1. The International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank”) acknowledge that the United Kingdom and Northern Ireland, acting through the Department for International Development (the “Donor”, and together with the Bank, the “Participants” and each a “Participant”) agrees to contribute their pro-rata share as of June 30, 2016 plus investment income until the date of the transfer pertaining to the unused balance in the FIAS Global Tax Simplification Trust Fund administered by the International Financial Corporation (No. TF071716 (the “Contribution”) to the Domestic Resource Mobilization, Tax Transparency and Global Taxation Multi-Donor Trust Fund, No. TF072648 (the “Trust Fund”) in accordance with the provisions of this Administration Arrangement. Other donors are also expected to contribute to the Trust Fund on the basis specified in the Annexes to this Administration Arrangement.

2. The Contribution will be used to finance the activities set forth in the “Domestic Resource Mobilization, Tax Transparency and Global Taxation Multi-Donor Trust Fund Description” attached hereto as Annex 1, and will be administered by the Bank on behalf of the Donor in accordance with the provisions of this Administration Arrangement, including the “Standard Provisions” attached hereto as Annex 2.

3. The Donor hereby authorizes the Bank, promptly following countersignature of this Administrative Arrangement, to transfer the prorate share of unused funds along with the investment income earned until the date of transfer from the IFC FIAS Trust Fund (TF071716) to this Trust Fund (No. TF072648). Promptly after the transfer of the said contribution to TF072648, bank will confirm to the Donor in writing the exact amount transferred.

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

For the Bank (the “Bank Contact”):

Piet Hein van Heesewijk
Senior Program Officer
Strategy and Operations Unit, Governance Global Practice
The World Bank
1818 H Street NW, Washington DC, 20344, USA
Tel: +1 202 4589109
Fax: +1202 5227132
E-mail: pvanheesewijk@worldbank.org

For the Donor (the “Donor Contact”):

Peter Hurst
Tax Adviser
Financial Accountability and Anti-Corruption Team
Department for International Development (DFID)
22 Whitehall, London, SW1A 2EG
5. When making any deposit, the Bank will 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 Bank in relation to TF072648 (the Domestic Resource Mobilization, Tax Transparency and Global Taxation Multi-Donor Trust Fund), and the date of the deposit. The Bank will provide a copy of such information to the Donor.

6. 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. When making any deposit, the Bank shall 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 Bank in relation to TF072648 (the Domestic Resource Mobilization, Tax Transparency and Global Taxation Multi-Donor Trust Fund), and the date of the deposit. The Bank shall provide a copy of such information to the Donor.

7. At the date of Bank’s signature of this Administration Arrangement, the Indirect Rate (as defined in Annex 1 to this Administration Arrangement) is 17%.

8. In providing funds under this Arrangement, the Donor does not intend to accept any responsibility or liability towards any third parties for any claims, debts, demands, damage or loss as a result of the implementation of the activities under the Trust Fund.

9. All annexes hereto constitute an integral part of this Administration Arrangement, whose terms taken together will constitute the entire arrangement between the Donor and the Bank. Unless otherwise specified in an annex hereto, this Administration Arrangement may be amended only by written amendment between the Bank and the Donor; provided, however, that any annexes to this Administration Arrangement may be amended only by written amendment of all donors contributing to the Trust Fund.

10. It is understood that this Administration Arrangement, including any annexes, is not an international treaty and is not eligible for registration as a treaty under Article 102 of the United Nations Charter. It is an administrative arrangement between the Bank and the Donor.

11. All references made in the Annexes to “shall”, “Administration Agreement” and “Parties” have the same meaning as the terms “will”, “Administration Arrangement” and “Participants” have herein. In addition, references in the Annexes to “agreements” or to tenses of the verb “to agree” are deemed to constitute references to “decisions” or to tenses of the verb “to decide.”

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12. Each of the Participants 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 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 into effect as of the date of the last signature.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: [Signature]
Name: DEBORAH L. WETZEL
Title: Senior Director, Governance Global Practice
Date: June 30, 2016

UNITED KINGDOM AND NORTHERN IRELAND,
ACTING THROUGH THE DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

By: [Signature] (PETER HUAST)
Name: JONATHAN HARGREAVES
Title: Head, Governance, Open Societies and Anti-Corruption (GOSAC)
Date: 08/08/2016
ANNEX 1

Domestic Resource Mobilization, Tax Transparency and Global Taxation Multi-Donor Trust Fund

Description

This Annex shall be applicable to and form an integral part of all administration agreements for the Trust Fund (collectively, the “Administration Agreements” and each an “Administration Agreement”) between the Bank and any entities that provide any funds to the Trust Fund (collectively, the “Donors”).

1. Objectives

The objectives of the Trust Fund are to provide tax authorities of developing countries with effective systems and approaches to reduce tax evasion, tax avoidance and tax base erosion and to enable these authorities to encourage compliance by tax payers for purposes of improving the mobilization of domestic tax resources.

2. Activities

The activities to be financed by the Trust Fund are:

2.1 Bank-executed activities, for which the Bank has implementation responsibility:

(a) Global activities:

Developing global public goods that will support developing countries to improve mobilization of international tax, tax transparency and domestic resource mobilization (“DRM”), including through the development of information tools, a platform to exchange such tools, and training for international tax, transfer pricing, tax treaties and related tax policy and administration.

(b) Country level activities in support of the application of international tax tools and activities, with respect to selected developing countries:

(i) Providing technical advisory services to enhance the capability of their tax authorities to apply tools for international tax transparency, tax policy and administration, and tax collection to reduce tax evasion;

(ii) Supporting them in protecting their tax bases, countering cross-border profit shifting and tax avoidance, and collecting appropriate amounts of tax from taxpayers operating in their jurisdictions;

(iii) Assisting them to improve the investment climate through transparent and predictable approaches to the taxation of multinational enterprises in accordance with internationally recognized standards;

(iv) Developing their domestic tax infrastructure, including exchange of information mechanisms to prevent offshore tax evasion;

(v) Evaluating and improving the transparency of their investment tax incentive regimes; and

(vi) Influencing the setting of standards and development of guidance on international tax issues.
(c) Regional engagement:

Activities to receive feedback from developing countries about opportunities and difficulties in developing and applying tax policies for international and domestic tax, and activities to stimulate the exchange of knowledge and learning about tax among developing countries.

(d) Program management and administration:

Activities including but not limited to, supporting any program governance arrangements and Trust Fund related meetings; planning and executing work plans and budgets; managing communications and conducting outreach; disseminating lessons learned; reporting on progress; and monitoring and evaluating the program.

3. **Eligible Expenditures**

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

(a) contractual services;
(b) media, workshops, conferences and meetings;
(c) travel expenses;
(d) short-term consultants and temporaries;
(e) extended term consultants and temporaries; and
(f) staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries).

3.2 For purposes of this section: (i) “staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries)” includes salaries, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; (ii) “extended term consultants and temporaries” includes fees, benefits and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures; and (iii) “short term consultants and temporaries” includes fees and indirect rates charged to the Trust Fund as applicable under Bank policies and procedures.

3.3 The “Indirect Rate” means the indirect rate, defined as a percentage of personnel costs and available at the World Bank’s Donor center secure website, as such rate may be revised from time to time by the Bank and applied to this Trust Fund, in accordance with its policies and procedures.

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. **Retroactive Financing**

5.1 The Trust Fund funds may be used to retroactively finance payments for eligible expenditures made as of July 1, 2016 in accordance with the Bank’s applicable policies and procedures.

6. **Donor Coordination**

6.1 The Bank will convene a meeting for Donors to provide strategic guidance for the Trust Fund within six months of establishment of the Trust Fund following effectiveness of the first administration agreement for the Trust Fund.
Standard Provisions

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

1. Administration of the Contributions

1.1 The Bank shall be responsible only for performing those functions specifically set forth in this Administration Agreement, including its annexes, 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 Administration Agreement shall be considered a waiver of any privileges or immunities of the Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

1.2 Each Donor’s Contribution (collectively, the “Contributions”) shall be administered in accordance with the Bank’s applicable policies and procedures, as the same may be amended from time to time, including its procurement, financial management, disbursement and safeguard policies, its framework to prevent and combat fraud and corruption and its screening procedures to prevent the use of Bank resources to finance terrorist activity, in line with the Bank’s obligations to give effect to the relevant decisions of the Security Council taken under Chapter VII of the Charter of the United Nations. The Donors acknowledge 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 a 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 United States Dollars (the “Holding Currency”).

2.3 Donors agree to deposit their Contributions in the Contribution Currency stated in their respective Administration Agreements. In the case of deposits received in a Contribution Currency other than the Holding Currency, promptly upon the receipt of such amounts and the accompanying Deposit Instructions, the Bank shall convert such amounts into the Holding Currency at the exchange rate obtained by the Bank on the date of the conversion. Where deposits prove to be insufficient to complete activities as a result of exchange rate fluctuations, neither the Bank nor the Donor shall bear any responsibility for providing any additional financing.

2.4 The funds deposited in the Trust Fund may be freely exchanged by the Bank into other currencies as may facilitate their disbursement at the exchange rate obtained by the Bank on the date of the conversion.

2.5 The Bank shall invest and reinvest the funds deposited in the Trust Fund pending their disbursement in accordance with the Bank’s applicable policies and procedures for the investment of trust funds administered by the Bank. The Bank shall credit all income from such investment to the Trust Fund to be used for the same purposes as the Contributions.
3. **Accounting and Financial Reporting**

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

3.2 The Bank shall furnish to the Donors current financial information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the Contributions via the World Bank’s Trust Funds Donor Center secure website which will be updated quarterly. 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 Donors via the World Bank’s Trust Funds Donor Center secure website.

3.3 The Bank shall provide to the Donors via the World Bank’s Trust Fund Donor Center secure website, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (i) a management assertion together with an attestation from the Bank’s external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (ii) a combined financial statement for all cash-based trust funds together with the Bank’s external auditor’s opinion thereon. The cost of the single audit shall be borne by the Bank.

3.4 If a Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank’s external auditors of the Trust Fund, 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.

4. **Progress Reporting**

4.1 The Bank will provide the Donors with annual written progress reports by March 31 of each year, including on March 31, 2017 for the first partial year. The progress reports shall be provided with reference to the results framework agreed by the Bank and the Donors, as such results framework may be reviewed by the Parties from time to time. Within (6) months of the End Disbursement Date (as defined below), the Bank shall provide to the Donors with a final narrative report for the Trust Fund.

4.2 Any Donor may review or evaluate activities financed by the Trust Fund at any time up to closure of 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 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.

5. **Disbursement; Cancellation; Refund**

5.1 It is expected that the funds deposited in the Trust Fund will be fully disbursed by the Bank by June 30, 2017 (the “End Disbursement Date”). The Bank shall only disburse funds deposited in the Trust Fund for the purposes of this Administration Agreement (other than returns to Donors) after such date to the extent such date is changed in accordance with amendments made to the Administration Agreements of all the Donors. Following the End Disbursement Date, the Bank shall return any remaining balance of the Trust Fund to each 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 all Donors, all calculated as Holding Currency amounts.

5.2 Any Donor may cancel all or part of such Donor’s pro rata share, and the Bank may cancel all or any Donors’ pro rata shares, 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 specified in Section 2.2 of this Annex 2, unless otherwise agreed between the Bank and the Donor.

6. Disclosure: Dispute Resolution

6.1 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 Donors consent to such disclosure of their respective Administration Agreements and such related information.

6.2 The Donors 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.