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 which sets the general conditions for this Agreement (the “Framework 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 four hundred thousand euros (€400,000) (the “Contribution”) for the Part II Europe 2020 Programmatic Single-Donor Trust Fund, (No. TF072934) (the “Trust Fund”) in accordance with the terms of this Administration Agreement.

The estimated total budget of the Trust Fund is four hundred thousand euros (€400,000). The indicative budget set out in Annex 5 shall be used for monitoring purpose 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.

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) €200,000 promptly following countersignature
   (B) €200,000 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 (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: +32-2 299-3493  
mary.mccarthy@ec.europa.eu

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

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: 
Name: Arup Banerji
Title: Regional Director
Date: November 17, 2017

EUROPEAN UNION represented by the EUROPEAN COMMISSION

By: 
Name: Mary McCarthy
Title: Director
Date: 21 NOV. 2017
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

2.1 *The objectives and description of the activities are:*

2.1 The European Commission, particularly the Structural Reform Support Services (SRSS), has expressed an interest in ensuring that the Bank provides technical assistance to the Ministry of Finance (MoF) and the State Revenue Service (SRS) of the Republic of Latvia, with the specific objective of supporting the implementation of the Mid-Term Tax Strategy of the Government of Latvia.

The Bank is deemed uniquely qualified to provide technical assistance to the MoF and the SRS based on its recognized international expertise and on its previous experience advising the Government of Latvia in the area of tax policy reforms. The Bank is widely acknowledged to be one of the leading bodies providing policy advice and implementation support in the area of tax administration to Governments throughout the world, including in many EU Member States. The Bank has assisted numerous Governments in modernization of their tax administration in general. Furthermore, the Bank has been providing assistance to the Government of Latvia, and to the MoF in particular, in undertaking a comprehensive review of the tax policy regime. Therefore, the Bank brings a valuable combination of understanding of Latvian political and fiscal economy and constraints, deep knowledge of the country's tax system, and world class expertise in the area tax policy and administration.

Based on the above, the Bank will provide technical assistance support to the staff of the MoF and the SRS in implementing the Mid-Term Tax Strategy of the Government of Latvia. This strategy envisages an outcome of an increase in tax collections by 4 percent over the baseline of 2016 tax collections. The activities under this technical assistance program aim at contributing to tax revenue mobilization and to achieving major reductions of compliance costs by Latvia.

Activities will build on and complement the ones provided under the Tax Policy and Equity RAS provided under the Administrative Agreement between the Bank and the European Commission dated

ANNEX 1
December 4, 2015, (TF072372 and EC Contract No30-CE-0749429/00-44) (the Tax Policy and Equity RAS). In particular, under Component E described in the Annex 1 of the above mentioned Administration Agreement, the Bank has been providing assistance to the Government of Latvia, and to the MoF in particular, for reviewing tax policies. In line with the objectives set out in this technical assistance, the work program will comprise three key areas to address: VAT tax evasion, compliance management and audit, and analytical capacity of the SRS. The Bank will carry out the following activities:

**Component A: Tax measures to tackle VAT fraud**

The shadow economy in Latvia is estimated at close to a quarter of the official GDP level, compared with an OECD average of only 14.4 percent. While the share of the informal sector has fallen over the past decade, it remains comparatively large. Informality in Latvia may take the form of unreported business income or under-reported wages, including under the form of “envelope wages”.

Discussions of the Bank with the MoF and the SRS officials confirmed that tackling this issue, including the problem of “envelope wages” is a priority as it imposes serious constraints on tax revenues.

VAT fraud can result from multiple routes related to under collection of VAT (collection leakage), but also overpayment of refund (refund leakage). The technical assistance activity will undertake an analysis of the existing VAT administration to reveal possible VAT fraud modus operandi in Latvia. The activity under this component will also share international best practices in tackling VAT fraud. Finally, recommendations will be made in the area of prevention of VAT fraud.

**Output A.1. Analysis and recommendations for tackling VAT fraud, and workshops to share international best practices**

The technical assistance to be provided by the Bank will include an analysis of various forms of VAT fraud - including carousel fraud - and propose recommendations on effective methods for addressing VAT fraud in specific sectors through appropriate control measures. The Bank will make proposals for a modern approach to control taxpayers involved in VAT fraud schemes and share good practice methods for carrying out audit, differentiated by those for legal persons and those for natural persons. The technical assistance activity will undertake an analysis of the existing VAT administration to reveal possible VAT fraud modus operandi in Latvia, and share international best practices in tackling VAT fraud. Recommendations will be made in the area of prevention of VAT fraud.

**Component B: Improving analytical capacity in the State Revenue Service**

The analysis of compliance levels, compliance trends and gaps in revenue mobilization is a core element of an effective revenue management system and a tax administration operational strategy. In line with international good practice, the SRS has started to build a tax gap analysis capacity, and in particular in the areas of VAT the overall administrative tax gap is now monitored regularly.

The task for the SRS is now to broaden the analysis and to create the basis for a more detailed segmentation of the overall composition of the tax gap and to calculate gap levels in individual taxpayer segments (large taxpayers, medium-sized businesses, small businesses) or business sectors such as retail and wholesale trade, construction, manufacturing or financial services. This is a challenging process which requires technical assistance to refine the analysis models, train SRS staff in the use of the model and the data analysis and provide quality control to ensure that the model is sound and provides reliable results.
In order to estimate the level and impact of specific non-compliance attitudes that are hard to identify using common tax accountancy data, data mining activity aimed at generalizing risks revealed within tax controls to overall taxpayer population and estimating potential loss from specific compliance gaps that are hard to estimate using common tax return data, could be undertaken. The technical assistance by the Bank will entail micro-simulation of taxpayers’ behavior and its outcome.

The Bank will deliver the following activities:

**Output B.1: VAT gap analysis using most relevant methods**

The focus of this activity will be the decomposition of the VAT tax gap. For this purpose, the Bank will develop methods and tools to measure the tax gap by industry type and by business segment, such as large businesses, medium-sized businesses and small businesses. This will entail combining the currently used macro method with a micro method. The methodology to be developed by the Bank to decompose the VAT gap will rely on the use of micro (input-outputs) approach or on the monitoring and analyzing of the micro administrative data through various tax business processes (primarily, registration, tax accounting, auditing, and collection). The activity will include an element of “hands on training” or “learning by doing”.

**Methodology**

The technical assistance provided by the Bank will include policy advice and hands-on support to work with the MoF and the SRS by experts with relevant experience. Activities will take into account lessons learned from the implementation of the Tax Policy and Equity RAS activities in Latvia. The Bank will also provide its support based on sharing experiences of select countries, including study tours. In order to conduct the tax gap analysis and develop recommendations on the selection of control measures for different groups of taxpayers, the Bank will require timely access from the SRS and the MoF to various data sources. The Bank will not be responsible for the adoption and implementation of the material outputs which will remain the sole responsibility of the Government of Latvia.

**Indicative Outputs and Timeline**

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Q4 17</th>
<th>Q1 18</th>
<th>Q2 18</th>
<th>Q3 18</th>
<th>Q4 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.1: Analysis and recommendations for tackling VAT fraud</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>B.1: VAT gap analysis using most relevant methods</td>
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</tbody>
</table>

3. **Eligible Expenditures**

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

(a) Staff and individual 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.

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 The Donor's Contribution 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 the 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 Installment, an amount equal to five percent (5%) per Installment 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 Development Partner 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 Development Partner Center secure website.

4.3 The Bank shall provide to the Donor via the World Bank’s Trust Fund Development Partner 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 December 31, 2018 (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 OF THE ACTIVITIES

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.

Working Modalities

The Bank shall be in charge of the implementation of the activities and shall consult with the Structural Reform Support Service (SRSS) regularly. The SRSS shall take all appropriate measures to facilitate the Bank work in the performance of the activities, including, as needed, facilitating contacts with Latvian authorities.

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

In order to facilitate the implementation of the project, the SRSS shall be responsible for involving other EU Commission services, where appropriate. The SRSS shall also provide support to ensuring the appropriate involvement of the Latvian authorities for the smooth execution of the activities by the Bank. The SRSS, when legally possible, shall 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, at least on a quarterly basis, on the progress of the project, on the work plan or schedule of project activities for the following month(s) including missions. A Representative of the SRSS shall be invited to attend all missions and all pertinent events or activities. To facilitate the organization and efficiency of such missions, events and activities the Bank shall share with the SRSS in a timely manner the relevant documents.

Priorities and choices to be made in the planning of the activities shall be discussed and consulted between the Bank and SRSS.

It is expected that the Deputy Minister of the MoF will be the national contact points for the activities, and shall coordinate the necessary coordination mechanism within the MoF and SRS, as well as among other national stakeholders. To this end, the MoF shall establish a Project Management team, composed of relevant 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 team shall 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 project activities will be delivered by the Bank to the MoF and the SRSS directly. The Banks shall share with the SRSS draft outputs. The SRSS may provide comments that the Bank may take into account. The Bank shall inform the SRSS of those cases where the SRSS feedback was not taken into consideration.

MoF will be solely responsible for the implementation of the recommendations in the reports. It is expected that MoF, SRSS and Bank will consult each other prior to the publication of the final report by the MoF.
The Bank shall notify the SRSS without delay on any circumstances likely to adversely affect the implementation and management of the Action or to significantly delay or jeopardize the performance of the activities or the expected outputs and outcomes.

The Bank shall carry out the visibility activities agreed between the Bank and the SRSS in the Visibility Note, which 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 including personnel and consultants/experts contributing to specific segments of the activities in, among others, the following areas: tackling VAT fraud analysis, integrated compliance management strategy, tax audit analysis, strengthening analytical capacity of SRS, including interpretation and translation services.

A local project coordinator will facilitate and support the activities to be implemented under Annex 1 to this Agreement.

The Bank team will include the following core competencies:

- Ability to analyze and provide recommendations for tackling VAT fraud, and conduct workshops to share international best practices
- Ability to develop an integrated compliance management strategy and ways to strengthen the audit function
- Combination of skills and expertise to improve analytical capacity of the SRS
- Ability to produce high-quality written outputs
- Project management, tax knowledge and other skills that will be considered necessary for the execution of the activities
| Source of Data | Method | Indicators | Expected Results
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Report/Existing VAT and Administrative Reports</td>
<td>Reporting and Analysis</td>
<td>VAT revenue and administrative costs</td>
<td>Improved VAT revenue and revenue to the SRS</td>
</tr>
<tr>
<td>Document</td>
<td>Methodology (Various)</td>
<td>Effective political support and financial and administrative resources available to the SRS</td>
<td>Increased political support and resources</td>
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<tr>
<td>Report</td>
<td>Methodology (Various)</td>
<td>Work jointly developed with a full-time dedicated Program Implementation Unit in SRS</td>
<td>Jointly developed program</td>
</tr>
<tr>
<td>Report</td>
<td>Methodology (Various)</td>
<td>Programme results and support of the Ministry of Finance towards the implementation of the Program</td>
<td>Increased Ministry support</td>
</tr>
<tr>
<td>Report</td>
<td>Methodology (Various)</td>
<td>Programme results and support of the Ministry of Finance towards the implementation of the Program</td>
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<td>Methodology (Various)</td>
<td>Programme results and support of the Ministry of Finance towards the implementation of the Program</td>
<td>Increased Ministry support</td>
</tr>
</tbody>
</table>

Outcome A:
- Work jointly developed with a full-time dedicated Program Implementation Unit in SRS
- Programme results and support of the Ministry of Finance towards the implementation of the Program
- Effective political support and financial and administrative resources available to the SRS

Outcome B.1:
- Effective political support and financial and administrative resources available to the SRS
- Work jointly developed with a full-time dedicated Program Implementation Unit in SRS
- Programme results and support of the Ministry of Finance towards the implementation of the Program

Outcome B.2:
- Effective political support and financial and administrative resources available to the SRS
- Work jointly developed with a full-time dedicated Program Implementation Unit in SRS
- Programme results and support of the Ministry of Finance towards the implementation of the Program

Outcome C:
- Effective political support and financial and administrative resources available to the SRS
- Work jointly developed with a full-time dedicated Program Implementation Unit in SRS
- Programme results and support of the Ministry of Finance towards the implementation of the Program

Annex 4

Indicative Results Indicators for the Annex 1 Activities
INDICATIVE BUDGET FOR THE ACTIVITIES SET FORTH IN SECTION 2 OF ANNEX 1 TO THIS ADMINISTRATION AGREEMENT

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>Average Number</th>
<th>Amount in Euro</th>
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</thead>
<tbody>
<tr>
<td>Staff and individual consultant services</td>
<td>5</td>
<td>315,970</td>
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<tr>
<td>Cost of travel</td>
<td>10</td>
<td>44,030</td>
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<tr>
<td>Cost of training and workshop</td>
<td>2</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td></td>
<td><strong>380,000</strong></td>
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<tr>
<td>Administration fee (5%)</td>
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<td>20,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>400,000</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.