and Development (the “Bank”) acknowledges that the European Commission (the “Donor”, and together with the Bank, the “Parties” and each a “Party”) agrees to provide the sum of one hundred thousand euros (€100,000) (the “Contribution”) for the Part II Europe 2020 Programmatic Single-Donor Trust Fund, No. TF072803 (the “Trust Fund”) in accordance with the terms of this Administration Agreement.

The estimated total budget of the Trust Fund is one hundred thousand euros (€100,000). The indicative budget set out in Annex 5 shall be used for monitoring purposes only and shall not be binding.

2. The Contribution shall be used to finance the activities set forth in the “Part II Europe 2020 Programmatic Single-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 and “Governance” attached hereto as Annex 3.

Expected results of the Trust Fund and corresponding indicators (including baselines, result goals and sources of data) are set out in Annex 4.

The Implementation period shall start on the date following that on which the last of the two parties signs.

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 “Instalment”) upon submission of a payment request by the Bank:

(A) Promptly following countersignature €50,000.
(B) €25,000 subject to the disbursement of 70% of the preceding instalment.
(C) €25,000 subject to the disbursement of 70% of the preceding instalment.

The period for payment of further instalments shall be 60 days.

The period for payment of the balance shall be 60 days.

4. When making any deposit, the Donor shall instruct its bank to include in its deposit details information (remittance advice) field of its SWIFT deposit message, information indicating: the amount deposited, that the deposit is made by the Donor for TF072803 (The Part II Europe 2020 Programmatic Single-Donor Trust Fund), the Commission internal reference number and the date of the Administration Agreement, the name of the project for which the funds are intended, the name of the Commission department responsible for the Trust Fund and the date of the deposit (the “Deposit Instructions”). In addition, the Donor shall provide a copy of the Deposit Instructions to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to +1 (202) 614-1315.
5. Except with respect to the Deposit Instructions, any notice, request or other communication to be given or made under this Administration Agreement shall be in writing and delivered by mail, fax or e-mail to the respective Party’s address specified below or at such other address as such Party notifies in writing to the other Party from time to time:

For the Bank (the “Bank Contact”):

Arup Banerji
Regional Director
Europe and Central Asia Region
World Bank Group
Tel: + 32-2-504-0994
Abanerji@worldbank.org

For the Donor (the “Donor Contact”):

Mary McCarthy,
Director,
Structural Reform Support Service,
CHAR 10/104, 1049 Brussels
Tel: +32 229-93493
Mary.Mccarthy@ec.europa.eu

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

7. All annexes hereto and the Framework Agreement between the World Bank Group and the European Commission 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. In the event of any inconsistency, the Framework Agreement prevails over the Administration Agreement and the Administration Agreement prevails over its Annexes. Unless otherwise specified in an annex hereto, this Administration Agreement may be amended only by written amendment between the Bank and the Donor.

8. The measures taken to identify the EU as a source of financing shall be in accordance with Attachment 4 of the Framework Agreement.

9. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Administration Agreement and act in accordance with these terms and conditions. The Parties are requested to sign and date this Administration Agreement, and upon possession by the Bank of this fully signed Administration Agreement, this Administration Agreement shall become effective as of the date of the last signature.
ANNEX 1

Part II Europe 2020 Programmatic Single-Donor Trust Fund Description

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor.

1. Objectives

The objectives of the Trust Fund are:

The European Commission and the Bank share a common objective of building competitive and sustainable economies and reducing poverty and social exclusion – goals of the Europe 2020 Agenda which is built on three pillars of smart, sustainable and inclusive growth. The European Commission and the Bank concur that direct interaction is beneficial to both institutions and through them to the beneficiary countries. This applies particularly to the provision of analytical, advisory and knowledge services and technical assistance.

The European Commission has expressed an interest in ensuring that the Bank continues to provide technical assistance in the framework of the Trust Fund in furtherance of the common objective set forth above.

2. Activities

The European Commission has expressed an interest in ensuring that the Bank provides technical assistance in the framework of the Trust Fund with the specific objective of assisting and supporting the Ministry of Finance (MoF) of the Czech Republic to further develop capital markets in the country. The Activities to be financed by the Trust Fund, in support of the objective above, and of which the Bank has implementation responsibility, are described below.

The World Bank Group is an international organization that aims to end extreme poverty and boost shared prosperity. Promoting financial sector development is essential to achieve these twin goals, and the Bank assists its member countries to build deep, inclusive, efficient, and stable financial systems in order to achieve these objectives. Capital markets development is at the core of financial sector development and the World Bank has gathered substantial expertise in recent years by developing technical assistance programs around these areas, with the goal of developing capital markets and promoting more stable and inclusive financial systems. The expertise acquired by the Bank through financial sector advisory services activities in the EU, together with its broader knowledge on financial sector development, place the Bank in a position to provide the technical assistance described in this Agreement.

Following on the Capital Markets Union (CMU) initiative, the MoF of the Czech Republic is looking to have a strategic document for the development of the domestic capital market, supported by a strong and independent analytical framework to get the necessary traction within the Government. To that end, and following the European Commission three-stepped approach on capital market development, the MoF requested funding from the European Commission’s Structural Reform and Support Service (SRSS) to finance a Bank assessment of the country’s capital market, including recommendations for the short, medium and long term.
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: Arup Banerji
Name: Arup Banerji
Title: Regional Director
Date: March 2, 2017

EUROPEAN UNION represented by the EUROPEAN COMMISSION

By: Mary McCarthy
Name: Mary McCarthy
Title: Director
Date: 03/03/2017
Accordingly, the Bank will prepare a report containing a diagnostic and evaluation of the capital market in the Czech Republic with a view to identify obstacles and challenges for its further development and to propose recommendations, for increasing the depth and diversity of such market, and including market indicators in comparative jurisdictions. The report will focus on EU Member State competences as applied to the Czech Republic, and will seek to identify issues and items that can be influenced and improved at a national level; it will take account of comparative experience from similar exercises in other similar countries and will include key comparative market indicators.

This will include:

a) Reviewing the enabling environment for the hierarchy of more sophisticated corporate securities, that is debt, equity and hybrid securities, including customized preferred shares, customized corporate bonds, covered bonds (to include mortgage bonds) and securitization. The Bank will examine how and to what extent the legal framework empowers the use of these instruments.

b) Conducting a high-level review of Czech savings levels and savings destinations (both within the Czech Republic and abroad), as well as foreign savings within the Czech Republic, to explore the latent demand for investing in securities products. The Bank will take into account issues of currency denomination of investments and associated risks and mitigation of these. The Bank will also undertake a high level review of the role of the pension sector and its potential for encouraging capital market development;

c) Examining trends and levels of liquidity and leverage within the banking system, mortgage lenders and leasing companies to determine the latent demand for issuing debt securities such as covered bonds and securitizations;

d) Examining tax treatments of various investment vehicles and financial instruments, from both the issuer and investor sides, to determine impediments or “uneven playing fields”.

e) Reviewing costs and fees structures for the issuance and secondary market trading of investment products.

f) Based on discussions with market participants, reviewing opportunities for the improvement or expansion of the securities market including new issuances of equities given the supply of companies and availability of investors, and debt instruments, and other new potential securities.

g) Evaluating the state of the Unit Trust / UCITS market by instrument and sector and exploring opportunities for expansion with due consideration to the enabling legal environment and pertinent EU Directives.

h) Exploring how the capital market can support the development of small and medium enterprises, including (1) the creation of special trading floors or mechanisms on the exchange, and/or (2) better enabling private equity and venture capital funds; and

i) Assessing the role of the government debt market in providing a benchmark and promoting the issuance of corporate securities.

The report will also include a regulatory evaluation of the challenges the Czech Republic faces in developing its capital market. This regulatory assessment will primarily address local Czech regulations which may generate business barriers for the entry and participation of issuers and investors in the Czech market. This assessment will also address what aspects of EU mandated regulations affect the efficacy of capital market development in the Czech Republic and cost of entry for participants. These will be evaluated in the context of recommending regulatory changes in the local Czech regulations, taking into account the EU law requirements, in the context of developing the Czech market. This will include:
a) An assessment of the market access by Czech securities market intermediaries in the context of both local regulations and EU mandated regulations including:

- Examining the authorization/licensing process for intermediaries, prudential and conduct rules such as conflicts of interest, fair treatment of clients, and including organizational requirements such as operational, cyber, and governance aspects, and passporting conditions; and examining reporting requirements, and any regulatory gaps among different types of intermediaries.
- Examining the requirements for using accounting norms (including consideration of the simultaneous use of IFRS (required under EU Directives) and Czech GAAP norms for listed companies).

b) An assessment of capital market transactional and growth issues (from a regulatory standpoint) including:

- Market structure efficiency: examining the effect of regulatory requirements applicable to trading (regulated markets, MTFs, OTFs), clearing, payment, collateral management, settlement and reporting structures; and (b) market liquidity: examining the effect of trading rules (including pre- and post trade rules) on local market growth;
- Investor protection: examining KYC, product approval processes, disclosure and transparency requirements to authorities and investors, asset custody and certainty of the legal rights over financial assets, and assessing whether these pose significant barriers to market participation, and what EU or Czech rules impact these significantly.
- Examining the efficiency of existing regulations and infrastructure applicable to SMEs (listing cost, including legal fees, arrangement costs, investment banking charges, prospectus requirement costs, business and financial information sources).

In order to prepare and finalize the report, it is expected that the MoF of the Czech Republic will provide sufficient data on a timely basis, and that the Bank will be in a position to access to significant input from the private sector participants.

**Indicative Timeline of Milestones and Outputs**

<table>
<thead>
<tr>
<th>Milestones</th>
<th>Delivered by</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Bank mission to Prague</td>
<td>March 2017</td>
</tr>
<tr>
<td>Delivery of first draft of report to MoF</td>
<td>May 2017</td>
</tr>
<tr>
<td>Second Bank mission to Prague</td>
<td>June 2017</td>
</tr>
<tr>
<td>Final delivery of report to MoF</td>
<td>July 2017</td>
</tr>
</tbody>
</table>
3. **Eligible Expenditures**

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

(a) Staff and consultant services;  
(b) Cost of travel;  
(c) Cost of training and workshop; and  
(d) Other services including translation.

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.

5. **Program Criteria**

5.1 Activities are to be financed in accordance with the following program criteria:

The Trust Fund is established to enable the European Commission and the Bank to continue to collaborate and exchange experience and expertise on a number of themes under all three pillars of the Europe 2020 Agenda – of smart, sustainable and inclusive growth. The express purpose of this Trust Fund is to allow the European Commission to avail itself of the Bank’s technical assistance and analytical and policy capacity for the purpose of pursuing the goals of Europe 2020. The three pillars of Europe 2020 are broadly in line with the objectives and strategies adopted in the Europe and Central Asia Region of the World Bank Group. All activities that are in pursuance of these three pillars are eligible to be financed and implemented under this Trust Fund.
STANDARD PROVISIONS

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor it being understood that any plural references in the annexes to Donors, Administration Agreements, Contributions and pro rata shares shall be read as singular references to the Donor, its Administration Agreement, its Contributions thereunder and the remaining uncommitted balance of the Trust Fund, respectively.

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 Donor, 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 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 Donor acknowledges that this provision does not create any obligations of the Bank under the anti-terrorist financing and asset control laws, regulations, rules and executive orders of an individual member country that may apply to the Donor.

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 Euro (the “Holding Currency”).

   2.3 The Donor agrees to deposit its Contributions in the Contribution Currency stated in its 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 transfer all income from such investment to the Donor’s applicable donor balance account with the Bank.

3. **Trust Fund Fees and Costs**

3.1 The Bank shall deduct and retain for its own account, as a deduction from each Instalment, an amount equal to five percent (5%) per Instalment as an administrative fee for the Trust Fund.

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

4. **Accounting and Financial Reporting**

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

4.2 The Bank shall furnish to the Donor 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 Donor via the World Bank’s Trust Funds Donor Center secure website.

4.3 The Bank shall provide to the Donor 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 the 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.

5. **Progress Reporting**

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

5.2 The 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 October 15, 2017 (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 Donor) after such date to the extent such date is changed in accordance with amendments made to the Administration Agreement(s) of the Donor. Following the End Disbursement Date, the Bank shall return any remaining balance of the Trust Fund to the 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 the Donor, all calculated as Holding Currency amounts.

6.2 The Donor may cancel all or part of such Donor’s pro rata share/contribution, and the Bank may cancel all or any Donor’s pro rata share/contribution, 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 Donor consents to such disclosure of their respective Administration Agreements and such related information.

7.2 The Donor 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.
ANNEX 3

GOVERNANCE FOR THE ACTIVITIES SET FORTH IN SECTION 2 OF ANNEX 1 TO THIS ADMINISTRATION AGREEMENT

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

Working Modalities

The Bank will be in charge of the implementation of the activities and shall consult with the Structural Reform Support Service (SRSS) regularly.

SRSS will take all appropriate measures to facilitate the Bank work in the performance of the activities, including, as needed, facilitating contacts with Czech authorities.

The activities will be undertaken in close collaboration with the SRSS and the Ministry of Finance of the Czech Republic.

In order to facilitate the implementation of the project, the SRSS will be responsible for involving other EU Commission services, where appropriate. SRSS will also provide support to ensuring the appropriate involvement of the Czech authorities for the smooth execution of the activities by the Bank. The SRSS, when legally possible, will provide the Bank with relevant documents, reports and findings, resulting from other technical assistance work streams the SRSS is or has been involved in.

The Bank and SRSS will have regular exchanges on the progress of the project, on the work plan or schedule of project activities for the following month(s) including missions, and raise any issues as they arise concerning difficulties encountered. A Representative of the SRSS will be invited to attend all missions and all pertinent events or activities.

Priorities and choices to be made in the planning of the activities will be discussed and consulted between the Bank and SRSS. To facilitate the organization and efficiency of missions the Bank will share with the SRSS in a timely manner the relevant documents.

It is expected that the Head of the Capital Market Unit, under the Financial Markets II Department of the MoF of the Czech Republic will be the national contact point for the activities, and will coordinate the necessary coordination mechanisms within the MoF, the capital markets sector, and other national stakeholders. To this end, the MoF will establish a Project Management Team, composed of relevant MoF staff.

It is expected that the Bank will consult and cooperate with the Project Management Team at all major stages of the activities to be implemented. It is expected that the MoF will provide input for the analysis of the Bank, comment on the work plan of the project, review draft outputs and provide detailed comments.

It is expected that the material output produced under the activity will be delivered by the Bank to the MoF directly. MoF will be solely responsible for the implementation of the recommendations in the report. It is expected that MoF, SRSS and Bank will consult each other prior to the publication of the final report endorsed by the MoF.
The Bank will carry out the visibility activities agreed between the Bank and the SRSS in the Visibility Note dated 21/02/2017, as may be updated from time to time by the parties, in line with Article 9 and Attachment 4 of the Framework Agreement.

Bank team composition:

The Bank shall, in its sole discretion, determine the composition of the staff (including staff holding consultant appointments) assigned to perform the activities under this Agreement. The Bank team will be managed by a Bank Task Team Leader with relevant experience, drawing on the expertise of the World Bank Group staff with extensive experience on capital market development in EU Member States and other advanced jurisdictions. The Bank team will include the following competencies:

- In-depth knowledge of Europe's capital markets and the EU regulatory framework for financial services.

- Ability to assess the status of capital markets and propose recommendations for further development in the EU context.

- Ability to produce high-quality written outputs

- Project management, economic, and other skills that will be considered necessary for the execution of the activities.
## INDICATIVE RESULTS INDICATORS FOR THE ANNEX 1 ACTIVITIES

<table>
<thead>
<tr>
<th>Expected Results (logic of intervention)</th>
<th>Indicators</th>
<th>Baseline</th>
<th>Result goals</th>
<th>Sources of Data</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Impact</strong></td>
<td>Improved understanding of the current stage of capital market development in the Czech Republic and impediments for further development</td>
<td></td>
<td></td>
<td>MoF, CNB, market participants, related EU regulation.</td>
<td>Active engagement of MoF in providing information and feedback.</td>
</tr>
<tr>
<td><strong>Outcome(s)</strong></td>
<td>Assessment of the current state of capital market development and identification of obstacles and challenges for its development.</td>
<td>MoF does not currently have an independent assessment of the capital market.</td>
<td>Assessment is completed and delivered.</td>
<td>MoF, CNB, market participants, related EU regulation.</td>
<td>Active engagement of MoF in providing information and feedback.</td>
</tr>
<tr>
<td>Identification of obstacles and challenges for further development of the Czech capital market</td>
<td>Based on the outcome outlined above, elaboration of recommendations for further development of the Czech capital market.</td>
<td>MoF does not currently have recommendations for further development of the Czech capital market based on an independent assessment</td>
<td>Recommendations for the short, medium and long term are completed and delivered</td>
<td>MoF, CNB, market participants, related EU regulation.</td>
<td>Active engagement of MoF in providing information and feedback.</td>
</tr>
<tr>
<td><strong>Output(s)</strong></td>
<td>Draft report on the status of the capital market, identification of obstacles/challenges and proposed recommendations for its further development is prepared.</td>
<td>MoF does not currently have an independent diagnostic and evaluation report.</td>
<td>Draft diagnostic and evaluation report, including proposed recommendations, is delivered to MoF.</td>
<td>MoF, CNB, market participants, related EU regulation, indicators and experience from comparative jurisdictions, where appropriate.</td>
<td>Active engagement of MoF and other stakeholders in providing information required for preparing the report.</td>
</tr>
</tbody>
</table>

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First draft of the diagnostic and evaluation report of the capital market in the Czech Republic and recommendations for further development.
<table>
<thead>
<tr>
<th>Expected Results (logic of intervention)</th>
<th>Indicators</th>
<th>Baseline</th>
<th>Result goals</th>
<th>Sources of Data</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final draft of the diagnostic and evaluation report of the capital market in the Czech Republic and recommendations for further development</td>
<td>Final report on the status of the capital market, identification of obstacles/challenges and final recommendations for its further development is prepared, incorporating comments and feedback from MoF and other stakeholders.</td>
<td>MoF does not currently have an independent diagnostic and evaluation report.</td>
<td>Final diagnostic and evaluation report, including final recommendations, is delivered to MoF.</td>
<td>MoF, CNB, market participants, related EU regulation, indicators and experience from comparative jurisdictions, where appropriate.</td>
<td>Active engagement of MoF and other stakeholders in providing information required for preparing the report.</td>
</tr>
</tbody>
</table>
## ANNEX 5

### INDICATIVE BUDGET

FOR THE ANNEX 1 ACTIVITIES

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>Average Number</th>
<th>Amount in Euro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff and consultant services</td>
<td>5</td>
<td>65,000</td>
</tr>
<tr>
<td>Cost of travel</td>
<td>2</td>
<td>30,000</td>
</tr>
<tr>
<td>Training and workshops</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Other services including translation</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td><strong>95,000</strong></td>
</tr>
<tr>
<td>Administration fee (5%)</td>
<td></td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100,000</strong></td>
</tr>
</tbody>
</table>

The amount estimated for personnel is calculated taking into account different levels of expertise estimated to be required for carrying out the activities described in Annex 1.

The World Bank Group entity may transfer amounts between categories of the indicative budget. This does not require an amendment of the Administration Agreement if the Action is carried out as described in Annex I – Trust Fund description.

The number of units and amounts indicated in the budget are not binding and reflect the means envisaged for the implementation of the Action. The number of units indicated in the estimated initial budget may not be used to question the actual number of units reported during and at the end of action.