September 24, 2015

Ms. Judith G. Garber  
Acting Assistant Secretary  
Bureau of Oceans and International Environmental and Scientific Affairs  
U.S. Department of State  
2201 C Street NW, HST 3880  
Washington, D.C. 20520  
United States of America

Administration Arrangement between the United States of America, acting through the Department of State and the International Bank for Reconstruction and Development and the International Development Association concerning the Multi-Donor Trust Fund for the Global Program on Fisheries (PROFISH) (Trust Fund No. TF070942)

Dear Ms. Garber:

1. We are pleased to acknowledge on behalf of the International Bank for Reconstruction and Development ("IBRD") and the International Development Association ("IDA") (collectively, the "Bank") the intention of the United States of America, acting through the Department of State (the "Donor") to make available the sum of five million United States Dollars (US$5,000,000) ("Contribution") for the Multi-Donor Trust Fund TF070942 (MDTF2) for the Global Program on Fisheries ("PROFISH") (the "Project") in accordance with the terms of this Administration Arrangement. Any subsequent contributions from the Donor to the Project will be subject to an amendment to this Arrangement. Other donors are also expected to contribute to this trust fund in line with the provisions specified in the Annexes to this Arrangement.

2. The Contribution will be used to finance the activities and categories of expenditure set forth in the "Description of Activities and Expenditures under the MDTF2 for PROFISH" attached hereto as Annex 1.

3. The Contribution will be administered by the Bank on behalf of the Donor in accordance with the provisions of this Arrangement and the "Standard Provisions Applicable to the MDTF2 for PROFISH" ("Standard Provisions") attached hereto as Annex 2, and the "Governance Arrangement for PROFISH" attached hereto as Annex 3. All Annexes constitute an integral part of this Arrangement.

4. The Donor will deposit the Contribution promptly following countersignature in the full amount and currency ("Contribution Currency") specified in Section 1 above into such bank account designated by the Bank upon submission of a payment request by the Bank (such deposit being an "Installment").
5. When making any deposit, the Donor will instruct its bank to include in its deposit details information (remittance advice) field of its SWIFT deposit message, information indicating: the amount deposited, that the deposit is made by the Donor for **TF070942** (Multi-Donor Trust Fund for the Global Program on Fisheries (PROFISH)(MDTF2) Trust Fund), and the date of the deposit (the “Deposit Instructions”). In addition, the Donor will provide a copy of the Deposit Instructions to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to +1 (202) 614-1315.

6. The Donor will not be responsible for the activities of any person or third party engaged by the Bank as a result of this Arrangement, nor will the Donor be liable for any costs incurred by the Bank in terminating the engagement of any such person.

7. Except with respect to the Deposit Instructions, any notice, request or other communication to be given or made under this Arrangement will be in writing and delivered by mail, fax or e-mail to the respective Party’s address specified below or at such other address as such Party notifies in writing to the other Party from time to time:

   **For the Bank (the “Bank Contact”):**
   
   Mr. Randal Brummett  
   Senior Fisheries Specialist  
   Environment and Natural Resources Global Practice  
   The World Bank  
   1818 H Street, NW  
   Washington, DC 20433  
   Tel: 1-202-473-2853  
   Fax: 1-202-614-2853

   **For the Donor (the “Donor Contact”):**
   
   Ms. Natalie Howard  
   Director, Financial Management Division  
   Office of the Executive Director  
   Bureau of Oceans and International Environmental and Scientific Affairs  
   2201 C Street NW, Room 2880  
   Washington, D.C. 20520  
   Tel: 1-202-736-7376  
   E-mail: HowardNJ@state.gov

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

9. This Arrangement may be amended only in writing between the Bank and the Donor; provided, however, that Annex 1 (Description of Activities and Expenditures for PROFISH), Annex 2 (Standard Provisions) and Annex 3 (Governance Arrangements for PROFISH) to this Arrangement may only be amended with the agreement of all Donors contributing to this trust fund.
10. This Arrangement, including any annexes, is not an international treaty and is not eligible for registration under Article 102 of the United Nations Charter. It is an administrative arrangement between the Bank and the Donor.

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

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]
Paula Caballero
Senior Director
Environment and Natural Resources Global Practice

CONFIRMED AND ACCEPTED:

UNITED STATES OF AMERICA, ACTING THROUGH
THE DEPARTMENT OF STATE

By: [Signature] Date: 9/24/15
Name: Judith G. Garber
Title: Acting Assistant Secretary
Description of Activities and Expenditures under the MDTF2 for PROFISH

1. Description of Activities

The Project will contribute to the overall objectives of the Global Program on Fisheries (PROFISH). The objectives seek to contribute to improving sustainable livelihoods in the fisheries sector and in coastal rural communities and to assist developing countries to meet the fisheries targets as set forth by the World Summit on Sustainable Development (WSSD).

The Project activities as approved by the PROFISH Steering Committee in accordance with Annex 3, will be primarily, but not exclusively, targeted on Sub-Saharan Africa, Small Island Developing States as understood within the context of the WSSD and Low Income Food Deficit Countries, as defined by FAO’s Committee on World Food Security.

The PROFISH MDTF 2 will fund, or co-fund, *inter alia*:

a) preparation of sector strategy notes and studies, sector analytical work and reviews of national and regional fisheries policies and plans;
b) awareness activities, such as county-level and regional-level workshops and high-level stakeholder meetings, or international events to increase awareness and collaboration among decision-makers, donors, and stakeholders concerning the challenges facing the world’s fisheries and the options for sustainable fisheries management and good governance;
c) development of networks of partners to increase collaboration on sustainable fisheries and promote national and regional consensus on pro-poor sustainable fisheries initiatives;
d) alignment and harmonization of policies, programs and investments for sustainable fisheries by client countries, the World Bank and other interested donors;
e) activities to promote and implement the Code of Conduct for Responsible Fisheries;
f) support for and collaboration with other major initiatives in the area of marine resource management, such as the Global Coral Reef Targeted Research and Capacity Building Project, and the Strategic Partnership for a Sustainable Fisheries Investment Fund in Sub-Saharan Africa;
g) the operation of the Focal Point (as defined in Annex 3); and
h) publications.

2. Categories of Expenditures

2.1. For Bank-Executed activities, the Contribution funds may be used to finance the following categories of expenditures:

a) Short Term Consultant Fees,
b) Contractual Services,
c) Extended Term Consultants;
d) Temporary Staff Costs;
e) Staff Costs (Salary + Benefits + Indirects);
0) Travel Expenses;
g) Equipment Costs; and
h) Media & Workshop Costs

2.2. The Contribution funds may be used to provide grants to recipients including developing member countries of the Bank, NGOs, multilateral institutions and other partners for national, regional, or global activities. For Recipient-Executed Activities, the Contribution funds may be used to finance the following categories of expenditures:

a) Services (including but not limited to consultants and workshops),
b) Goods, and
c) Others (including but not limited to operating costs).
ANNEX 2

Standard Provisions Applicable to the MDTF2 for PROFISH

The following provisions (hereinafter referred to as the “Standard Provisions”) will apply to and form an integral part of all arrangements entered into between the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively, the “Bank”) and donor countries and/or organizations (hereinafter referred to as the “Donors”) that provide grants (referred to as the “Contributions”) to be administered by the Bank for the Multi-Donor Trust Fund for the Global Program on Fisheries (PROFISH) (the “Project”).

1. Administration of the Contributions

The Bank 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 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 Arrangement will be considered a waiver of any privileges or immunities of the IBRD and IDA under their Articles of Agreement or any applicable law, all of which are expressly reserved.

2. Commingling, Exchange and Investment of the Contributions

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

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

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

3. Administrative Cost Recovery

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

4. Grants to Recipients

4.1 The Bank will, as administrator on behalf of the Donor, enter into grant agreements (the “Grant Agreements”) with one or more entities (the “Recipients”) for the provision of
Contribution funds for the purposes of this Arrangement and on the terms and conditions set forth in the Grant Agreements. The Bank will furnish a copy of the Grant Agreements to the Donor.

4.2. The Bank will be solely responsible for the supervision of Project activities financed under the Grant Agreements.

4.3. If, in the Bank’s opinion, an amount of the Contribution funds allocated to any of the expenditure categories specified in Article 2.1 of Annex I to this Arrangement will be insufficient to finance the expenditures for such category, the Bank may reallocate to such category an amount of the Contribution funds then allocated to another category which, in the Bank’s opinion, will not be necessary to meet other expenditures. The Bank will notify the Donor of such a reallocation.

5. Employment of Consultants and Procurement of Goods

The employment and supervision of consultants and the procurement of goods financed by the Contributions will be the responsibility solely of the Bank and will be carried out in accordance with its applicable policies and procedures. The Grant Agreements will provide that the Contributions will be used by the Recipients to finance expenditures for goods and services, as the case may be, in accordance with the World Bank’s Guidelines on “Procurement under IBRD Loans and IDA Credits” and the World Bank’s Guidelines on the “Selection and Employment of Consultants by World Bank Borrowers,” as in effect at the date of the Grant Agreements.

6. Accounting and Financial Reporting

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

6.2. The Bank shall furnish to the Donor current financial information relating to receipts, disbursements and fund balance in United States Dollars with respect to the Contribution funds via the World Bank's Trust Funds Donor Center secure website. Within six (6) months after all commitments and liabilities under this trust fund have been satisfied and the trust fund has been closed, the final financial information relating to receipts, disbursements and fund balance in United States Dollars with respect to the Contribution funds will be made available to the Donor via the World Bank's Trust Funds Donor Center secure website.

6.3. The Bank will also provide the Donor with copies of all financial statements and auditors’ reports received by the Bank from the Recipients pursuant to the Grant Agreements.

6.4. The Bank will provide to the Donor, within six (6) months following the end of each Bank fiscal year, 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 trust funds as a whole. The cost of such attestations will be borne by the Bank.

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

7. **Coordination and Project Reporting**

7.1. The Bank will provide the Donor with an annual report on the progress of activities financed by the Contributions. Within six (6) months of the final disbursement date specified in paragraph 8.1, the Bank will furnish to the Donor a final report on the Project activities.

7.2. The Bank will promptly inform the Donor of any significant modification to the terms of the Grant Agreements and of any contractual remedy that is exercised by the Bank under the Grant Agreements. To the extent practicable, the Bank will give the Donor the opportunity to exchange views before effecting any such modification or exercising any such remedy.

8. **Disbursement Deadline; Cancellation; Refund**

8.1. It is expected that the Contribution funds will be fully disbursed by the Bank in accordance with the provisions of this Arrangement by December 31, 2015. The Bank will only disburse Contribution funds for the purposes of this Arrangement after such date with the written approval of the Donors.

8.2. Any Donor or the Bank may, upon three (3) months’ prior written notice, cancel all or part of the Donor’s pro rata share of any remaining balance of the Contribution funds that is not committed pursuant to any agreements entered into between the Bank and any consultants and/or other third parties for the purposes of this Arrangement prior to the receipt of such notice, including the Grant Agreements.

8.3. Upon the final disbursement date specified in paragraph 8.1, the Bank will return any remaining balance of the Contribution funds to the Donors on a pro rata basis. In the event of a cancellation of an individual Donor’s pro rata share of uncommitted Contribution funds in accordance with paragraph 8.2, the Bank will return such cancelled balance to the Donor.

9. **Disclosure**

The Bank may disclose this Arrangement and information on this trust fund in accordance with the Bank’s policy on disclosure of information.
Governance Arrangements for PROFISH

The PROFISH Steering Committee (PSC) operates as the decision making body for the PROFISH partnership and in that capacity defines and directs the fund allocation strategy in accordance with the terms and procedures set out below, which apply to all Trust Funds for PROFISH (PROFISH TFs) and such funds as may be allocated under the Development Grant Facility (DGF). The PROFISH Focal Point operates as the secretariat and implementing body and coordinates the use of funds in accordance with the terms and procedures set out below.

a. PSC Membership

1.1. The membership of the PSC is as follows:

(i) one representative from each donor contributing $150,000 or more in cash to PROFISH TFs;
(ii) two representatives from the World Bank, one of whom is the ESSD Vice President or his delegate;
(iii) one representative from the Food and Agriculture Organization of the United Nations (FAO);
(iv) one representative from the WorldFish Center;
(v) up to four representatives from regional economic organizations representing developing countries as selected and approved in accordance with Section 1.3 below;
(vi) up to three representatives from non-government stakeholder organizations active in the fisheries sector as selected and approved in accordance with Section 1.4 below; and
(vii) one representative from each global fishery sector donor that contributes direct in-kind support of $150,000 or more to the PROFISH work program as approved by the PSC.

1.2. Other donors may contribute to PROFISH TFs without being members of the PSC.

1.3. On an annual basis, any member under Section 1.1 (i), (ii) or (vii) above (Core Representatives) may propose regional economic organizations representing developing countries to be represented as members of the PSC. Approval of up to four regional economic organizations to be represented for the following year and any selections to fill early terminations will come from consensus of the Core Representatives. Candidate regional economic organizations must meet one or more of the following criteria:

(i) The policies of the organization must be compatible with the Millennium Development Goals, with sustainable fisheries development and management and with the principles of the Code of Conduct for Responsible Fisheries.
(ii) The organization must have an active fisheries program, activity, or secretariat.
(iii) The region represented by the organization must have current or planned activities supported by PROFISH.
(iv) The organization must be capable of providing a high level entry point for regional initiatives promoting sustainable fisheries, particularly within the context of, or in alignment with, regional economic plans and processes.
1.4. On an annual basis, any Core Representative may propose non-government stakeholder organizations active in the fisheries sector to be represented as members of the PSC. Approval of up to three non-government stakeholder organizations to be represented for the following year and any selections to fill early terminations will come from consensus of the Core Representatives. Candidate non-government stakeholder organizations must meet one or more of the following criteria:

(i) The policies of the organization must be compatible with the Millennium Development Goals, with sustainable fisheries development and management and with the principles of the Code of Conduct for Responsible Fisheries.
(ii) The organization must have an active fisheries program, activity, or secretariat.
(iii) The organization must have a proven track record of excellence in sustainable fisheries or fisheries-related pro-poor advocacy.
(iv) The organization must have strong operational capability, a regional or global network, or an ability to make a significant contribution to national, regional, or global fisheries policies and programs.

b. PSC MEETINGS

2.1. Meetings. The PSC meets at least twice a year. At least one meeting is in person (the Annual Meeting). The second meeting, and any additional meetings, may be in person or by telephone/video conference.

2.2. Chair. The chair of the PSC (the Chair) is one of the representatives under Section 1.1 (i) or (vii) above (Donor Representatives), as appointed by consensus of the PSC members. The Chair rotates every two years. Candidate proposals for the Chair may be made by Core Representatives.

2.3. Participation. In addition to the PSC members under Section 1.1 above, participants from the PROFISH Forum may attend open sessions of the PSC in an observer capacity; provided that the Chair of the PSC may declare certain sessions of the PSC closed to observers.

2.4. Materials. Agendas and materials to be considered at PSC meetings are provided by the Focal Point or the Chair at least 30 days in advance of such meetings.

2.5. Decisions. The PSC is a non-voting body that works by consensus. In the event that the PSC is unable to achieve consensus on a matter, PSC approval will be given if (i) at least half of the Donor Representatives (including the Chair), (ii) at least half of the members under Section 1 (iii) – (vi); and (iii) both representatives under Section 1 (ii) (World Bank Representatives) all agree. Failure to reach full consensus will result in ongoing dialogue on the subject with dissenting PSC members, as instructed by the Chair. In the period prior to the appointment of PSC members under Sections 1.3 and 1.4 above, any PSC members under Section 1.1(i) – (iv) and any members under Section 1.1(vii) may make decisions in conformity with the preceding clauses of this Section (Section 2.5).
3. **PSC Functions**

3.1. **Role:** The PSC:

(i) defines the policy and strategy for PROFISH;
(ii) defines selection criteria for country and regional operations and for global activities supported by the PROFISH TFs and the DGF grant;
(iii) defines the procedures for submission and consideration of proposals for country and regional level support and collaboration and for global activities supported by the PROFISH TFs and the DGF grant;
(iv) approves the annual PROFISH work program and financial plan for activities funded both by the PROFISH TFs and the DGF grant in accordance with Section 4 below;
(v) takes note of parallel activities contributing to PROFISH objectives, considers means of enhancing the alignment of these activities with the PROFISH work program, and defines their status and relationship within or to the overall PROFISH program; and
(vi) monitors and evaluates program progress, as reported in semi-annual progress reports prepared by the Focal Point and through such other means as the PSC or the World Bank may determine.

3.2. **Reporting.** As appropriate to the forum, the Chair or his designee reports on the progress and quality of the PROFISH program to High-level Stakeholder meetings. As agreed by the PSC, the Chair or his designee seeks to report biennially on PROFISH progress to the FAO Committee on Fisheries (COFI) meeting.

4. **PROFISH Work Program**

4.1. Two closely aligned and mutually supportive draft annual work programs for the deployment of funds from PROFISH TFs and the DGF grant are prepared by the Focal Point in close consultation with PSC members, other partner organizations and the World Bank Fisheries Working Group, the composition of which is determined by the World Bank.

4.2. At least 30 days in advance of the PSC Annual Meeting, the Focal Point distributes the draft PROFISH work program and accompanying agenda to the PSC members.

4.3. The draft PROFISH work program includes, *inter alia*:

(i) a status report on the on-going activities of PROFISH and their respective costs and achievements;
(ii) a description and justification of proposed new PROFISH activities and their respective costs and projected outputs;
(iii) a financial report;
(iv) a budget;
(v) a schedule of major meetings, or events in which PROFISH would be active; and
(vi) a summary business plan for PROFISH and related or parallel activities.

4.4. The PSC discusses and approves an annual PROFISH work program at its annual meeting in accordance with Section 2.5 above, clearly distinguishing between activities supported by the PROFISH TFs and the DGF grant.
4.5. Recognizing the need for flexibility due to changing circumstances in target countries, and subject to prior consultation with the Chair for “major changes” in accordance with Section 4.6 below, (i) the Focal Point is empowered, within the overall budget of the annual work program for the PROFISH TFs and the selection criteria approved by the PSC, to modify PROFISH TFs work program activities and (ii) any DGF grant recipient or sub-grant recipient is empowered, within the agreed budget and work program for that specific DGF grant or sub-grant to modify the relevant work program activities, subject to prior agreement with the Focal Point. The PSC is provided with ample justification for any such modifications in the work program.

4.6. “Major changes” are considered at meetings of the PSC, or by email or other correspondence using a ‘no objections’ procedure as appropriate, prior to Focal Point or DGF grant implementation. “Major changes” are changes that in the opinion of the Chair constitute a major change to the approved PROFISH work program and financial plan meriting PSC approval, and may include, for example, the addition or elimination of a target country for the purposes of a sector note, the addition of new activities to the work program, the elimination of existing activities from the work program, or changes in the costs of approved activities that necessitate adjustments exceeding 10% of the budget.

4.7. PSC members are advised by the Focal Point in a timely manner of any changes or modifications made to the annual PROFISH work program.

4.8. The work program and its implementation will conform to the terms of agreement of PROFISH TFs and DGF grants.

5. FOCAL POINT

5.1. The Focal Point is housed in the World Bank and acts as the secretariat for the PSC and PROFISH. The Focal Point is led by a Task Team Leader, who reports to the Agriculture Sector Manager, and is further staffed by World Bank staff and seconded staff meeting World Bank secondment requirements, all of whom report to the Task Team Leader with respect to PROFISH activities.

5.2. Any proposals made to the PSC are directed through the Focal Point prior to consideration by the PSC. The Focal Point has responsibility for indicating to the PSC that a proposed activity may be inconsistent with World Bank rules and requirements and as such may not be implemented, it being understood that for PROFISH TFs, the terms of the Bank’s Standard Provisions set forth in Annex 2 will at all times prevail.

5.3. The Focal Point:

(i) provides PSC members with regular reports on the status of PROFISH activities;

(ii) distributes to PSC members an agenda for each PSC meeting based on views and proposals solicited from PSC members;

(iii) circulates the records of the deliberations of the PSC to PSC members;

(iv) accommodates the comments of PSC members to provide an accurate summary record of PSC meetings;

(v) receives proposals from PSC members at any time and routes them to the Chair for consideration;
(vi) implements the activities supported by PROFISH TFs in accordance with PSC guidance and World Bank requirements; and
(vii) coordinates the use of PROFISH TFs and DGF funding within the PROFISH work program; and
(viii) separately, acting for the Bank as trustee, administers PROFISH TFs in accordance with Bank rules and requirements.

5.4. During the PROFISH start-up period, defined as the period prior to the time when the PSC approves the first PROFISH work program and budget and agrees on the criteria for selection of PROFISH target countries the Focal Point may:

(i) disburse PROFISH TFs funds on activities with respect to countries and regions that already have expressed a strong interest to the World Bank to improve their sector governance; and
(ii) authorize the recipient[s] of DGF funds to disburse such funds for activities in the preliminary work program proposal of the recipient.

6. AMENDMENTS

6.1. Amendments to the Governance Arrangements for PROFISH may be made by affirmative agreement by all PSC members and will amendment this Annex 3 accordingly. Such affirmative agreement may not arise from a mere lapse of a no objection period whereas affirmative agreement by all members present at a PSC meeting will be sufficient. The Focal Point will maintain and distribute clear records of any such amendments.