Administration Agreement between Sweden, acting through its Swedish Energy Agency ("SEA") and the International Bank for Reconstruction and Development concerning the CF Assist Trust Fund (TFO 72630)

1. The International Bank for Reconstruction and Development (the "Bank") acknowledge that Sweden, acting through its Swedish Energy Agency ("SEA") (the "Donor", and together with the Bank, the "Parties" and each a "Party") agrees to provide the sum of one million United States Dollars (USD 1,000,000) (the "Contribution") for the CF Assist Trust Fund (Trust Fund No. 072630) (the "Trust Fund") in accordance with the terms of this Administration Agreement. Other donors are also expected to contribute to the Trust Fund on the terms and conditions specified in the Annexes to this Administration Agreement.

2. The Contribution shall be used to finance the activities set forth in the “CF Assist 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.

3. The Donor shall deposit the Contribution promptly following countersignature in the full amount and currency ("Contribution Currency") specified in paragraph 1 above into such bank account designated by the Bank upon submission of a payment request by the Bank.

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 Trust Fund No. 072630 (the CF Assist 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. The Donor has expressed its preference that the Contribution be used to finance activities for developing analytical work on climate change mitigation programs, providing innovative learning tools on carbon finance, and capacity building of relevant stakeholders related to carbon finance, clean development mechanism and new market mechanisms. It is understood that the Bank cannot ensure that the Contribution will be used for such preference and that the Bank will not have any obligation to the Donor if such preference cannot be achieved.

6. 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”):

Neeraj Prasad
Practice Manager
Global Climate Markets and Innovation Unit
The World Bank
1818 H Str., NW
Washington D.C. 20433
U.S.A
Tel: 202-458-5893
E-mail: nprasad@worldbank.org
For the Donor (the “Donor Contact”):

Robert Andrén  
Director General  
Swedish Energy Agency  
Box 310, SE 631 04 Eskilstuna  
Tel: 016-544 20 01  
Fax: 016-544 20 99  
E-mail: robert.andren@energimyndigheten.se

7. 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. 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 Trust Fund No. 072630 (the CF Assist Trust Fund Multi-Donor Trust Fund), and the date of the deposit. The Bank shall provide a copy of such information to the Donor.

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

9. All annexes hereto 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. Unless otherwise specified in an annex hereto, this Administration Agreement may be amended only by written amendment between the Bank and the Donor; provided, however, that any annexes to this Administration Agreement may be amended only by written amendment of all donors contributing to the Trust Fund.
10. 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: Ethel Sennhauser
Name: Ethel Sennhauser
Title: Strategy and Operations Director, WB
Date: 06-Dec-2019

SWEDEN, ACTING THROUGH ITS SWEDISH ENERGY AGENCY

By: Robert Andrén
Name: Robert Andrén
Title: Director General
Date: 2019-12-10
ANNEX I

CF Assist
Description of Activities and Expenditures under the Multi-Donor Trust Fund

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. Use of Contribution

The Contribution will be used to finance the following costs associated with undertaking the activities listed below, whether those costs were incurred by a participating government, project sponsor, or other entity to whom IBRD provides a grant (“Recipients”) or the IBRD, provided that in the case of a Recipient, those expenditures are made (or agreed to be made) under and in accordance with a relevant Grant Agreement (defined below), copies of which will be made available to Donors:

1.1 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).

1.2 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.

1.3 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.

1.4 For Recipient-executed activities, the Trust Fund funds may be used to finance eligible expenditures in accordance with the Bank’s applicable policies and procedures.

2. Objectives and Activities

Objective

The objective of the Trust Fund is to nurture and support an enabling environment for stakeholders to participate in international and regional coalitions for climate action for governments to meet the goals of the Paris Agreement through provision of capacity building, climate analytics and advisory services, knowledge dissemination and partnerships, and support for strengthening climate advocacy.
Activities

The Contribution will be used for the following activities:

(a) build the capacity of National and Sub-national Entities working on the Clean Development Mechanism, New Market Mechanisms, Nationally Appropriate Mitigation Actions, including providing support for capacity development to review and approve carbon finance and climate finance projects, and building structures to support mobilizing, accessing and main streaming climate finance into development plans and maintain such capacity;

(b) (i) identify, develop and enhance the implementation of portfolios of carbon finance projects, low carbon and climate finance initiatives or policies in developing countries, and (ii) build the capacity of project sponsors, financial intermediaries, government officials to initiate, develop, compare and register such projects, programs, activities or policies, and prepare them up to financial closure, including determining the relative value of low carbon projects, activities, programs and policies through assessment of their overall benefits, risks and contribution to the global greenhouse gas mitigation effort;

(c) provide support that will enable participating countries to identify and replicate successful carbon and climate finance projects, programs and policies including developments of baseline and monitoring activities across important sectors of the economy, use of innovative financial tools to improve project financing and design of green investments schemes for various asset classes;

(d) convene informed dialogues on carbon pricing at the global, regional and country levels to increase political ambition and action and business support for carbon pricing and corporate pricing;

(e) generate and broadly disseminate to selected developing countries and subnational stakeholders for climate finance and low emission development, innovative learning tools that combine state-of-the-art knowledge on climate finance and carbon finance, evolving policy instruments in support of low emission development, and case studies showcasing best practices;

(f) convene knowledge sharing fora on emissions markets, carbon pricing and climate finance including Global Carbon Expo and regional fora in Latin America, Africa and Asia. Provide support to regional knowledge exchange activities related to low emissions development in collaboration with international development partners, United Nations (UN) Agencies and regional stakeholders;

(g) develop analytical work and case studies on such topics as carbon pricing systems, climate change mitigation programs, international carbon asset reserve, international settlement platform, climate transparency platform and greenhouse gas mitigation contribution composite index; and

(h) program management and administration activities for the Trust Fund, 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.
ANNEX 2

CF Assist
Standard Provisions Applicable to Donors to the CF Assist

The following provisions (the “Standard Provisions”) will apply to all agreements entered into between the International Bank for Reconstruction and Development (“IBRD”) and donor countries and/or organizations (the “Donors”) that provide grants (the “Contributions”) to the IBRD for the CF Assist Trust Fund (“CF Assist”).

1. Administration of the Contributions

The IBRD shall be responsible only for performing those functions specifically set forth herein and shall not be subject to any other duties or responsibilities to any 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 herein 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.

2. Commingling, exchange and Investment of the Contributions

The Contribution funds:

(a) shall be accounted for as a multi-donor single purpose trust fund and will be kept separate and apart from the funds of the IBRD;

(b) may be commingled with other trust fund assets maintained in the T-Account;

(c) may be freely exchanged by the IBRD into other currencies as may facilitate their disbursement; and

(d) will be invested by the IBRD pending their disbursement in accordance with IBRD’s policies and procedures concerning the investment of trust funds administered by IBRD. The IBRD shall credit all income from such investment to the CF Assist and used for the same purposes as the Contribution funds.

3. 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 IBRD 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 Agreement(s).
4. **Grants to Recipients**

In the event that the IBRD deems it necessary to pass on part or all of the Contribution funds to an entity or entities ("Grant Funds"), the following provisions will apply:

(a) The IBRD shall, as administrator on behalf of the Donors, enter into an agreement (each a "Grant Agreement") with each Recipient for the provision of Contribution funds for the purposes of this Agreement and on the terms and conditions set forth in the Grant Agreement(s). The IBRD shall furnish a copy of the Grant Agreement(s) to the Donors;

(b) The IBRD shall be solely responsible for the supervision of Project activities financed under the Grant Agreement(s); and

(c) If, in the IBRD's opinion, an amount of the Contribution funds allocated to any of the expenditure categories specified in the Grant Agreement will be insufficient to finance the expenditures for such category, the Bank may reallocate to such category an amount of the Contribution funds then allocated to another category which, in the IBRD's opinion, will not be necessary to meet other expenditures.

5. **Trust Fund Fee**

5.1 The Bank shall calculate a fee each time funds (the “Grant Amount”) from the Trust Fund become committed under a Grant Agreement. Such commitment shall occur when such Grant Agreement is fully countersigned (the “Calculation Date”). The fee so calculated by the Bank shall be based on the cumulative total of funds from the Trust Fund committed under all Grant Agreements that have been fully countersigned on or prior to the Calculation Date (the “Cumulative Grant Total”). The calculated fee shall depend on where the Cumulative Grant Total stands as the Grant Amount is added and shall be determined in accordance with the following schedule:

(i) 5% of any portion of the Grant Amount that results in a Cumulative Grant Total below or equal to US$ 50 million or equivalent; plus

(ii) 4% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 50 million or equivalent and below or equal to US$ 500 million or equivalent; plus

(iii) 3% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 500 million or equivalent and below or equal to US$ 1 billion or equivalent; plus

(iv) 2% of any portion of the Grant Amount that results in a Cumulative Grant Total above US$ 1 billion or equivalent.

5.2 Following each Calculation Date, the Bank shall deduct from the Trust Fund, and retain for its own account, the fee as set forth above. Grant Amounts may not exceed the balance of uncommitted funds in the Trust Fund net of the related fee.

6. **Donor as Members of Donor Committee**

All Donors to CF Assist shall be members of the Donor Committee of CF Assist and as such will be regularly informed of the progress of implementation of the CF Assist TF. The CF Assist Manager will prepare semi-annual report on implementation progress for donors for review at the annual meeting of the Donor Committee.
The CF Assist Manager will consult with the Steering Group of the Donor Committee which will be elected by the full Donor Committee if it so chooses, (or the full Donor Committee if no Steering Group is established). The role of the Steering Group (or full Donor Committee) will be to:

(a) provide general advice to the CF Assist Manager on issues regarding the operation of the program;
(b) review the operations of the program and provide feedback to the CF Assist Manager on the projects proposed to be pursued; and
(c) review the proposed annual budget and business plan for the forthcoming fiscal year.

7. Governance

The CF Assist Manager will be responsible for day-to-day management of CF Assist program and its delivery, overseeing the selection of countries, and ensuring effective communication with donors. In developing the annual work plan, the CF Assist Manager will consult with both the Steering Group of the Donor Committee (or full Donor Committee if no Steering Group is established).

8. Accounting and Financial Reporting

(a) IBRD shall maintain separate records and ledger accounts in respect of the aggregate Contribution funds and disbursements made therefrom. Within 90 days of each March 31, and June 30, September 30 and December 31, as long as any Contribution funds remain in the CF Assist, IBRD will prepare a cash-based unaudited statement of receipts, disbursements and fund balance in United States Dollars and forward a copy to each Donor.

(b) IBRD shall within six (6) months following the end of each IBRD fiscal year, provide each Donor with a management assertion together with an attestation from the IBRD's external auditors concerning the adequacy of internal controls over cash-based financial reporting for trust funds as a whole. The costs of such attestations will be borne by the IBRD.

(c) In addition, if a Donor wishes to request, on an exceptional basis, a financial statement audit by the IBRD's external auditors of the trust fund established under this Arrangement, the Donor and IBRD will first consult as to whether such an external audit is necessary. IBRD and the Donor will agree on the most appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Bank will arrange for such external audit. The costs of any such audit, including the internal costs of IBRD with respect to such audit, will be paid by such Donor.

9. Disclosure

The IBRD may disclose the Letter of Agreement to which the Standard Provisions apply (including the Standard Provisions) and information relating to the CF Assist in accordance with its disclosure policy.

10. Duration of CF Assist: Cancellation; Refund

(a) It is expected that the Contribution funds will be fully disbursed by the IBRD in accordance with the provision of this Agreement by June 30, 2029. The IBRD shall only disburse Contribution funds for the purpose of this Agreement after such date with written approval of the Donors.
(b) Any Donor or the IBRD 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 IBRD and any Recipients for the purposes of this Agreement prior to the receipt of such notice, including the Grant Agreement(s).

(c) Upon the final disbursement date specified in paragraph 10(a), the IBRD 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 10(b), the IBRD shall return such cancelled balance to the Donor.