H.E. Michel Mordasini
Ambassador
Head, Global Cooperation
Swiss Agency for Development and Cooperation SDC
Freiburgstrasse 130
CH – 3003 Berne
SWITZERLAND

Excellency,

Trust Fund Administration Agreement between the Government of the Swiss Confederation and the International Bank for Reconstruction and Development concerning the Single-Donor Trust Fund for the Energy Efficiency and Youth Corps Program (TF No. 071882)

1. We are pleased to acknowledge on behalf of the International Bank for Reconstruction and Development ("IBRD" or the "Bank") that Switzerland, represented by the Swiss Agency for Development and Cooperation (SDC) (the "Donor"), shall make available as a grant the sum of forty eight million eight hundred thousand United States Dollars (US$48,800,000) (the "Contribution") for the Single Donor Trust Fund for the Energy Efficiency and Youth Corps Program (the "Trust Fund") in accordance with the terms of this Agreement.

2. Activities and Expenditure: Financed by the Contribution

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 Single Donor Trust Fund for the Energy Efficiency and Youth Corps Program" 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.

3. Administration of the Contribution

3.1. 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 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 Agreement shall be considered a waiver of any privileges or immunities of the IBRD under its Articles of Agreement or any applicable law, all of which are expressly reserved.
3.2. The 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 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, nor shall it be deemed a waiver, express or implied, of any of the privileges and immunities of the Bank.

4. Deposit of the Contribution

4.1. The Donor shall deposit the Contribution into such bank account designated by the Bank promptly following countersignature of this Agreement by the Donor and submission of a payment request by the Bank.

4.2. When making such 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 TF071882 (the Single Donor Trust Fund for the Energy Efficiency and Youth Corps Program), 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. Commingling, Exchange and Investment of the Contribution

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

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

5.3. The Bank shall invest and reinvest the Contribution 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 to be used for the same purposes as the Contribution.

6. Administrative Cost Recovery

6.1. 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, deduct and retain for its own account an amount equal to two percent
(2%) of the Contribution. In addition, costs for Trust Fund administration and program management up to a maximum of two and a quarter percent (2.25%) of the Contribution will be charged to the Trust Fund on an actual basis. If the Contribution increases beyond what was originally expected at the time of counter-signature of this Agreement, and the administrative costs increased as a result, the Donor acknowledges that an additional administrative fee may be applied to such new contribution to be paid of the new contribution.

7. Grants to Recipient

7.1. The Bank shall, as administrator of the Trust Fund on behalf of the Donor, enter into grant agreements (the “Grant Agreements”) with Republic of Kazakhstan (the “Recipient”) consistent with the purposes of this Agreement and on the terms and conditions set forth in the Grant Agreements. Grant Agreements may be entered into up to the maximum amount of the Contribution that the Donor has agreed to make available under this Agreement. Upon request by the Donor, the Bank shall furnish a copy of the Grant Agreements to the Donor.

7.2. The Bank shall be responsible for the supervision of the activities financed under the Grant Agreements. Subject to the consent of the Recipient, representatives of the Donor may be invited by the Bank to participate in Bank supervision missions related to the Trust Fund.

7.3. The Bank shall promptly inform the Donor of any significant modification to the terms of any Grant Agreements and of any contractual remedies that are exercised by the Bank under any Grant Agreements. To the extent practicable, the Bank shall afford the Donor the opportunity to exchange views before effecting any such modification or exercising any such remedy.

8. Procurement

8.1. For Recipient-executed activities, the Grant Agreements shall provide that the Contribution shall be used by the Recipient to finance expenditures for goods and services, as the case may be, in accordance with the Bank’s Guidelines on “Procurement under IBRD Loans and IDA Credits” and the Bank’s Guidelines on the “Selection and Employment of Consultants by World Bank Borrowers,” as in effect at the date of entry into the respective Grant Agreements.

8.2. For Bank-executed activities, the employment and supervision of any consultants and the procurement of any goods financed by the Contribution shall be the responsibility of the Bank and shall be carried out in accordance with its applicable policies and procedures.

9. Accounting and Financial Reporting
9.1. The Bank shall maintain separate records and ledger accounts in respect of the Contribution deposited in the Trust Fund account and disbursements made therefrom.

9.2. The Bank shall furnish to the Donor current financial information relating to receipts, disbursements and fund balance in the holding currency of the Trust Fund with respect to the Contribution 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 of the Trust Fund with respect to the Contribution will be made available to the Donor via the World Bank's Trust Funds Donor Center secure website.

9.3. The Bank shall provide to the Donor, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (1) 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 (2) 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.

9.4. 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 paid by the Donor.

9.5. The Bank shall provide the Donor with copies of all financial statements and auditors’ reports received by the Bank from the Recipient pursuant to the Grant Agreements.

10. Progress Reporting

10.1. The Bank shall provide the Donor with an annual report on the progress of activities financed by the Contribution. Within six (6) months of the final disbursement date specified in paragraph 11.1, the Bank shall furnish to the Donor a final report on the activities financed by the Trust Fund.

10.2. The Donor may review or evaluate activities financed by the Trust Fund. 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 its policies and procedures. All associated costs 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.
11. Disbursement; Cancellation; Refund

11.1. It is expected that the Contribution will be fully disbursed by the Bank by June 30, 2018. The Bank shall only disburse Contribution for the purposes of this Agreement after such date with the written approval of the Donor.

11.2. The Donor or the Bank may, upon three (3) months’ prior written notice, cancel all or part of any remaining balance of the Contribution 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 Agreement prior to the receipt of such notice, including the Grant Agreements.

11.3. Following the final disbursement date specified in paragraph 11.1, the Bank shall return any remaining balance of the Contribution to the Donor Balance Account based on the Donor’s paid Contributions. In the event of a cancellation the Bank shall promptly return to the Donor Balance Account the uncommitted Contribution in accordance with paragraph 11.2.

12. Communication and Addresses

Except as provided for in paragraph 4.2 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 specifies in writing to the other party from time to time:

For the Bank:

Elena Glinskaya
Country Sector Coordinator for Human Development
World Bank Central Asia Regional Office
41 Kazybek B., Bdz A, Almaty 050010,
Republic of Kazakhstan
Tel: +7-727-278-0580 ext. 253
Fax: + 7-727-298-0581
E-mail: eglinsl.aya@worldbank.org
For the Donor:

Mr Olivier Bürki
Head, Global Institutions
Swiss Agency for Development and Cooperation SDC
Freiburgstrasse 130 - 3003 Berne, Switzerland

Tel: +41 31 322 86 09
Fax: +41 31 324 13 47
E-mail: olivier.burki@deza.admin.ch

13. Amendment

All annexes hereto constitute an integral part of this Agreement. This Agreement may be amended only in writing between the Bank and the Donor.

14. Disclosure

The Bank will disclose this Agreement and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Agreement, the Donor consents to disclosure of this Agreement and related information on this Trust Fund.
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

[Signature]
Saroj Kumar Jha
Regional Director
Central Asia

AGREED:

For the GOVERNMENT OF THE SWISS CONFEDERATION (SWITZERLAND)
Acting through the SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)

By: [Signature]  Date: 12/19/2012
Name: Michel Mordasini
Title: Ambassador
Head, Global Cooperation
Description of Activities and Expenditures under the Single Donor Trust Fund for the Energy Efficiency and Youth Corps Program

This Annex shall be applicable to and form an integral part of the agreement entered into between the Bank and the Donor that provides the Contribution to be administered by the Bank for the Trust Fund.

A. DESCRIPTION OF ACTIVITIES

The Single Donor Trust Fund for the Energy Efficiency and Youth Corps Program shall finance bank-executed and recipient-executed trust fund activities for the Energy Efficiency Project and the Youth Corps Project as follows:

(i) Bank-Executed Trust Fund Activities:

For the Energy Efficiency Project and the Youth Corps Project:

(a) Carrying out energy efficiency studies, beneficiary surveys and monitoring and evaluation.
(b) Carrying out evaluation activities on specific aspects of the Youth Corps Project.
(c) Preparation and Bank supervision of recipient-executed activities.

(ii) Recipient-Executed Trust Fund Activities:

For the Energy Efficiency Project:

(a) Development and implementation of demonstration energy efficiency projects in public and social facilities.
(b) (i) Capacity building of the Ministry of Industries and New Technologies (MINT) to support Project coordination, implementation, monitoring and evaluation and management; (ii) carrying out technical studies on energy efficiency, including market assessments and energy audits; (iii) carrying out awareness and information campaigns for demonstration projects under the proposed Energy Efficiency Project; (iv) developing of appropriate legal, institutional and regulatory instruments for establishing sustainable energy financing mechanisms; and (v) designing detailed financial and implementation arrangements for viable financing schemes for energy efficiency investments and developing a pipeline of finance-ready energy efficiency investments.

For the Youth Corps Project:
(a) (i) Provision of subsistence grants to eligible students for service learning internships in the public and private sector institutions; and (ii) provision of grants to eligible civil society organizations that provide service learning internships to youth participants of the program.
(b) Support the Ministry of Education and Science (MES) in the development of an institutional framework for the coordination of policies and programs for youth and for social marketing.
(c) Provision of Project implementation support, including project management and monitoring.

B. CATEGORIES OF EXPENDITURE

For Bank-Executed activities the Contribution may be used to finance: (a) Associated Overheads; (b) Consultants Fees for individuals and firms; (c) Contractual Services; (d) Equipment and Office Premises Lease Cost; (d) Extended Term Consultants; (e) Media, Workshops, Conferences and Meetings; (f) Staff Costs (with indirect costs); (g) Staff Costs (no indirect costs); (h) Temporary Support Staff Costs; and (i) Travel Expenses.

For Recipient-Executed activities, the Contribution may be used to finance (a) Civil Works; (b) Consultants Services; (c) Goods; (d) Operating Costs; (e) Training; and (f) Other (Grants).

The foregoing categories of expenditures may include the financing of taxes.