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”) agrees to provide the sum of three million Euros (€ 3,000,000) (the “Contribution”) for the Part II Europe 2020 Programmatic Single-Donor Trust Fund, (No. TF072957) (the “Trust Fund”) in accordance with the terms of this Administration Agreement.

The estimated total budget of the Trust Fund is three million Euros (€ 3,000,000). 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.

The Implementation period will start on the date following that on which the last of the two parties signs.

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”).

(A) Promptly following countersignature, a tranche of an amount € 1,500,000 will be due by the European Union no later than thirty (30) calendar days after the date of reception of the signed agreement. This first installment should be transferred to; Bank Address: BANK OF AMERICA, N.A. LONDON 5, CANADA SQUARE LONDON Account No. : GB37BOFA16505062952017 Swift Code : BOFAGB22

2017/393-321
FED ABA Number:
IBAN No.: GB37BOFA16505062952017

(B) €1,200,000, intermediate payment and subject to the disbursement of 70% of the preceding installment will be due upon submission of a payment request by the Bank; and

(C) €300,000 final payment and subject to the disbursement of 70% of the preceding installment will be due upon submission of a payment request by the Bank.

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 TF072957 (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”):

Linda van Gelder
Country Director
European and Central Asia
World Bank Group
Tel:
Email: ivangelder@worldbank.org

For the Donor (the “Donor Contact”):

European Commission
Directorate General for Neighbourhood and Enlargement Negotiations
Unit D.5 “Western Balkans Regional Cooperation and Programmes”
Contact person: Aleksandra Kostova
Email: alexandra.kostova@ec.europa.eu, tel.: +32 2 295 4118

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.

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence
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: Linda van Gelder
Title: Country Director, Europe and Central Asia
Date: 20 Dec 18

EUROPEAN UNION represented by the EUROPEAN COMMISSION

By:

Name: Colin Wolfe
Title: Head of unit DG NEAR D.5 “Western Balkans Regional Cooperation and Programmes”
Date: 19 Dec 18

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*
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

To promote an increase in productivity and in growth through innovation, Ministers of Science, Technology & Innovation and Education from the Western Balkan region endorsed the Western Balkans Regional Research & Development Strategy for Innovation on October 25, 2013, in Zagreb, Croatia. The strategy is a reform agenda for the entire region and represents a collaborative attempt to address the challenges of promoting innovation and firm-productivity growth. In addition to the reforms, the countries agreed on regional programs for which they aimed to mobilize 200 million EUR from sources outside the region to support the growth of gross R&D expenditures to a region-wide average of 1.5 percent of regional GDP. The ultimate objective is to increase innovation, productivity, and job creation in the Western Balkans region.

To further the goal of shifting the Western Balkan region towards a productivity-based and export-oriented growth model, the Western Balkan Enterprise Development and Innovation Facility (WB EDIF) was formed. The EDIF’s objective is to help beneficiary countries design policies to rebuild the innovation ecosystem and facilitate access for innovative start-ups and small and medium enterprises (SMEs) to external and private sources of funding. Launched in December 2012 in Paris, France, the EDIF was among the first projects in the area of private sector development initiated through the Western Balkans Investment Framework (WBIF).

While much policy attention around the world has been given to efforts to expand the supply of equity finance for innovative start-ups and SMEs (through seed and venture capital co-investment funds and other activities to attract capital), the effectiveness of these programs can be hampered by a lack of readiness of these firms to receive equity investment.

Under the financial support of the WBIF and through the WB EDIF platform in 2015, the Bank designed, implemented, and evaluated, through a randomized controlled trial approach, an Investment Readiness Program (IRP), called “Pioneers of the Balkans” (PoB), to strengthen the...
demand-side of the platform. The IRP was developed because innovative start-ups and SMEs in developing and transitioning countries, such as in the Western Balkans, often have good ideas, but do not have these ideas fine-tuned to the stage where they can attract outside funding.

As a follow-up, the activities to be carried out under this Agreement aim at launching a new pilot program to boost economic growth in the Western Balkan region by supporting the expansion of innovative start-ups and SMEs through investment readiness support services (PoB Pilot 2).

**Interaction with the other Western Balkans Enterprise Development and Innovation Facility instruments and programmes:**

The envisioned program will strengthen the demand-side of the EDIF platform and help building high-quality pipeline that can be absorbed by the EDIF supply-side instruments. In addition, coordination with local initiatives on Venture Capital/Private Equity will be conducted to avoid crowding-out resources among them.

The PoB Pilot 2 will provide an opportunity for the other initiatives under the EDIF umbrella to benefit from the investment readiness of the companies covered by the program: joint activities could be considered (forums, campaigns etc.) or exchange of information regarding the companies which are potential candidates for investments through the EDIF’s equity or guarantee funds.

PoB Pilot 2 will be subject to an impact evaluation through a randomized controlled trial to complement the PoB (Pilot 1). This will be done by strengthening the demand-side of the platform and maximizing the likelihood of materializing new investments in a relatively shorter period of time. The list of beneficiary countries includes: Serbia, Kosovo*, FYROM, Montenegro, Bosnia and Herzegovina, and Albania (Beneficiary Countries).

The Bank will carry out the following activities:

**Component 1 - Conducting background research to identify specific priorities**

The Bank will collect relevant information to identify “skill-gaps” in investment readiness and to support the design of a PoB Pilot 2. The information will be collected through: (i) a desk research; (ii) surveys to entrepreneurs; (iii) surveys to investors; and (iv) focus groups discussions with main stakeholders, especially EDIF members and Chambers of Commerce in the Western Balkans region.

**Deliverable:** Note summarizing research and identifying priorities.

**Component 2 - Designing the content of the PoB Pilot 2 program**

The Bank will design the PoB Pilot 2 by: (a) Defining relevant eligibility criteria and a sample size taking into consideration statistical requirements for the randomized controlled trial; (b) Designing the curricula of topics to be covered based on background analysis conducted in activity 1; (c) Selecting the best delivery mode for the support services; (d) Coordinating the program with local initiatives (e.g. Balkans Venture Forum) to avoid crowding-out regional resources from ongoing projects.

**Deliverable:** Program design

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*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*
Component 3 - Launching and implementation of the PoB 2 Pilot program

The Bank will launch the implementation of the PoB 2 Pilot program on a pilot basis in beneficiary countries by providing business services support - up to 100 firms which are to be selected by the Bank in accordance with the criteria identified under component 2 above. The Bank will support the selected firms by providing them with business support services in two separate rounds in line with the curricula and criteria for PoB 2 Pilot as designed under component 2.

**Deliverable:** Program implementation

Component 4 - Conducting the impact evaluation

The Bank will collect baseline data and end-line data, as well as perform the research work to assess the additionality of the program. The Bank envisions using an experimental approach such as randomized controlled trials to measure impact by determining what would have happened to the beneficiaries of the program if the program had not existed. This will imply having a credible group to measure the counterfactual.

**Deliverable:** Impact evaluation

Component 5 - Transferring knowledge to beneficiary countries

After the pilot program, has been designed, implemented, and evaluated, the Bank in consultation with Beneficiary Countries, will prepare a plan to transfer the knowledge created under the pilot. In addition, the Bank will carry out outreach activities, such as conferences, forum(s), and networking events, to ensure visibility of the program in line with a communication plan to be prepared under this Agreement and to be updated from time to time.

**Deliverable:** Results dissemination and knowledge transfer

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*
## INDICATIVE TIMETABLE FOR INDICATIVE OUTPUTS

### Components

<table>
<thead>
<tr>
<th>Main Deliverable and description of sub-activities</th>
<th>Timeframe for activity</th>
<th>Milestones dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conducting background research to identify priorities</td>
<td>about 2 months</td>
<td>Q1 2019</td>
</tr>
<tr>
<td>Deliverable: Note summarizing research and identifying priorities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Literature review</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Survey with investors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Survey with entrepreneurs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Designing the content of the PoB 2 Pilot program

<table>
<thead>
<tr>
<th>Deliverable: Program design</th>
<th>about 2 months</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defining eligibility criteria for relevant sample for the randomized controlled trial</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defining the curricula of topics to be covered based on background analysis conducted in Phase 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selecting the best delivery mode for the support services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coordinating the program with local initiatives (e.g. Balkans Venture Forum) to avoid crowding-out regional resources from ongoing projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[Preparation of program description and implementation manual]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Launching and implementation of the PoB 2 Pilot program

<table>
<thead>
<tr>
<th>Deliverable: Program implementation</th>
<th>about 2 months</th>
<th>Q2 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening a regional call for applications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissemination activities including to attract high take up, press conferences, roadshows, local community gatherings, networking</td>
<td>about 1 month</td>
<td>Q2 2019</td>
</tr>
<tr>
<td>Launching the pre-screening process to identify high-growth start-ups and SMEs</td>
<td>about 1 month</td>
<td></td>
</tr>
<tr>
<td>Randomizing for selecting treatment and control groups</td>
<td>about 1 months</td>
<td></td>
</tr>
<tr>
<td>Providing the business support services for Group 1 of firms</td>
<td>about 4 months</td>
<td>Q3 – Q4 2019</td>
</tr>
<tr>
<td>Providing the business support services for Group 2 of firms</td>
<td>about 4 months</td>
<td>Q1 2020 – Q2 2020</td>
</tr>
<tr>
<td>Preparing [progress/implementation] report[s]</td>
<td>About 1 month</td>
<td>Q2 2020</td>
</tr>
</tbody>
</table>

### Conducting the impact evaluation

| Deliverable: Impact evaluation | | |
|-------------------------------|----------------|
| Conducting Baseline survey for Group 1 of firms | Q2-Q3 2019 |
| Conducting Baseline survey for Group 2 of firms | Q1 2020 |
| Conducting Endline survey -- first follow-up for Group 1 of firms -- | 3 months after delivery of business support services | Q1 2020 |
| Conducting Endline survey -- first follow-up for Group 2 of firms -- | 3 months after delivery of business support services | Q3 2020 |
| Conducting Endline survey -- second follow-up for Group 1 of firms -- | 6 months after delivery of business support services | Q3 2020 |
| Conducting Endline survey -- second follow-up for Group 2 of firms -- | 6 months after delivery of business support services | Q4 2020 |
| Preparing final report | About 1 month | Q4 2020 |

### Dissemination and Knowledge transfer

| Deliverable: Results dissemination and knowledge transfer | | |
|----------------------------------------------------------|----------------|
| Preparation of communication plan | About 1 month | Q1 2019 |
| Delivering workshops with stakeholders and local authorities | Discrete events over a period of 2 months | Q4 2020 |
| Preparing compilation of materials and dissemination notes for authorities | About 1 month | Q4 2020 |

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*
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.

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.*
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 Instalment, an amount equal to five percent (5%) per Instalment 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 quarterly reports on the progress of activities financed by the Contributions. Within six (6) months of the End Disbursement Date (as defined *Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*
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 June 30, 2021 (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.

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*
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

In order to facilitate the implementation of the Activities, the Bank and DG NEAR will ideally meet at least bi-annually to discuss the progress of the activities described in Annex 1 of this Agreement (the “Activities”), discuss next steps and any challenges or issues as they arise.

The Bank may invite DG NEAR to participate in supervision missions related to the Trust Fund, as well as implementation-related meetings and workshops as appropriate.

To facilitate the organization and efficiency of such missions, meetings, and workshops the Bank may share with DG NEAR in a timely manner any relevant documentation related in accordance with the Bank’s Policy on Access to Information.

The Bank shall carry out the visibility activities agreed between the Bank and the DG NEAR 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.

Payment Requests

Requests for payments related to the activities set forth in Section 2.1 of Annex 1 to this Administration Agreement will be sent by the World Bank to the Commission with the reference IPA/2017/393-321 and shall be addressed to:

European Commission,
Directorate-General for Neighbourhood and Enlargement Negotiations
For the attention of Ms Maria FARRAR-HOCKLEY
Head of Unit NEAR R5 (Contracts and Finance IPA)-Office: L-15 06/046
Avenue du Bourget, 1
B-1049 Brussels, Belgium
+32 2 298 03 85

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence
# INDICATIVE RESULTS INDICATORS FOR THE ACTIVITIES

<table>
<thead>
<tr>
<th>Expected Results (logic of intervention)</th>
<th>Indicators</th>
<th>Baselines</th>
<th>Result goals</th>
<th>Sources of data</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Impact</strong></td>
<td>Number of beneficiaries that got access to external sources of finance within 2 years of completing the program</td>
<td>0</td>
<td>10</td>
<td>Data collected and provided by the World Bank team</td>
<td>Improving the investment readiness increases the likelihood of having access to equity finance</td>
</tr>
<tr>
<td><strong>Outcome(s)</strong></td>
<td>Number of beneficiaries that increased their investment readiness score for phase 2</td>
<td>0</td>
<td>30</td>
<td>Data collected and provided by the World Bank team</td>
<td>The pilot addresses key entrepreneurial skill gaps and as a result, entrepreneurs are more investment ready</td>
</tr>
<tr>
<td><strong>Output(s)</strong></td>
<td>Number of entrepreneurs that are trained under the program</td>
<td>0</td>
<td>about 100</td>
<td>Data collected and provided by the World Bank team</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of employees (CEO, workers) working for the firms that benefit from the investment readiness program</td>
<td>20</td>
<td>40</td>
<td>Data collected and provided by the World Bank team</td>
<td></td>
</tr>
</tbody>
</table>

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*
INDICATIVE BUDGET

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>Amount in Euro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff and individual consultant services</td>
<td>700,000</td>
</tr>
<tr>
<td>Cost of travel</td>
<td>200,000</td>
</tr>
<tr>
<td>Cost of training and workshop</td>
<td>200,000</td>
</tr>
<tr>
<td>Other services including translation</td>
<td>1,750,000</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td><strong>2,850,000</strong></td>
</tr>
<tr>
<td>Administration fee (5%)</td>
<td>150,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,000,000</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 the Annex 1.

*Without prejudice to positions on status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*