Administration Agreement for the Swedish Trust Fund for the Turkey Improved Equity and Social Services Project (Trust Fund No. TF072415/ SIDA Contribution No. 55020267)

Article 1

Subject and Amount of the Grant

Section 1.01. In pursuance of the Single Donor Trust Funds Framework Agreement between Sweden, represented by the Swedish International Development Cooperation Agency (Sida) ("Sweden") and the International Bank for Reconstruction and Development ("IBRD") and the International Development Association (the "IDA") (collectively the "Bank") dated March 17, 2011 (the "Framework Agreement"), I am pleased to inform you that Sweden will make available a grant (the Grant) of seventeen million seven hundred fifty thousand Swedish Kronor (SEK 17,750,000), to be administered by the Bank for the Turkey Improved Equity and Social Services Project (the Trust Fund).

Section 1.02. The terms of the Framework Agreement shall apply to the Grant. The Bank shall administer the Grant in accordance with the provisions of the Framework Agreement, except as otherwise provided herein.

Section 1.03. The Grant shall be used exclusively for the activities described in the Annex hereto, which forms an integral part of this Administration Agreement.

The Grant shall be used to finance the expenditures described in the Annex. Notwithstanding the foregoing, and so long as there is no change in the overall objectives or characteristics of the Grant, the Bank may reallocate the Grant funds between such categories of expenditures in accordance with the Bank’s applicable policies and procedures on reallocation, without the need to obtain Sweden’s approval for any such reallocation.

Section 1.04. In addition to the financial reports on the Grant to be provided pursuant to Section 10.01 of the Framework Agreement, the Bank shall provide an annual narrative progress report on the activities financed by the Grant and a final narrative progress report on the activities following the Completion Date.

Article 2

Payment Modalities

Section 2.01. Sweden shall deposit the Grant funds with the Bank, upon request from the Bank, into such bank account designated by the Bank in accordance with the provisions of Section 6.02 of the Framework Agreement and in accordance with the following schedule:

(a) promptly following countersignature of this Administration Agreement by Sweden and submission of a payment request by the Bank, SEK 3,720,000;
(b) on or before September 30, 2016, SEK 5,870,000, and submission of a payment request by the Bank;
(c) on or before September 30, 2017, SEK 6,460,000, and submission of a payment request by the Bank;
(d) on or before September 30, 2018, SEK 1,700,000, and submission of a payment request by the Bank.

When making each such deposit, Sweden 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 TF072415 (the Turkey Improved Equity and Social Services Project), and the date of the deposit (the “Deposit Instruction”). In addition, Sweden 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.

Section 2.02. The Bank shall convert the Contribution funds into the holding currency of the Trust Fund, namely United States Dollars, promptly upon receipt of the Contribution funds and the Deposit Instruction containing the information specified in paragraph 4 at the exchange rate obtained by the Bank on the date of the conversion. Where the Contribution proves to be insufficient to complete the activities as a result of an exchange rate fluctuation, neither the Bank nor the Donor shall bear any responsibility for providing any additional financing.

Article 3
Administrative Cost Recovery

Section 3.01 Consistent with Section 8.02 of the Framework Agreement, in order to assist in the defrayment of the costs associated with the establishment of the Trust Fund, the Bank may, following deposit of the Grant by Sweden to the Trust Fund, deduct and retain for its own account from that Grant an amount equal to and not greater than thirty-five thousand United States Dollars (US$35,000).

Section 3.02 In order to assist in the defrayment of the costs of administration and other expenses incurred by the Bank under this Administration Agreement, the Bank may, following deposit of the Grant by Sweden, deduct from the total Grant and retain for the Bank’s own account an amount equal to five percent (5%) of each installment, as stated in Article VIII of the Framework Agreement.

Article 4
Commencement and Completion Dates

Section 4.01 The Grant funds may be used to finance expenditures for the Project commencing on the date the Administration Agreement is countersigned and ending on October 31, 2019. The Bank may make disbursements of the Grant funds for up to six (6) months after such latter date for expenditures incurred on or before such date, in accordance with the Bank’s applicable policies and procedures.

Article 5
Cancellation

Section 5.01. Either party may, upon giving the other party three (3) months’ prior written notice, cancel that part, if any, of the Grant funds provided under this Administration Agreement
that the Bank has not committed prior to receipt of such notice under agreements entered into by the Bank with any third party, including any grant agreement.

Article 6
Communications

Section 6.01. The offices responsible for coordination of all matters related to this Administration Agreement are:

**For Sweden:**
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Counsellor
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Katip Celebi Sokak 7
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**For the Bank:**
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Turkey Country Unit
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This Administration Agreement is drawn up in two originals, one for each party. It may be amended only by written agreement of the parties hereto.

Sweden, represented by Sida

By: Mikael Elofsson
Title: Head of Unit for Western Balkan, Turkey and Latin America, Sida
Date: 2015-07-21

International Bank for Reconstruction and Development/International Development Association

By:  

José Guilherme Reis
Title: Country Director, World Bank Turkey

Date: July 8, 2015
1. **Description of activities**

The development objectives of the Trust Fund are to support the development of (i) regional approaches to poverty reduction with a focus on vulnerable communities; (ii) national approaches to poverty reduction, with a focus on the role of social assistance in supporting the most vulnerable, and (iii) addressing critical barriers to promoting an inclusive society, with a focus on addressing gender inequality. The activities consist of the following:

**Part A: Development of Regional Approaches to Poverty Reduction**
Provision of technical assistance for:
(i) development of sub-national analytics of poverty using both monetary and non-monetary measures;
(ii) an assessment of distributional impacts of the Syrian refugee crisis on the Turkish host population with particular focus on the labor market and educational services.
(iii) a functional review of the local administrations, including a diagnostic of public financial management related challenges and an expansion of the use of citizen reports cards in selected provinces.

**Part B: Development of National Approaches to Poverty Reduction**
Provision of technical assistance for a comprehensive assessment of Turkey’s Social Assistance system, including benchmarking against international comparators and development of reform options.

**Part C: Addressing Critical Barriers to Promoting an Inclusive Society**
Provision of technical assistance for a comprehensive assessment of gender norms in Turkey with a focus on men and boys.

2. **Categories of expenditures**

The Categories of expenditures eligible for financing from the Grant are as follows:
(i) Associated overheads
(ii) Consultants fees for individuals with indirect costs and firms
(iii) Contractual services
(iv) Extended term consultants with indirect costs
(v) Field assignment benefits
(vi) Media, workshop, conference and meeting
(vii) Staff costs – with indirect costs
(viii) Temporary Support Staff Costs with indirect costs
(ix) Travel Expenses