July 9, 2010

Mr. Dmitry Pankin  
Deputy Minister of Finance  
Ministry of Finance  
Ilyinka str. 9 Moscow, 109097  
Russian Federation

Trust Fund Administration Agreement between the Russian Federation and the International Bank for Reconstruction and Development and the International Development Association concerning the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093)

Dear Mr. Pankin:

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”) that the Russian Federation (the “Donor”) shall make available as a grant the sum of one million five hundred thousand United States dollars (US$1,500,000) (the “Contribution”) for the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093) (the “Trust Fund”) in accordance with the terms of this Agreement. Other donors are also expected to contribute to the Trust Fund on the terms and conditions specified in the Annexes to this Agreement.

2. The Contribution shall be used to finance the activities and the categories of expenditure set forth in the “Description of Activities and Expenditures under the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093)” attached hereto as Annex 1, and shall be administered by the Bank on behalf of the Donor in accordance with the terms of this Agreement including the “Standard Provisions Applicable to the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093)” (the “Standard Provisions”) attached hereto as Annex 2.

3. The Donor shall deposit the Contribution into such bank account designated by the Bank in installments in accordance with the following schedule:

   (a) promptly following countersignature of this Agreement by the Donor and submission of a payment request by the Bank, three hundred thousand United States dollars (US$300,000);

   (b) on or before March 15, 2011 and submission of a payment request by the Bank, four hundred thousand United States dollars (US$400,000);

   (c) on or before March 15, 2012 and submission of a payment request by the Bank, five hundred thousand United States dollars (US$500,000); and
(d) on or before March 15, 2013 and submission of a payment request by the Bank, three hundred thousand United States dollars (US$300,000).

4. When making each deposit, the Donor shall instruct its bank to include in its payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Donor for the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093) and the date of the deposit (the “Deposit Instruction”). In addition, the Donor shall provide a copy of the Donor’s Deposit Instruction to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to (202) 614-1315.

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

Global Partnerships and Trust Fund Operations Department
Concessional Finance and Global Partnerships
The World Bank
1818 H Street, NW
Washington, DC 20433
U.S.A.

Tel: 202-473-4149
Fax: 202-477-7019

For the Donor:

Elena Ilina
Leading Expert
Department for International Financial Affairs
Ministry of Finance
Ilyinka str. 9 Moscow, 109097
Russian Federation

Tel: 8-495-913-47-01
Fax: 8-495-913-47-15
E-mail: eilina@minfin.ru

6. All annexes hereto constitute an integral part of this Agreement. This Agreement may be amended only in writing between the Bank and the Donor; provided, however, that Annex 1 (Description of Activities and Expenditures under the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093) and Annex 2 (Standard Provisions) to this Agreement may only be amended with the agreement of all Donors contributing to the Trust Fund.
7. Please confirm your Agreement with the foregoing, on behalf of the Donor, by signing, dating, and returning to us the enclosed copy of this Agreement. Upon receipt by the Bank of the copy of this Agreement countersigned by you, this Agreement will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

/s/ Junhui Wu
Director
Global Partnerships and Trust Fund Operations Department
Concessional Finance and Global Partnerships

AGREED:

RUSSIAN FEDERATION

By: /s/ Mr. Dmitry Pankin
Deputy Minister of Finance
Date: August 3, 2010
Description of Activities and Expenditures under the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093)

A: Objectives:

The main objectives of the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners are to:

(a) Meet the immediate practical operational knowledge gaps by catalyzing the sharing of country experiences between practitioners.

b) Document and disseminate lessons learned through an experiences exchange library.

B: Activities:

In pursuit of the above-stated objectives, activities to be financed include the following:

a) Missions between the country requesting support and the country or countries whose experience is being drawn upon;

b) Field trips by practitioners from requesting countries to understand experience in other developing countries;

c) Workshops to share the experience between developing country practitioners;

d) Seminars where relevant experience is presented to practitioners from the requesting country and the country or countries whose experience is being drawn upon;

e) Preparation and dissemination of reports on experience obtained relevant to an enquiry from a requesting country.

C: Expenditures:

The Contribution funds shall be used to finance associated overheads, short term consultant fees, contractual services; staff costs including salary, benefits and indirects; travel expenses; and, media and workshop costs.
ANNEX 2

Standard Provisions Applicable to the Multi-Donor Trust Fund for the South-South Experience Exchange Between Practitioners (TF No. 071093)

The following provisions (hereinafter referred to as the “Standard Provisions”) shall be applicable to and form an integral part of all agreements 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 South-South Experience Exchange Between Practitioners (the “Project”).

1. Administration of the Contributions

The Bank shall be responsible only for performing those functions specifically set forth in this Agreement and shall not be subject to any other duties or responsibilities to the Donors, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement shall 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 shall be accounted for as a single trust fund and shall 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 shall 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 shall credit all income from such investment to the trust fund established under this Agreement to be used for the same purposes as the Contribution funds.

3. Administrative Cost Recovery

3.1. In order to assist in the defrayment of the costs of administration and other expenses incurred by the Bank under this Agreement, the Bank may, following deposit of the Contribution by the Donor, deduct from the total Contribution of the Donor and retain for the Bank’s own account an amount equal to two percent (2%) of the Contribution. In addition, staff costs for program management and supervision up to a maximum of Six Hundred and Sixty Five Thousand United States Dollars (US$665,000) will be charged to the trust fund on an actual basis.
4. **Employment of Consultants and Procurement of Goods**

The employment and supervision of consultants and the procurement of goods financed by the Contributions shall be the responsibility solely of the Bank and shall be carried out in accordance with its applicable policies and procedures. The Grant Agreements shall provide that the Contributions shall 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.

5. **Accounting and Financial Reporting**

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

5.2. 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 shall be made available to the Donor via the World Bank’s Trust Funds Donor Center secure website.

5.3. The Bank shall provide to the Donors, 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 shall be borne by the Bank.

5.4. If a Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank’s external auditors of the trust fund established under this Agreement, 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 most 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 paid by the Donor.

5.5. The Bank shall provide the Donor with copies of all financial statements and auditors’ reports received by the Bank from the Recipients pursuant to the Grant Agreement.

6. **Coordination and Project Reporting**

6.1. The Bank shall provide the Donors 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 7.1, the Bank shall furnish to the Donors a final report on the Project activities.
6.2. The Bank shall promptly inform the Donors 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 shall afford the Donors the opportunity to exchange views before effecting any such modification or exercising any such remedy.

7. **Disbursement Deadline; Cancellation; Refund**

7.1. It is expected that the Contribution funds shall be fully disbursed by the Bank in accordance with the provisions of this Agreement by June 30th, 2014. The Bank shall only disburse Contribution funds for the purposes of this Agreement after such date with the written approval of the Donors.

7.2. 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 Agreement prior to the receipt of such notice, including the Grant Agreements.

7.3. Upon the final disbursement date specified in paragraph 7.1, the Bank shall 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 7.2, the Bank shall return such cancelled balance to the Donor.

8. **Disclosure**

The Bank may disclose this Agreement and information on this trust fund in accordance with the Bank’s policy on disclosure of information.