ADMINISTRATION AGREEMENT FOR EUROPEAN UNION CONTRIBUTIONS, AS REPRESENTED BY THE COMMISSION, TO TRUST FUNDS

World Bank Group Trust Fund TF 071444 Serbia MDTF for Justice Sector Support
European Commission Trust Fund Number 2012/301888

Article 1

Subject

Section 1.01. In pursuance of the Trust Funds and Cofinancing Framework Agreement between the European Union, represented by the European Commission (the "Commission"), and the International Bank for Reconstruction and Development ("IBRD" or "Bank"), the International Development Association ("IDA"), and the International Finance Corporation ("IFC") (collectively, the World Bank Group) dated March 20, 2009 (the "Framework Agreement"), the Commission hereby agrees to make available a Contribution for an amount referred to in Section 3.02, and to be administered by the IBRD, for the "World Bank Group Trust Fund TF 071444 Serbia MDTF for Justice Sector Support" (the "Project").

Section 1.02. The Contribution shall be used exclusively for the purposes set out in Annex I which includes a Description of the Project as well as, where required, the expenditures eligible for financing from the Commission, and the relevant indicators.

Section 1.03. The IBRD shall administer the Contribution in accordance with the provisions of:

- the Framework Agreement;
- this Administration Agreement;
- the attached General Conditions applicable to European Union Contributions to Trust Funds (the "General Conditions"); and

Section 1.04. The Contribution is provided under Joint Management for all purposes of this Administration Agreement.

Section 1.05. The Project is a Multi-Donor Trust Fund for all purposes of this Administration Agreement.

Section 1.06. The trust fund is not an exceptionally large trust fund for the purposes of Section 16.03 of the General Conditions.

Article 2

Entry into force and Implementation Period

Section 2.01. This Administration Agreement shall enter into force when the last of the two Parties signs and will remain in force until the End Date.
Section 2.02. Expenses financed under the Contribution must be incurred after the date following that on which the last of the two parties signs.

Section 2.03. It is expected that an amount of the trust fund equal to the Contribution will be fully utilized in accordance with the provisions of this Administration Agreement by 31/12/2014 ("End Disbursement Date"). The End Disbursement Date can only be modified with the agreement of both Parties pursuant to Article 9 of the General Conditions.

Section 2.04. The IBRD shall only disburse the European Union's pro rata share of the funds remaining in the trust fund, including any investment income added thereto for the purposes of this Administration Agreement after the End Disbursement Date with the prior written agreement of the Commission.

Article 3
Amount of the Contribution

Section 3.01. The budget of the trust fund is estimated to be EUR 9,141,691 as set out in Annex IV.

Section 3.02. The Commission undertakes to finance EUR 2,000,000 for the trust fund.

Section 3.03. Indirect Costs under this Administration Agreement shall not exceed 7% of the final amount of eligible Direct Costs of the Contribution.

The IBRD may, following deposit of the Contribution by the Commission, deduct from each Contribution of the Commission and retain for the IBRD’s own account an amount equal to 2% of the Contribution.

In addition, staff costs for program management, preparation and Supervision up to a maximum of 3.9% of the holding currency of the trust fund will be charged to the trust fund on an actual basis and as a Direct Cost provided they comply with Section 14.01 of the General Conditions.

The final amount that the IBRD is entitled for Indirect Costs shall be adjusted to the actual disbursed amounts of the Contribution in accordance with Articles 14 and 17 of the General Conditions.

Section 3.04. The following categories of costs shall be considered eligible under this Administration Agreement provided they comply with Section 14.01 of the General Conditions:

For the Recipient-Executed Activities:
- Goods;
- Consultants’ services;
- Operating Costs; and
- Training;

For the Bank-Executed Activities:
- Associated Overheads;
- Consultants Fees;
- Contractual Services;
- Extended Term Consultants;
- Media and Workshop Costs;
- Staff Costs;
- Travel Expenses;
- Temporary Support Staff Costs;
- Equipment Costs Lease.

Article 4  
Payment schedule and Reporting

Section 4.01. Payments will be made in accordance with Article 15 of the General Conditions, and in accordance with the following payment schedule:

<table>
<thead>
<tr>
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<th>EUR 1,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advance payment</td>
<td></td>
</tr>
<tr>
<td>Final payment</td>
<td></td>
</tr>
</tbody>
</table>

(subject to the provisions of the General Conditions)

The IBRD shall convert such funds into US Dollars promptly following receipt of the funds, and receipt of all the appropriate legal documentation and the payment details information.

Section 4.02. Narrative progress report(s) and financial information shall be provided consistent with Article 2 of the General Conditions, and in accordance with the following schedule:

- a narrative progress report shall accompany every request for a further instalment of financing. A final narrative report shall be forwarded to the Commission within six (6) months after the End Disbursement Date;

- the progress financial information shall be made available via the Bank's Trust Funds Donor Center secure website following the signature of this Administration Agreement. The final financial information shall be made available via the Bank's Trust Funds Donor Center secure website within six (6) months after the End Disbursement Date.

Section 4.03. For the purposes of Section 2.03 of the General Conditions an updated workplan shall be provided with each report.

Article 5  
Communications and addresses

Any communication relating to this Administration Agreement shall be in writing, shall state the number and title of the trust fund, and shall use the following addresses.

Payment requests and attached reports, including requests for changes to bank account arrangements pursuant to Section 9.02 of the General Conditions, shall be sent to:
For the Commission:

<table>
<thead>
<tr>
<th>Name</th>
<th>Martin Kern, Head of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>EU Delegation to the Republic of Serbia, Avenija 19a Building, Vladimira Popovica 40/V, 11070 New Belgrade, Republic of Serbia</td>
</tr>
<tr>
<td>Telephone</td>
<td>+381 (11) 3083 200</td>
</tr>
<tr>
<td>Fax</td>
<td>+381 (11) 3083 201</td>
</tr>
<tr>
<td>E-mail</td>
<td><a href="mailto:Martin.kern@ecas.europa.eu">Martin.kern@ecas.europa.eu</a></td>
</tr>
</tbody>
</table>

For the attention of the Financial Section:

<table>
<thead>
<tr>
<th>Name</th>
<th>Renaud HENOUMONT, Head of Contracts and Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>EU Delegation to the Republic of Serbia, Avenija 19a Building, Vladimira Popovica 40/V, 11070 New Belgrade, Republic of Serbia</td>
</tr>
<tr>
<td>Telephone</td>
<td>+381 (11) 3083 200</td>
</tr>
<tr>
<td>Fax</td>
<td>+381 (11) 3083 201</td>
</tr>
<tr>
<td>E-mail</td>
<td><a href="mailto:Renaud.Henoumont@ecas.europa.eu">Renaud.Henoumont@ecas.europa.eu</a></td>
</tr>
</tbody>
</table>

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

EU Delegation to the Republic of Serbia
Avenija 19a Building, Vladimira Popovica 40/V,
11070 New Belgrade,
Republic of Serbia

A copy of the reports referred to in Section 4.02 shall be sent to the European Commission Delegation in charge of monitoring the Project, at the following address:

EU Delegation to the Republic of Serbia
Avenija 19a Building, Vladimira Popovica 40/V,
11070 New Belgrade,
Republic of Serbia

For the IBRD:

Edgardo Mosqueira
1818 H Street, NW
Washington, D.C. 20433
United States of America
Telephone: +1 202 458 0765
Facsimile: +1 202 522-2753
E-mail: emosqueira@worldbank.org
Article 6

Annexes

Section 6.01. The following documents are annexed to this Administration Agreement and form an integral part thereof:

Annex I: Description of the Project.
Annex II: General Conditions applicable to European Union Contributions to Trust Funds.
Annex IV: Indicative Budget for the Project.

Section 6.02. In the event of a conflict between the provisions of the Annexes and those of this Administration Agreement, the provisions of this Administration Agreement shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other Annexes, the provisions of Annex II shall take precedence.

Article 7

Other conditions applying to the Project

Section 7.01. The measures taken to identify the European Union as the source of financing shall be those as per Article 8 of the Framework Agreement on Visibility and Participation.

Section 7.03. Section(s) 10.02, 10.03, 10.04 Section and 14.03 of the General Conditions shall be deemed to have been complied with, provided the amount contributed by the other donors to the Multi-Donor Trust Fund is sufficient to cover those amounts which are ineligible under the European Union rules including cost recovery fees.

Section 7.04. Procurement. As soon as it is available, the IBRD will present to the Commission the Procurement Plan for the parts of the Project to be contracted by the IBRD, pursuant to Section 10.01 of the General Conditions.

This agreement is drawn up in three originals, two for the Commission and one for the World Bank Group entity.

<table>
<thead>
<tr>
<th>For the European Union, represented by the Commission of the European Communities</th>
<th>For the International Bank for Reconstruction and Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Name: Louis J. Breton</td>
</tr>
<tr>
<td>Position: Head of Operations</td>
<td>Position: Country Manager</td>
</tr>
<tr>
<td>Signature:</td>
<td>Signature:</td>
</tr>
<tr>
<td>Date: 5.10.2012</td>
<td>Date: 13th March 2013</td>
</tr>
</tbody>
</table>
ANNEX I OF THE ADMINISTRATION AGREEMENT

Description of Activities and Expenditures under the Multi-Donor Trust Fund
for Justice Sector Support in the Republic of Serbia

This Attachment shall be applicable to and form an integral part of all agreements entered into between the Bank and entities (collectively, the “Donors”) that provide contributions (the aggregate of all contributions from the Donors, the “Contributions”) to be administered by the Bank for the Trust Fund.

A. DESCRIPTION OF ACTIVITIES

The objective of the Trust Fund is to provide support for strengthening the justice sector of the Republic of Serbia in order to facilitate its integration to the European Union. The Trust Fund activities consist of the following components:

a. Bank-executed Activities

Component 1. Advisory services.

Sub-component 1.1. Provision of Advisory Services for Justice Sector Reform. Provide advisory services, including but not limited to preparation of analytical reports, provision of training, facilitation of policy dialogue and conducting surveys, in the areas of (i) institutional capacity, (ii) resource management and aid coordination, (iii) legal and institutional environment, (iv) judicial facilities and infrastructure, and (v) outreach, monitoring and evaluation in order to strengthen the justice sector reform in the Republic of Serbia;

Sub-component 1.2. Provision of Additional Advisory Services for continued Justice Sector Reform. Advisory services provided under this Component 1 and initiated after May 1, 2012, shall include, among others:

I. Preparation of a roadmap of projects to be used for planning and implementation of future initiatives in the Serbian Justice Sector, as well as preparation of form documents which may be used for future planning, design, and implementation of these projects.

II. Training related to any of the above mentioned activities may be provided;

III. Development and promotion of a SWAp (sector-wide approach) methodology to be used in planning Justice Sector reform at the central level. Training will be provided to key MOJ staff to facilitate the SWAp preparations;

IV. Support to the newly introduced judicial services in accordance with best practices, including but not limited to notary and bailiff services;

V. Preparation of a report on the case management system in the courts of general jurisdiction, and propose mechanisms to update the case management system;

VI. Preparation of a proposal to adopt certain measures for efficient reduction of inflow of minor cases to the courts within the current legal framework.

VII. Preparation of documentation setting out best practices in the provision of the newly introduced judicial services (i.e. notaries, bailiffs, etc).

VIII. Provision of support for the development of justice sector performance indicators for judges and prosecutors;
IX. Provision of support for the development of an effective mechanism for collection, analysis and publishing of statistical data on judiciary performance for the purposes of better analytical work of the MoJ, HJC and SPC;

X. Provision of technical assistance for the preparation of a set of recommendations for the business reengineering of courts.

Component 2. Supervision of Recipient-executed activities.

Carry out supervision of Recipient-executed activities.

Component 3. Trust Fund Administration and Program Management

Manage and administer the Trust Fund as per trustee responsibility, including donor and stakeholder coordination and report preparation.

b. Recipient-executed Activities

Component 4. Technical Assistance

Sub-component 4.1 Justice Sector Reform Facilitation Unit
Provide support for the establishment and operation of a Justice Sector Reform Facilitation Unit in the Ministry of Justice of the Republic of Serbia (MOJ), which will be responsible for facilitating and coordinating the justice sector reform program of the Republic of Serbia.

Sub-component 4.2 Access to Justice
Provide technical assistance to improve access to justice by (i) developing a legislative framework for free legal aid based on the strategy for free legal aid, (ii) establishing the national and local institutions responsible for overseeing the free legal aid system, (iii) building the capacity of free legal aid providers, (iv) increasing the efficiency in the MOJ, (iv) facilitating knowledge-sharing, (v) carrying out a public awareness campaign, and (vi) strengthening the monitoring and evaluation systems and capacities in the MOJ.

B. CATEGORIES OF EXPENDITURE

For Bank-executed activities the Contributions may be used to finance (a) staff costs, (b) media and workshop, (c) consultants fee, (d) contractual services, (e) extended term consultants costs, (f) temporary support staff costs, (g) travel expenses, (h) associated overheads, and (i) equipment lease.

For Recipient-executed activities, the Contributions may be used to finance (a) consultants’ services, excluding salaries of government employees, (b) training, (c) goods, and (d) operating costs.

The Contributions shall not be used to finance taxes, except social benefit charges of individual consultants, attributed to the expenditures on Recipient-executed activities.

C. INSTITUTIONAL ARRANGEMENT

A Management Committee for the Multi-Donor Trust Fund for Justice Sector Support in the Republic of Serbia (the “Committee”) is established to provide general oversight and direction for the Trust Fund. The Committee is comprised of representatives from the MOJ, all Donors contributing to the Trust Fund, the Bank and, as appropriate, other beneficiaries of the Trust Fund. The Committee shall be chaired by the Bank, and co-chaired by the Commission. The Committee shall be consulted on individual activities to be financed from the Trust Fund, excluding activities concerning Trust Fund
management, administration, and monitoring and supervision of Recipient-executed activities. The Republic of Serbia and Donors may recommend to the Committee in writing to have certain activities executed by the Bank, which shall be subject to Bank’s approval. The Committee shall ensure that the activities financed under the Trust Fund are in conformity with the development priorities of the Republic of Serbia, the Donors and the Bank, and also facilitate the Republic of Serbia’s integration to the European Union. The Bank shall report to the Committee on quarterly basis on activities financed or proposed to be financed under the Trust Fund.

**D. PROJECT REPORTING AND INDICATORS**

The IBRD will monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Standard Provisions and on the basis of the indicators presented in Appendix A to this Administration Agreement.

**E. PROCUREMENT**

As soon as it is available, the Bank will present to the Donors the Procurement Plan for the parts of the Project to be contracted by the Bank.
ATTACHMENT 2 OF THE FRAMEWORK AGREEMENT
ANNEX II OF THE ADMINISTRATION AGREEMENT

GENERAL CONDITIONS APPLICABLE TO EUROPEAN UNION CONTRIBUTIONS TO TRUST FUNDS

GENERAL PROVISIONS TO THE ADMINISTRATION AGREEMENT

ARTICLE 1

General obligations of the World Bank Group entity

Section 1.01. The World Bank Group entity may, according to the Description of the Project in Annex I, execute the funds directly or may provide them to a Recipient for execution in accordance with the World Bank Group entity's policies and procedures.

Section 1.02. In case of a BETF, the World Bank Group entity shall carry out the Project in accordance with the Administration Agreement, including the Description of the Project contained in Annex I, and in accordance with the World Bank Group entity's policies and procedures. The World Bank Group entity shall report on the indicators specified in the Description of the Project.

Section 1.03. In case of a RETF, the World Bank Group entity shall be responsible, as administrator on behalf of the Commission, for making arrangements to ensure that the Contribution is used only for the purposes for which it was granted, with due attention to considerations of economy and efficiency. For this purpose, the World Bank Group entity shall monitor, evaluate, report and, where applicable, provide technical assistance, in accordance with the Administration Agreement, including the Description of the Project contained in Annex I, the Grant Agreement and the World Bank Group entity's policies and procedures. The World Bank Group entity shall report on the Indicators specified in the Description of the Project.

The World Bank Group entity shall enter into a Grant Agreement with the Recipient for the provision of such funds to the Recipient for the purposes set forth in the Administration Agreement. Grant Agreements may be entered into up to the maximum amount of the contributions that all donors including the European Union intend to make available in the Administration Agreement(s). The World Bank Group entity shall provide a copy of the Grant Agreement to the Commission. The World Bank Group entity shall be solely responsible for the administration of such Grant Agreement and shall carry out such administration in accordance with its applicable policies and procedures without prejudice to Article 1.06.

Section 1.04. The World Bank Group entity will be responsible only for performing those functions specifically set forth in the Administration Agreement, in these General Conditions, unless agreed otherwise with the Commission, and in case of a Multi-Donor Trust Fund, of the relevant Resolution or the Standard Provisions or the Terms and Conditions, and will not be subject to any other duties or responsibilities to the Commission, 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 the Administration Agreement, in these General Conditions, and in case of a Multi-Donor Trust Fund, in the relevant Resolution...
or the Standard Provisions or the Terms and Conditions, will be considered a waiver of any privileges or immunities of the relevant World Bank Group entity under its Articles of Agreement or any applicable law, all of which are expressly reserved.

Section 1.05. The World Bank Group entity shall take measures to prevent irregularities, fraud, corruption or any other illegal activity in the management of the Project in accordance with its policies and procedures.

In accordance with applicable World Bank Group policies and procedures, including those pertaining to protection of confidential information and the integrity of the investigative process, the World Bank Group entity shall keep the Commission informed of the progress of any formal World Bank Group entity investigation concerning the misuse of funds provided under this Administration Agreement and will report to the Commission without delay the conclusions of such findings as well as measures taken to address the fraud and corruption consistent with its policies and procedures on anti-corruption.

In accordance with the World Bank Group's policies and procedures, the World Bank Group entity shall, for BETFs, terminate contracts with Beneficiaries and, for RETFs, terminate the Grant Agreement or the financing to the Recipient for contracts with Beneficiaries, when either the Beneficiaries and/or the Recipient have been found by the World Bank Group entity to have been involved in fraud or corruption in connection with this trust fund financed by the Commission. In such cases, the World Bank Group entity shall apply its applicable policies and procedures in consultation with the donor(s) to recover the ineligible expenditures.

Section 1.06. The World Bank Group entity undertakes to ensure that the principles set forth under Section 1.05, and Articles 4, 5, 6, 10, 14 and 16 of these General Conditions also apply to the Recipient and, where applicable, to Beneficiaries involved. The World Bank Group entity shall indicate to the Recipient in the Grant Agreement the possibility that the Commission may adopt measures vis-à-vis the Recipient, should the latter not reimburse the World Bank Group entity under Section 1.05.

ARTICLE 2

Obligations regarding financial information and narrative reports

Section 2.01. The World Bank Group entity shall provide the Commission with information on the progress and results of the Projects financed under the Contribution. To that end the World Bank Group entity shall prepare narrative progress report(s) and a final report containing information set forth in Section 2.03 and 2.04. The World Bank Group will also provide the Commission with progress and final financial information regarding the Project. The narrative report(s) as well as the financial information shall cover the entire Project described in the Administration Agreement regardless of whether or not the Project is entirely financed by the Commission.

Section 2.02. The World Bank Group entity shall send to the Commission narrative progress report(s) and make available progress financial information in accordance with the provisions below. Every report and information shall include all Project activities for the period covered.

The financial information will be made available via the Bank's Trust Funds Donor Center secure website.

Section 2.03. The narrative progress report(s) shall provide for comparison of the objective(s) of the trust fund, the results expected and obtained and the budget details for the Project. The level of detail in the narrative report(s) should match that of the Description of the Project and of the indicative budget of the Project.
The narrative reports should include:

- Summary and context of the Project;
- Activities carried out during the reporting period (i.e. directly related to the description of the Project and activities foreseen in this Administration Agreement, including information on the measures taken to identify the European Union as source of financing);
- Difficulties encountered and measures taken to overcome challenges;
- Changes introduced in implementation, including changes in the procurement plan pursuant to Section 10.01;
- Achievements/results by using indicators specified in the Description of the Project contained in Annex I;
- Work plan or schedule of Project activities (as described in the Administration Agreement) for the following period. If the report is sent after the end of the period covered by the preceding work plan or schedule, a provisional work plan or schedule shall be submitted before the end of the period covered by the preceding work plan or schedule.

The progress financial information shall provide for a history of contributions received and the expenditures. It shall allow the Commission to assess whether the incurred expenditures generally comply with the Administration Agreement.

**Section 2.04.** The final narrative report shall contain the above information (excluding the future workplan or schedule of Project activities) covering the entire Project implementation, information on the visibility measures taken to identify the European Union as a/the source of financing, details on the transfers of assets mentioned in Section 7.02 if relevant, and information on the final procurement plan mentioned in Section 10.01. The final financial information shall provide for a history of the contributions received and the expenditures. It shall allow the Commission to assess whether the incurred expenditures generally comply with the Administration Agreement.

**Section 2.05.** The reports shall be presented in English.

**Section 2.06.** The narrative progress report(s) shall be submitted at the following intervals:

if payments follow option 1 of Section 15.01 of these General Conditions:
- a narrative progress report shall be forwarded to the Commission on an annual basis following the signature of the Administration Agreement.
- a final report shall be forwarded to the Commission within six (6) months after the End Disbursement Date specified in Section 2.03 of the Administration Agreement.

if payments follow option 2 of Section 15.01 of these General Conditions:
- a narrative progress report shall accompany each payment request for a further instalment of financing;
- a final report shall be forwarded to the Commission within six (6) months after the End Disbursement Date specified in Section 2.03 of the Administration Agreement.

**Section 2.07.** The progress financial information shall be made available pursuant to Section 2.02 following the signature of the Administration Agreement. The final financial information shall be made available pursuant to Section 2.02 within six (6) months after the
End Disbursement Date specified in Section 2.03 of the Administration Agreement without prejudice to the obligations set out in Section 16.06 of these General Conditions.

Section 2.08. The Commission may request clarification on the narrative or financial information providing the reasons for the request. Such information shall be provided as soon as available but no later than forty-five days (45) days of the request.

Section 2.09. In addition to the above mentioned reports, the World Bank Group entity will ensure that other reports, publications, press releases and updates, relevant to the Administration Agreement are communicated to the Commission promptly following their issuance. Other reports may be made available on the Donor Centre secure website.

The Commission may request reasonable additional information on a case by case basis, providing the reasons for the request. Such information shall be supplied within forty-five days (45) days of the request and where applicable, the Commission will be provided the website address for the trust fund.

The World Bank Group entity and the Commission will endeavour to promote close collaboration and exchange of information on the Project.

Section 2.10. The World Bank Group entity shall promptly inform the Commission of any event which, in its opinion, interferes or threatens materially to delay or interfere with the successful implementation of any Project financed by the Contribution.

ARTICLE 3

Liability

Other than for failure to perform its obligations set forth in these General Conditions, in the Administration Agreement, and in the case of a Multi-Donor Trust Fund, in the relevant Resolution or the Standard Provisions or the Terms and Conditions, the Commission shall not under any circumstances whatever be liable for damages caused either to or by the World Bank Group entity or third parties, during the performance of the Administration Agreement. No claim can be submitted to the Commission for compensation or for restoration of any such damage or loss. The Commission will not be responsible for the activities of any person or third party engaged by the World Bank Group and/or the Recipient as a result of the Administration Agreement, nor will the Commission be liable for any costs incurred by the World Bank Group and/or the Recipient in terminating the engagement of any such person.

ARTICLE 4

Conflict of interest

The World Bank Group entity undertakes to take necessary precautions to avoid conflicts of interest in accordance with the applicable policies and procedures of the World Bank Group.

ARTICLE 5

Disclosure

The obligations on confidentiality and disclosure of information are included in Article 10 of the Framework Agreement.
ARTICLE 6
Visibility and Transparency

Section 6.01. The measures taken to identify the European Union as a/the source of financing are subject to Article 8 and Attachment 4 of the Framework Agreement and will be specified in the Administration Agreement.

Section 6.02. With due regard to the World Bank Group entity’s applicable rules on confidentiality, security and protection of personal data, the obligations on publication of Beneficiaries shall be governed by Article 9 of the Framework Agreement.

ARTICLE 7
Ownership/use of results and equipment

Section 7.01. The relevant World Bank Group entity shall own all rights, title and interest to all industrial and intellectual property rights and materials used for and produced by a Project in relation to this Administration Agreement. However the World Bank Group hereby grants the Commission a non-exclusive right to use free of charge and as it sees fit any of these materials produced by a Project provided said use does not thereby breach existing industrial and intellectual property rights and the World Bank Group entity’s policies and Article 5 of these General Conditions.

Section 7.02. Unless otherwise agreed in the Administration Agreement the equipment, vehicles and supplies paid for by the Contribution shall be transferred to Recipients, local authorities or to the final recipients (excluding commercial contractors) of the activities financed by the trust fund by the end of the Project in accordance with World Bank Group policies on asset management. The documentary proof of those transfers shall be kept for verification along with the documents mentioned in Section 16.06.

ARTICLE 8
Participation in Supervision of the Project

Section 8.01. Representatives of the Commission shall be invited to participate in Supervision missions, when applicable, led by the World Bank Group entity relating to the Project financed under the Contribution. The World Bank Group entity shall keep the Commission informed of the findings of such missions and regularly provide the Commission with summaries of any reports resulting from such missions.

Section 8.02. Notwithstanding the Commission’s participation in a World Bank Group entity’s Supervision mission, the Commission as a donor may wish to carry out Supervision missions independently at its own cost. Supervision missions by representatives of the Commission should be planned and carried out in a collaborative manner between the World Bank Group entity’s staff and the Commission’s representatives, keeping in mind the commitment of both to coordination and collaboration for the effective and efficient implementation of the Project included in the Administration Agreement. These missions are to be planned ahead with reasonable notice and procedural matters are to be agreed upon by the Commission and by the World Bank Group entity in advance. The mission will make a draft of its report available to the World Bank Group entity for comments prior to final issuance.
ARTICLE 9
Amendment of the Administration Agreement

Section 9.01. Any modification of the Administration Agreement, including the Annexes thereto, shall be in writing in an amendment.

The request for amendment shall be submitted by either the World Bank Group entity or the Commission one (1) month before the amendment is intended to enter into force, unless otherwise agreed by the World Bank Group entity and by the Commission.

Section 9.02. Notwithstanding Section 9.01, changes of address and changes of bank account may simply be notified in writing to the Commission. Changes of bank account must be specified in the request for payment using a financial identification form.

ARTICLE 10
Procurement and Grants

Section 10.01. If parts of the Project are contracted by the World Bank Group, the relevant procurement plan will be specified in the Description of the Project. If it is not specified therein, the World Bank Group entity will present it to the Commission as soon as it is available.

Section 10.02. Unless otherwise agreed by the Parties in writing, the procurement of any goods, works or services and the award of Grants to Beneficiaries by the World Bank Group entity or the Recipient in the context of the Project shall be carried out in accordance with the applicable policies and procedures adopted by the World Bank Group entity, as previously assessed by the Commission.

The administration and enforcement of all provisions entered into between the World Bank Group entity and a third party that is financed by the trust fund shall be the responsibility solely of the World Bank Group entity and shall be carried out in accordance with its applicable procedures, except as otherwise specified in this Article 10 and Section 1.06.

Without prejudice to the specific procedures and exceptions applied by the World Bank Group entity, the award of Grants to Beneficiaries shall apply the following principles:

- No single Beneficiary may receive more than one Grant financed by the European Union for the same activity. For additional activities, a Beneficiary may receive supplemental Grants;

- Grants may only cover costs incurred after the date on which the Grant contract with the Beneficiary enters into force;

- No portion of any Grant shall be used to provide a direct profit out of the proceeds of the Grant to the Grant Beneficiary unless the objective of the Grant is to reinforce the financial capacity of the Beneficiary; and

- Grants may not as a rule finance the entire cost of the activities carried out by the Beneficiary.

Section 10.03. The origin of the goods and the nationality of the organisations, companies and experts selected for carrying out activities in the Project shall be determined in accordance with the World Bank Group entity's relevant rules. The World Bank Group entity's policies and procedures on procurement and Grants to Beneficiaries are untied.
Section 10.04. The World Bank Group entity shall take into consideration as provided for under the World Bank Group's policies and procedures the following or similar situations as factors for determining qualification or eligibility of:

- Beneficiaries that are bankrupt or being wound up, are having their affairs administered by the courts, have entered into arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

- Beneficiaries that have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;

- Beneficiaries that have been the subject of a judgment which has the force of res judicata for fraud, corruption involvement in a criminal organisation or any other illegal activity;

- Beneficiaries that are guilty of misrepresentation in supplying the information required as a condition of participation in the procedure or fail to supply this information;

- Beneficiaries that are subject to a conflict of interest.

Section 10.05. The World Bank Group entity may be given access whatever its medium (written on paper or stored in electronic form) to the central exclusion database set up and operated by the Commission (the "Central Exclusion Database"). The foregoing shall be applied in accordance with the provisions that may be provided for in Attachment 5 of the Framework Agreement including any condition under which the World Bank Group would communicate to the Commission any judgment rendered after 1 January 2009 which has the force of res judicata for fraud, corruption, involvement in a criminal organization or any other illegal activity against a Beneficiary receiving funds from a trust fund financed by the European Union.

ARTICLE 11

Suspension of the Administration Agreement

Section 11.01. The World Bank Group entity may suspend implementation of all or part of the Project in accordance with its policies and procedures including when circumstances make it too difficult or dangerous to continue. It shall inform the Commission without delay and provide all the necessary details should a project be suspended. The Administration Agreement may be terminated in accordance with Section 12.01. If the Administration Agreement is not terminated, the World Bank Group entity shall endeavour to minimise the duration of the suspension and may resume implementation of the Project once the conditions allow, and shall inform the Commission accordingly.

Section 11.02. Upon removal of the suspension, the implementation period of the Administration Agreement shall be automatically extended by an amount of time equivalent to the duration of the suspension. This is without prejudice to any amendments to the Administration Agreement which may be necessary to adapt the Project to the new implementing conditions.
ARTICLE 12

Termination of the Administration Agreement

Section 12.01. If, at any time, either party believes that the purposes of the Administration Agreement can no longer be effectively or appropriately carried out, it shall consult the other party. The Administration Agreement may be terminated at the initiative of either party by giving the other party three (3) months' prior written notice to cancel all or part of the Commission's pro rata share of any remaining balance of the Contribution funds that is not committed pursuant to any agreements entered into between the World Bank Group entity and any consultants and/or other third parties for the purposes of the Administration Agreement prior to the receipt of such notice, including the Grant Agreement[s].

The World Bank Group entity shall return such cancelled balance to the Commission including any investment income in accordance with Article 18.

Section 12.02. Where the World Bank Group entity:

- fails, without justification, to fulfil any of the obligations set out in Sections 1.02 and 1.03 incumbent on it, including the presentation of a final narrative report and/or making available final financial information within the deadlines laid down in Sections 2.06 and 2.07, after being given notice by letter to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within thirty (30) days of sending of the letter; and, in case of narrative progress reports, after failing to provide, together with a satisfactory explanation, a summary of the state of the progress of the Project;

- fails to comply with Section 1.05 or Article 4;

- provides false reports or makes false or incomplete statements to obtain the Contribution provided for in the Administration Agreement;

- commits financial irregularities or is guilty of grave professional misconduct;

- undergoes legal, financial, technical or organisational change that is likely to substantially affect negatively the Administration Agreement or to call into question the decision by which a direct financial contribution is awarded to the World Bank Group by the Commission following a Call for proposals;

After prior consultation with the World Bank Group entity the Commission may terminate the Administration Agreement. In that event the Commission may request full or partial repayment of any amounts that should have not been considered eligible, after allowing the World Bank Group entity to submit its observations.

Section 12.03. Prior to or instead of terminating the Administration Agreement as provided for in Section 12.02, the Commission may suspend payments or (exceptionally) the eligibility of expenses as a precautionary measure, informing the World Bank Group entity immediately.

Section 12.04. This Administration Agreement shall be automatically terminated if no payment has been made by the Commission within three (3) years of its signature.

ARTICLE 13

Dispute resolution

Section 13.01. The Parties shall endeavour to settle amicably any dispute or complaint relating to the interpretation, application or fulfilment of the Administration Agreement, including its existence, validity or termination. In default of amicable settlement, any party may refer the matter to arbitration in accordance with the Permanent Court of Arbitration
Optional Rules for Arbitration Involving International Organisations and States in force at the date of the Administration Agreement.

**Section 13.02.** The language to be used in the arbitral proceedings shall be English. The appointing authority shall be the Secretary General of the Permanent Court of Arbitration following a written request submitted by any party. The Arbitrator’s decision shall be binding on all parties to the arbitral proceedings and there shall be no appeal.

**Section 13.03.** Nothing in the Administration Agreement shall be interpreted as a waiver of any privileges or immunities accorded to any party hereto by its constituent documents or international law.

**FINANCIAL PROVISIONS TO THE ADMINISTRATION AGREEMENT**

**ARTICLE 14**

**Eligible costs**

**Section 14.01.** To be considered eligible as Direct Costs under the Administration Agreement costs must:

- be necessary for carrying out the activities financed by the trust fund, fall within the scope of the Administration Agreement, and comply with the principles of sound financial management, in particular value for money and cost effectiveness;
- have actually been incurred after the date specified in Section 2.02 of the Administration Agreement and before the End Disbursement Date specified in Section 2.03 of the Administration Agreement;
- be recorded in the World Bank Group or Recipient’s accounts, be identifiable, backed by originals of supporting evidence and verifiable pursuant to the provisions on the verification provision set out in Section 16.07.

**Section 14.02.** Subject to the above and without prejudice to Section 14.04, the following Direct Costs related to the activities of the trust fund of the World Bank Group entity, or its Recipient may be eligible provided they are consistent with the World Bank Group entity's policies:

- the cost of staff, including those at headquarters, assigned to the activities funded by the trust fund, corresponding to salaries and other benefits costs;
- travel and subsistence costs for staff and consultants;
- cost of purchase or lease for goods and services (including consultant services, transport, storage and distributing, lease of equipment, etc.);
- costs directly arising out of, or related to, distributing consumables, supplies and communications;
- expenditure on contracting (including works);
- the proportion of field office costs that corresponds to the amount of activity directly attributable to the activities financed by the trust fund or to the proportion of the amount deposited by the European Union;
- media workshops, conferences, meetings and other costs including dissemination of information, translation, reproduction, publication;
- training;
- Supervision/project management activities, project preparation activities, and specific reporting for the needs of the Commission;
- financial service costs (in particular bank fees for transfers) and insurance;
- costs related to carrying out visibility activities.

Section 14.03. The following costs of the World Bank Group entity or its Recipient shall not be considered eligible:
- expenditures and provisions for possible future losses or debts;
- interest owed to any third party;
- items already financed from other sources;
- purchases of land or buildings;
- currency exchange losses;
- taxes, duties and charges (unless the World Bank Group entity or the Recipient is not able to reclaim them and if allowed by the applicable regulatory provisions of the European Union).

Section 14.04. In order to assist in the defrayment of the costs of administration and other expenses incurred by the World Bank Group entity in administering the trust funds provided to it hereunder, a fixed percentage of Direct Costs, not exceeding 7%, may be deducted from each Contribution and retained as Indirect Costs by the World Bank Group entity. The 7% includes any set up fee that the World Bank governing bodies' decision may establish. Indirect Costs are eligible provided that they do not include Direct Costs specifically charged including preparation and supervision costs.

Where the administrative costs charged by the World Bank Group exceed 7%, the World Bank Group entity may recover the balance as Direct Costs, subject to meeting the requirements governing direct eligible costs referred to in Section 14.01. Indirect Costs shall not be eligible where the Administration Agreement concerns the financing of a Project where the World Bank Group entity is already receiving funding for its functioning from the European Union during the same period in question.

ARTICLE 15
Payments

Section 15.01. Payment schedule is set out in Article 4 of the Administration Agreement and follow one of the options below.

- Option 1 will be applicable in case of Single Donor Trust Funds or Multi-Donor Trust Funds where the trust fund has an anticipated duration of one year or less:

An advance payment, representing 100% of the total Contribution referred to in Section 3.02 of the Administration Agreement shall be payable by the Commission within forty-five (45) days following receipt of the Administration Agreement signed by both Parties and receipt by the Commission of a payment request conforming to the model agreed between the Parties.

- Option 2 will be applicable in case of Single Donor Trust Funds or Multi-Donor Trust Funds where the trust fund has an anticipated duration of more than one year:
An advance payment representing 50% of the total Contribution referred to in Section 3.02 of the Administration Agreement shall be payable within forty-five (45) days following receipt of the Administration Agreement signed by both Parties and receipt by the Commission of a payment request conforming to the model agreed between the Parties.

One or several intermediate payments representing X% of the total Contribution referred to in Section 3.02 of the Administration Agreement and specified in Section 4.01 of the Administration Agreement, shall be payable within forty-five (45) days of approving the narrative progress report and the financial information provided the payment request is accompanied by written confirmation that 50% of the total funds received to-date by the trust fund have been subject to a Commitment.

A final payment representing 100-(50 + X)% of the total Contribution referred to in Section 3.02 of the Administration Agreement and specified in Section 4.01 of the Administration Agreement, shall be payable within forty-five (45) days following receipt by the Commission of a payment request accompanied by written confirmation that (50 +X)% of the total funds received to-date by the trust fund have been subject to a Commitment.

Section 15.02. Narrative progress reports and the up to date financial information shall be deemed approved if the Commission has not reacted within forty-five (45) days of receiving the narrative progress report. If the Commission does not intend to approve a narrative report and/or financial information, as submitted or made available, it shall revert to the World Bank Group entity specifying the additional information it requires in accordance with Section 2.08. The deadline for approving the narrative report and financial information shall be suspended pending the receipt of the requested information.

If the Commission deems that a payment request cannot be met, it shall revert to the World Bank Group entity with a request specifying the additional information it requires within the forty-five (45)-day payment period. The payment period shall be suspended pending the payment request being made available in accordance with Section 15.01.

Approval of a report does not imply recognition of the regularity, authenticity, completeness and correctness of the declarations and information contained therein.

Section 15.03. All payments shall be made in Euro, into such bank account designated by the World Bank Group entity in its request for payment pursuant to Section 9.02.

When making deposits pursuant to this Section 15.03, the Commission will instruct the bank with which the deposit is made to include in its payment details information (remittance advice) field of its SWIFT payment message information indicating the amount and date of the deposit, the name and World Bank reference number of the trust fund for which the deposit is made (as set forth in the Administration Agreement), the Commission internal reference number (as set forth in the Administration Agreement), name of the project for which the funds are intended, name of the Commission's department responsible for the trust fund, date of the Administration Agreement or amendment. The Commission will also send a copy of its instruction to the IBRD's Trust Funds Division via e-mail using address “TFremitadvice@worldbank.org or via fax utilizing fax number 1-202-614-1315.

Section 15.04. In case of Single Donor Trust Funds except as the Commission and the World Bank Group entity may otherwise agree and subject to Section 15.06, any funds so deposited by the Commission shall be maintained in Euro. In case of Multi-Donor Trust Funds, in the event that holding currency of the Multi-Donor Trust Fund is not Euro, the World Bank
Group entity, shall convert the funds into the holding currency of the trust fund promptly following receipt of the funds, provided that all the necessary documentation has been received, at the exchange rate applicable to the World Bank Group on the date of the conversion unless the parties agree otherwise in Section 7.02 of the Administration Agreement. In all cases, where the Contribution proves to be insufficient to complete the Project as a result of an exchange rate fluctuation, the Commission will not bear any responsibility for additional financing.

Section 15.05. The funds deposited pursuant to Section 15.04 above may be commingled with other trust fund assets administered by any World Bank Group entity, provided they may still be identified as such in the records of the World Bank Group entity but shall be kept separate and apart from the funds of each of the World Bank Group entities.

Section 15.06. The World Bank Group entity may exchange any funds held hereunder for other currencies in order to facilitate their administration and disbursement at the exchange rate applicable to the World Bank Group on the date of the conversion unless the parties agree otherwise in Section 7.02 of the Administration Agreement.

Section 15.07. IBRD shall, on behalf of the World Bank Group entity, invest and reinvest the funds provided by the European Union hereunder pending their disbursement, in accordance with IBRD’s policies and procedures for the investment of trust funds. For Multi Donor Trust Funds and/or Joint Management, IBRD shall credit all income earned on funds received from the Commission from such investment to the trust fund established under this Administration Agreement to be used for the same purposes as the Contribution funds. For Contributions which are not Multi-Donor Trust Funds and/or Joint Management, investment income earned on funds received from the Commission shall be identified as such, and IBRD shall credit such income to the Commission's Donor Balance Account to be reimbursed to the Commission annually upon receipt by IBRD of banking details and authorized instructions from the Commission. Such refund request shall be sent to the attention of the Division Manager, Trust Fund Division, Accounting Department of the World Bank.

ARTICLE 16

Financial audits and checks

Section 16.01. The World Bank Group shall maintain separate records and ledger accounts in respect of the Contributions deposited by the Commission in the trust fund account and disbursements made therefrom. Separate records and ledger accounts shall be kept for each trust fund.

Section 16.02. The World Bank Group shall provide to the Commission, within six (6) months following the end of each World Bank Group fiscal year, the annual single audit, comprising (1) a management assertion together with an attestation from the World Bank Group's external auditors concerning the adequacy of internal control over cash-based financial reporting for trust funds as a whole; and (2) a combined financial statement for all cash-based trust funds together with the external auditor's opinion thereon. The cost of the single audit shall be borne by the World Bank Group.

Section 16.03. For exceptionally large trust funds where a financial statement audit is deemed appropriate and necessary, the World Bank will include provisions in the Administration Agreement for the financial statements of the trust fund to be audited (either annually, periodically, or at the completion of the trust fund as agreed with the donor(s)), by the World Bank's external auditors in addition to the Single Audit Report. The costs with respect to such
audits will be paid by the trust fund. These audited financial statements will be submitted to the Commission.

Section 16.04. If the Commission wishes to request, on an exceptional basis, a financial statement audit by the Bank's external auditors of a trust fund established under an Administration Agreement, the Commission and the Bank will first consult one another as to whether such an external audit is necessary. Following consultation, if the Commission wishes to proceed with the external audit, the Bank will arrange for such an audit. The cost of any such audit, including the Bank's internal costs related to such an audit, will be paid by the Commission.

Section 16.05. The Bank will provide the Commission with copies of all financial statements and auditors' reports received by the Bank from the Recipients pursuant to the Grant Agreements.

Section 16.06. The World Bank Group entity shall, until at least seven years after the End Disbursement Date of the Administration Agreement:

(i) keep financial and accounting documents concerning the activities financed by the European Union hereunder; and

(ii) make available to the competent bodies of the European Union upon request, all relevant financial information, including statements of accounts concerning the project or activity financed by the European Union hereunder (whether executed by such World Bank Group entity or by its subcontractor).

Section 16.07. In conformity with the European Union financial regulations, the European Union may undertake, including on-the-spot, checks related to the Projects and activities financed by the trust fund.

Section 16.08. The foregoing shall be applied in accordance with the verification provisions provided for in Attachment 3 of the Framework Agreement.

ARTICLE 17

Final amount of the Contribution by the Commission

Section 17.01. The total amount to be paid by the Commission to the World Bank Group entity may not exceed the maximum Contribution established by Section 3.02 of the Administration Agreement, even if the overall actual expenditure exceeds the estimated total budget set out in Section 3.01 of the Administration Agreement unless amended in accordance with Section 9.01.

Section 17.02 The World Bank Group entity accepts that the Contribution amount shall be limited to the amount required to balance income and expenditure for the Project and that it may not in any circumstances result in a surplus for the World Bank Group entity.

Section 17.03. In cases where the Project is not completed by the End Disbursement Date specified in Section 2.03 of the Administration Agreement, the funds that remain unexpended after all Commitments incurred have been satisfied, including investment income will be reimbursed to the relevant Balance Account.

Section 17.04. Where the Project is not carried out according to the Administration Agreement and without prejudice to its right to terminate the Administration Agreement pursuant to Section 12.02, the Commission may, after allowing the World Bank Group entity to submit its observations and without prejudice to Article 13, adjust its Contribution pro rata
to the actual implementation of the Project on the terms laid down in the Administration Agreement giving three (3) months' prior written notice.

ARTICLE 18

Recovery

Section 18.01. Upon the completion or termination of the Project for which the European Union has provided funding hereunder, the World Bank Group entity, will refund to the Commission within forty-five (45) days of receiving a written request from the latter any amounts paid in excess of the final amount due for such project (including any investment income not previously reimbursed to the Commission or to the Balance Account).

Such refund request with banking details and authorized instruction from the Commission shall be sent to the attention of the Division Manager, Trust Fund Division, Accounting Department of the World Bank. Any refund to the Commission will be done in Euro, unless the Parties agree otherwise, at the exchange rate applicable to the World Bank Group on the date of the conversion unless the Parties agree to another exchange rate in Section 7.02 of the Administration Agreement. In the event the funds are received by the Commission before such refund request is sent, the Commission will issue a refund request acknowledging their receipt.

Section 18.02. If the World Bank Group entity fails to repay by the due date, the sum due shall bear interest in accordance with the rules of the Commission. In case of Contributions which are Multi-Donor Trust Funds and/or Joint Management the accrued investment income may be taken into account.

Section 18.03. Amounts to be repaid to the Commission may be offset against amounts of any kind due to the World Bank Group entity or the Recipient, after consulting it accordingly. This shall not affect the Parties' option to agree on payment in instalments.

Section 18.04. Bank charges incurred by the repayment of amounts due to the Commission shall be borne entirely by the World Bank Group entity.
ANNEX III OF THE ADMINISTRATION AGREEMENT

Standard Provisions Applicable to the Multi-Donor Trust Fund
for Justice Sector Support in the Republic of Serbia

This Annex shall be applicable to and form an integral part of all agreements entered into between the Bank and the Donors that provide Contributions to be administered by the Bank for the Trust Fund.

1. Administration of the Contributions

1.1. 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 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 Agreement shall be considered a waiver of any privileges or immunities of the IBRD and IDA under their Articles of Agreement or any applicable law, all of which are expressly reserved.

1.2. 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 of 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.

2. Commingling, Exchange and Investment of the Contributions

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

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

2.3. The Bank shall invest and reinvest the Contributions 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 Contributions.

3. Administrative Cost Recovery

3.1 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 deduct and retain for its own account an amount equal to two percent (2%) of each Contribution.

3.2 In addition, costs for program management and trust fund administration as defined in Attachment 1 up to a maximum of one point six percent (1.6%) of each Contribution will be charged to the Trust Fund on an actual basis. If the contributions increase beyond what was originally expected at the time of counter-signature of the first administration agreement, and the administrative costs increase as a result, the Donors acknowledge that an additional administrative fee may be applied to such new contributions.
4. **Grants to Recipients**

4.1. The Bank shall, as administrator of the Trust Fund on behalf of the Donors, enter into [a] grant Agreements (the “Grant Agreements”) with eligible recipients (the “Recipients”) 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 Contributions that all Donors have agreed to make available under the Administration Agreements between the Bank and the Donors. Upon request by a Donor, the Bank shall furnish a copy of the Grant Agreements to the Donors.

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

4.3. The Bank shall promptly inform the Donors 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 Donors the opportunity to exchange views before effecting any such modification or exercising any such remedy.

5. **Procurement**

5.1. For Recipient-executed activities, 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 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.

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

6. **Accounting and Financial Reporting**

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

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

6.3. The Bank shall provide to the Donors, 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.
6.4. 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 paid by the requesting Donor.

6.5. The Bank shall provide the Donors with copies of all financial statements and auditors’ reports received by the Bank from the Recipients pursuant to the Grant Agreements.

7. Progress Reporting

7.1. The Bank shall provide the Donors with an annual report on the progress of activities financed by the Contributions. Within six (6) months of the final disbursement date specified in paragraph 8.2, the Bank shall furnish to the Donors a final report on the activities financed by the Trust Fund.

7.2. Any 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.

8. Disbursement; Cancellation; Refund

8.1. The Contributions may be used to retroactively finance payments for eligible expenditures in accordance with the Bank’s policies and procedures.

8.2. It is expected that the Contributions will be fully disbursed by the Bank by June 30, 2016. The Bank shall only disburse Contributions for the purposes of this Agreement after such date with the written approval of the Donors.

8.3. Any Donor or the Bank 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 Contributions that is 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.

8.4. Following the final disbursement date specified in paragraph 8.2, the Bank shall return any remaining balance of the Contributions to the Donors on a pro rata basis based on the Donors’ paid Contributions. In the event of a cancellation the Bank shall promptly return to the relevant Donor or Donors the Donor’s pro rata share of uncommitted Contributions in accordance with paragraph 8.3.

9. Disclosure

The Bank may disclose this Agreement and information on this Trust Fund in accordance with the Bank’s policy on disclosure of information, in effect at the time of such disclosure. By entering into this Agreement, Donors consent to disclosure of this Agreement and information on this Trust Fund.
Appendix

### Strengthening Institutional Capacity

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions/Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review of the implementation status of the National Judicial Reform Strategy (NJRS) to increase Serbia’s compatibility with relevant European standards</td>
<td>• Implementation status of the NJRS reviewed&lt;br&gt;• Propose a set of comprehensive legal and non-legal measures to address the remaining legislative gaps and secure proper implementation of the legislation.</td>
<td>• Recommendations aimed at improving the compatibility of domestic legislation and practice in the field of the judiciary developed.&lt;br&gt;• Proposals with a possible timeframe for implementing the proposed recommendations for the Serbian Government for further continuation and strengthening the reform of the judiciary developed.</td>
<td>• The recommendations of the review are reflected in the steps taken by the Government to address the legislative gaps and obstacles hindering the reform of the judiciary in Serbia.</td>
<td>• Government remains committed to implementing the National Judicial Reform Strategy.</td>
</tr>
</tbody>
</table>

### Strengthening Resource Management and Aid Coordination

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions/Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct Justice Sector Public Expenditure and Institutional Review (JPEIR)</td>
<td>• Evaluation of judicial reforms undertaken in Serbia over the last five years.&lt;br&gt;• Reform gaps and future priority initiatives identified.&lt;br&gt;• Political economy of justice sector reform in Serbia mapped and assessed, and reform management assessed.&lt;br&gt;• Assessment of expenditures, revenues and performance of the justice sector, as well as an assessment of financial management including budget formulation, budget execution including procurement, internal control, external control and reporting.&lt;br&gt;• Human resources management including recruitment, career management, remuneration, pensions, and training review.</td>
<td>• Final report of the JPEIR drafted.&lt;br&gt;• Final report discussed with development partners and non-governmental organizations through the Partners Forum.</td>
<td>• JPEIR recommendations on future priority initiatives reflected in appropriate related government decisions and other related documents.&lt;br&gt;• Partners Forum minutes.</td>
<td>• Serbian government remains committed to being involved with the data collection and analysis to the extent possible.&lt;br&gt;• Political support within the MOJ to implement the JPEIR recommendations</td>
</tr>
</tbody>
</table>
### Strengthening Legal and Institutional Environment

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions/Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review and improvement of the chain of criminal case processing</td>
<td>A functional flow chart of case processing and decision making among different units and agencies combined with case data and resource allocation data.</td>
<td>Report and recommendations for improved criminal case processing drafted.</td>
<td>Report and recommendations published.</td>
<td>Access to the data and to the institutions will be granted.</td>
</tr>
<tr>
<td>Cross-cutting advisory services, supervision and ad hoc international advice</td>
<td>Ad-hoc advisory reports on access to justice activities at the request of the Ministry of Justice and donor partners.</td>
<td>Ad-hoc advisory reports on access to justice activities drafted.</td>
<td>Ad hoc advisory reports and supervision reports.</td>
<td>Serbian Government remains committed to the access to justice activities.</td>
</tr>
<tr>
<td>Roadmap of projects to be used for planning and implementation of future justice sector assistance in Serbia</td>
<td>Report detailing roadmap of projects for donor assistance</td>
<td>Roadmap of projects produced</td>
<td>MOJ adopts and donors agree to implement roadmap of projects</td>
<td>MOJ commitment to the plan and financial commitment by donors/MOJ</td>
</tr>
</tbody>
</table>

### Facilitating the Modernization of Judicial Facilities and Infrastructure

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions/Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training for Automated Case Management System in courts of general jurisdiction</td>
<td>Trainings conducted at municipality and district courts by individual trainers and through the introduction of a self-training system.</td>
<td>Trainings for new automated case management system completed.</td>
<td>Automated Case Management System used according to training standards.</td>
<td>Necessary resources will be available to conduct the trainings and review report.</td>
</tr>
</tbody>
</table>

### Institutionalizing Outreach, Monitoring and Evaluation

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions/Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Justice sector survey and opinion polls to demonstrate reform progress and impact</td>
<td>Survey conducted on experiences with and perceptions of the justice system, with results collected and processed.</td>
<td>Detailed survey implementation plan and description of methodology developed.</td>
<td>Survey and opinion poll results published.</td>
<td>Necessary resources will be available to conduct the survey.</td>
</tr>
<tr>
<td></td>
<td>Methodology, survey and other data collection instruments as appropriate to the Serbian context designed, developed and implemented to assess the experiences and</td>
<td>Final version of survey instruments developed.</td>
<td>Survey and opinion poll results reflected in future reform policies and design.</td>
<td>The MOJ senior management remains committed to implement the recommendations of the justice sector.</td>
</tr>
</tbody>
</table>

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ANNEX III of the Administration Agreement no. (CRIS) 2012/301-888
<table>
<thead>
<tr>
<th>Proposed Activities</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions/Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review of Alternative Dispute Resolution systems in Serbia</td>
<td>Analytic report on ADR, relevant legislation passed, the functioning of informal, desk review of donor assistance</td>
<td>Technical report used to develop action plans</td>
<td>Action planning report</td>
<td>MOJ commitment to recommendations</td>
</tr>
<tr>
<td>Project coordination and justice sector reform</td>
<td>Project Coordinator will: Coordinate daily implementation aspects of the MDTF-JSS, Act as main local contact point for all key partners in Serbia, Represent World Bank in meetings pertaining to the MDTF-JSS and in justice sector related meetings/events/workshops/conferences in Serbia, Deliver advisory services and analytical work to Government Partners on justice sector reform, Assist the World Bank in initiating and leading the delivery of learning and knowledge sharing events for Serbian counterparts, in close consultations with relevant stakeholders.</td>
<td>Analytical and advisory services on judicial reform provided, Implementation of learning and knowledge sharing events for Serbian counterparts, in close consultations with relevant stakeholders, Progress reports and financial statements of the MDTF activities drafted and published.</td>
<td>Progress reports and financial statement of the MDTF activities drafted and published, Implementation of the MDTF-JSS functioning smoothly.</td>
<td>Necessary resources and funds will be available.</td>
</tr>
<tr>
<td>Use of SWAp methodology</td>
<td>As a result of the development of the next justice sector strategy, assistance will be provided to assist the MOJ to develop a SWAp that</td>
<td>SWAp methodology developed</td>
<td>MOJ develops SWAp</td>
<td>MOJ commitment to SWAp</td>
</tr>
</tbody>
</table>
### Ad hoc advisory services on justice sector reform
- Advisory services on justice sector reform, depending on needs and requirements during the implementation of the MDTF-JSS activities.
- Reports on advisory services provided.
- Submission of reports on advisory services provided.
- Advisory services are needed or required during the implementation of the MDTF-JSS activities.

### Technical Assistance to Notary Services
- Analysis of the policy framework for implementation of notary services
- Report on policy framework for notary services, including recommendations for implementation.
- Recommendations for implementation improvements adopted.
- Training of notaries delivered
- Timely implementation of the Implementation of the Law on Notary Public Office

### Functional Review of the Prison System
- Functional review of the prison system to identify efficiency savings relating to: budgetary & human resources, use of integrated ICT systems, infrastructure, and analysis of reintegration programs for ex-prisoners.
- Functional review of prison system provided.
- Recommendations from functional review adopted by Government
- Government commitment to review

### Activity | Output | Results Indicators | Sources of verification | Assumptions
--- | --- | --- | --- | ---
**Development of a legislative framework for free legal aid based on the Strategy for Free Legal Aid**
- Legal aid strategy is finalized
- Public debates and round tables conducted and commentaries on the proposed framework for legal aid providing collected
- Draft law on legal aid provision finalized and submitted to parliament
- Mid-term and long-term implementation plan for new legal aid scheme
- Government accepts and adopts finalized legal aid law
- Parliament passes the new law on legal aid
- Official Gazette of the Republic of Serbia where the laws are published
- Government remains committed to the project and steady funding will be available.
- Agreement will be reached in Parliament on an acceptable new law on legal aid.

**Building of institutions responsible for implementation and overseeing the functioning of the Free Legal Aid System:**
- Prepared feasibility study which will assess whether preconditions for establishment of FLA system institutions are fulfilled
- National and four regional institutions established and equipped with all necessary facilities
- Developing and testing of training
- Feasibility study prepared
- Plans for new national and regional entities to administer free legal aid and for legal aid monitoring unit are drafted
- Training plans are developed and adopted
- Data basis of FLA providers finalized
- Plans for new institutions are published.
- Training plans are finalized
- Data basis of FLA providers finalized
- Government remains committed to the creation of new institutions
- Resources and funding will be available for the new institutions
<table>
<thead>
<tr>
<th>Building capacity of providers of Free Legal Aid:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepared Feasibility study which will present an analysis of FLA providers</td>
<td>Feasibility study prepared</td>
</tr>
<tr>
<td>Development of professional standards and requirements for FLA providers.</td>
<td>Professional standards and requirements for FLA providers prepared</td>
</tr>
<tr>
<td>Introduction of learning resources</td>
<td>Training plans are developed and adopted</td>
</tr>
<tr>
<td>Developing and testing of training plan</td>
<td>Learning resources are available to all FLA providers</td>
</tr>
<tr>
<td>Necessary resources and funds will be available.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increased efficiency at the Ministry of Justice</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepared Feasibility study for transition of current MOJ unit dealing with free legal aid to FLA monitoring unit set in accordance with new legal framework</td>
<td>Feasibility study prepared</td>
</tr>
<tr>
<td>Developed a work plan for RFU</td>
<td>Work plan for RFU is operational</td>
</tr>
<tr>
<td>Defined the Unit's internal operating systems and procedures</td>
<td>Unit's internal operating systems and procedures are used</td>
</tr>
<tr>
<td>Determined training requirements and developed training program activities</td>
<td>Training requirements are defined and training plans are developed and adopted</td>
</tr>
<tr>
<td>Necessary resources and funds will be available.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Creation of monitoring and evaluation systems and capacities</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Plan for the creation of monitoring and evaluation systems and capacities</td>
<td>Draft plan for the creation of monitoring and evaluations systems</td>
</tr>
<tr>
<td>Conduct two follow-up surveys to be compared with previous Assessment Surveys to assess progress and the level of citizens' knowledge on new Free Legal Aid System.</td>
<td>Results of the follow-up survey have been compiled, analyzed and circulated.</td>
</tr>
<tr>
<td>Development of quality standards for legal aid provision.</td>
<td>Plan is published</td>
</tr>
<tr>
<td>Necessary resources will be available to conduct the survey.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Review of criminal case processing</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft review report and recommendations.</td>
<td>Report and recommendations are drafted</td>
</tr>
<tr>
<td>Consultations and development of recommendations for process improvements.</td>
<td>Report and recommendations are published</td>
</tr>
<tr>
<td>Access to the data and to the institutions will be granted.</td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td>Output</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Strengthening regional cooperation in the fields of mutual legal cooperation and assistance, especially in issues pertaining to organized crime and anti-corruption | • Monitoring reports on Serbia’s participation in regional cooperation pertaining to organized crime and anti-corruption  
• Periodic implementation reports on MOJ efforts and initiatives for combating corruption | • Reports prepared and endorsed by Government and relevant bodies monitoring/assessing regional cooperation in issues pertaining to organized crime and corruption  
• Objectives set for implementation of the National Strategy for Combating Corruption are met, in accordance with the agreed timelines | • Final report on implementation of National Strategy for Combating Corruption, giving appropriate credit to MDTF-JSS  
• Reports published on the MOJ website and distributed to relevant audiences, giving appropriate credit to MDTF-JSS | • Government remains committed to combating organized crime and corruption  
• The momentum to deepen regional cooperation to combat organized crime and corruption is sustained and Serbia continues to play an important role in this process |
| Expediting the adoption of relevant International Conventions, and EU Directives and Resolutions in Serbia, and their inclusion into Serbian legislation | • Progress reports on Serbia’s compliance with its international legal obligations and adoption and implementation of appropriate international conventions/treaties/resolutions  
• Progress reports regarding the harmonization of Serbia’s legislation to EU standards  
• Implementation reports on the National Programme for Integration (NPI) of Serbia into the EU | • Relevant and appropriate international conventions and treaties included in Serbia’s legislation and implemented,  
• EC commission satisfied with Serbia’s pace of legal harmonization | • Official Gazette of the Republic of Serbia where the notifications of adoption conventions/treaties/resolutions are published  
• EC reports (including the annual Progress Report) on harmonization of Serbia’s legislation with EU standards  
• NPI implementation on track | • The Serbian Government remains committed to meeting its international obligations  
• The Serbian Government remains committed to EU integration and meeting the requirements for candidacy status and eventual full membership |
| Building and strengthening the strategic planning function at the Ministry of Justice | • Strategic framework for the continuation of justice sector reform in Serbia  
• Strategy note outlining plans for future cooperation with multilateral and bilateral development partners | • Strategic framework for the continuation of justice sector reform in Serbia prepared  
• Government accepts and adopts strategic framework for second phase of justice sector reform in Serbia  
• Development partners endorse strategy note on future cooperation with multilateral and bilateral development partners | • Strategic framework and strategy note on cooperation with development partners are endorsed by all key stakeholders and enter into implementation  
• Recommendations of strategy note on future cooperation with multilateral and bilateral development partners implemented and reflected in appropriate related documents | • Government remains committed to justice sector reform and the implementation of the strategic framework, and steady funding will be available  
• Serbia’s development partners are committed to supporting further justice sector reforms in Serbia, and sufficient financing is available |
## Strengthening Resource Management and Aid Coordination

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening justice sector administration pertaining to expenditure and resource management</td>
<td>• Action plan to implement the recommendations of the Justice Sector Public Expenditure and Institutional Review (JPEIR), realized under the Bank- executed part of the MDTF-JSS.</td>
<td>• Action plan finished and adopted by the MOJ senior management</td>
<td>• Action plan finalized and JPEIR recommendations being implemented as of January 2011.</td>
<td>• Political support within the MOJ to implement the JPEIR recommendations. MOJ budget allocations are not significantly reduced.</td>
</tr>
<tr>
<td>Enhancing tracking, coordination and management of donor-funded aid in the justice sector</td>
<td>• Periodic monitoring and tracking reports and on donor-funded projects and other donor-funded financial flows to Serbia’s justice sector • Recommendations on increasing the on-budget proportion of ODA in Serbia’s justice sector</td>
<td>• Monitoring and tracking reports and on donor-funded projects and other donor-funded financial flows to Serbia’s justice sector • Recommendations prepared and considered</td>
<td>• Information featuring monitoring and tracking reports taken into account in MOJ’s annual planning and budgeting process • Recommendations adopted and under implementation</td>
<td>• MOJ is committed to assume a leadership role in donor coordination. • Serbia’s development partners are committed to supporting further justice sector reforms in Serbia, and sufficient financing is available. • Serbia’s development partners are committed to harmonize their programs with those of other donors and align them with the Government priorities</td>
</tr>
</tbody>
</table>

## Strengthening Legal and Institutional Environment

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting and expediting the ongoing prosecutorial reform process</td>
<td>• Assessment on the implementation status of the prosecution reform • Action plan and recommendations for expediting and strengthening the process of prosecution reform</td>
<td>• Assessment on the implementation status of the prosecution reform prepared • Action plan and recommendations for expediting and strengthening the process of prosecution reform prepared</td>
<td>• Assessment finalized, published and findings reflected in the action plan for expediting and strengthening the process of prosecution reform • Action plan finalized, published and under implementation</td>
<td>• Serbia justice sector authorities remain committed to prosecutorial reform and allocated sufficient resources for the implementation of the reform</td>
</tr>
<tr>
<td>Strengthening the legal and institutional environment for the</td>
<td>• A strategy note on how to strengthen</td>
<td>• Strategy note prepared and</td>
<td>• Strategy note finalized and</td>
<td>Joint agreement</td>
</tr>
</tbody>
</table>
| MOJ and the Judiciary, especially with the prosecution functions | the cooperation between law enforcement authorities, criminal intelligence authorities and prosecutors to facilitate bilateral and/or multilateral criminal investigation processes  
- Capacity-building plan for prosecutors to assist them in adapting to their new, expanded responsibilities  
- Capacity-building plan for judges | consultations round-tables organized  
- Capacity-building plans for prosecutors and judges prepared | agreed upon by all relevant stakeholders  
- Capacity-building plans finalized, endorsed by all key justice sector stakeholders and under implementation | between law enforcement authorities, criminal intelligence authorities and prosecutors all agree that strengthened cooperation is necessary under the new legislation to better tackle crime  
- Adequate financial resources are allocated for training purposes for prosecutors and judges, both from the Government budget and from development Partners |

<table>
<thead>
<tr>
<th>Facilitating the Modernization of Judicial Facilities and Infrastructure</th>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Expediting the systematic modernization of the ICT infrastructure in the justice sector | Successfully concluded implementation of the Case Management System in courts of general jurisdiction  
- ICT modernization strategy for the justice sector in Serbia  
- Action plan for implementing key information system-related initiatives in the justice sector | The implementation is concluded and the staff in courts of general jurisdiction have received the appropriate training  
- ICT modernization strategy is prepared, in close cooperation with relevant stakeholders and partners  
- Action plan for implementing key information system-related initiatives is prepared | Final report on implementation project prepared and survey with court staff on training quality is completed  
- ICT modernization strategy is finalized and endorsed by key national and international stakeholders  
- Action plan is finalized and under implementation | The Government remains committed to modernizing the justice sector ICT infrastructure  
- Sufficient financial resources, both from the Government and development partners, are available for implementation of ICT-related initiatives outlined in the strategy |
| Strengthen the resourcing, operations and management of the physical and IT facilities of courts and prosecutor offices | Resourcing plan for necessary investments to implemented the legislation for rationalization of the court network in Serbia | Resourcing plan prepared in cooperation with all relevant key stakeholders | Resourcing plan finalized and endorsed by the key justice sector stakeholders | Sufficient financial resources, both from the Government and development partners, are available for implementation of the plan  
- Loan from EIB for |
<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Facilitating impact assessments regarding user access and satisfaction</strong></td>
<td>• Impact assessment and user satisfaction survey on the introduction of the modernized IT system</td>
<td>• Impact assessment and user satisfaction survey is undertaken</td>
<td>• Impact assessment and user satisfaction survey finalized and recommendations prepared</td>
<td>• The modernized IT system remains functional and no major difficulties are experienced in the rollout stage</td>
</tr>
<tr>
<td><strong>Development of architectural and engineering designs for the renovation of the unified Civil and Litigation Court in Belgrade</strong></td>
<td>• Detailed technical architectural/engineering designs for renovation of former office buildings for the Civil and Litigation Court in Belgrade</td>
<td>• Architectural and engineering designs drafted</td>
<td>• Designs endorsed by during construction</td>
<td>• Designs are adopted during construction</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Output</th>
<th>Results Indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Institutionalizing Outreach, Monitoring and Evaluation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Institutionalizing strategic communication and outreach activities as integral part of the Serbian judicial system</strong></td>
<td>• Communications strategy for Serbia’s justice sector, aiming to increase public awareness on the Judiciary and strengthen cooperation and collaboration with key national stakeholders</td>
<td>• Communications strategy for Serbia’s justice sector drafted</td>
<td>• Communications strategy for Serbia’s justice sector finalized and under implementation</td>
<td>• The momentum for justice sector reform is sustained by expedited EU integration process and continuous public interest toward justice sector modernization in Serbia</td>
</tr>
<tr>
<td></td>
<td>• A media campaign to raise awareness on the justice sector reform in Serbia</td>
<td>• Media campaign prepared, launched and implemented</td>
<td>• Media campaign finalized and impact survey/assessment underway</td>
<td></td>
</tr>
<tr>
<td><strong>Strengthening monitoring and evaluation arrangements to facilitate tracking and reporting on the progress of justice sector reform agenda in Serbia</strong></td>
<td>• Action plan to implement the recommendations of the justice sector performance survey</td>
<td>• Action plan to implement the recommendations of the justice sector performance survey is prepared</td>
<td>• Action plan to implement the recommendations of the justice sector performance survey finalized and under implementation</td>
<td>• Serbia’s justice sector officials remain committed to tracking and measuring results in Serbia’s justice sector</td>
</tr>
<tr>
<td></td>
<td>• Development of actionable justice sector performance indicators</td>
<td>• Set of actionable indicators developed</td>
<td>• Publication of actionable justice sector performance indicators on MOJ website</td>
<td>• The MOJ senior management remains committed to implement the recommendations of the justice sector performance survey</td>
</tr>
</tbody>
</table>
ANNEX IV OF THE ADMINISTRATION AGREEMENT

INDICATIVE BUDGET

[Serbia MDTF Budget by Component, July 16, 2012]
Exchange Rate: USD/EUR 1/0.814

<table>
<thead>
<tr>
<th>Component</th>
<th>USD</th>
<th>EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-component 1.1: Justice Sector</td>
<td>5,389,164</td>
<td>4,386,779</td>
</tr>
<tr>
<td>Reform Advisory Services</td>
<td>2,901,164</td>
<td>2,361,547</td>
</tr>
<tr>
<td>Sub-component 1.2: Justice Sector</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reform Additional Advisory Services</td>
<td>2,488,000</td>
<td>2,025,232</td>
</tr>
<tr>
<td><strong>Component 2. Supervision</strong></td>
<td>175,000</td>
<td>142,450</td>
</tr>
<tr>
<td><strong>Component 3. Administration and</strong></td>
<td>151,515</td>
<td>123,333</td>
</tr>
<tr>
<td><strong>Program Management</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Component 4. Technical Assistance</strong></td>
<td>5,213,559</td>
<td>4,243,837</td>
</tr>
<tr>
<td><strong>to Justice Sector Reform</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-component 4.1: Reform</td>
<td></td>
<td></td>
</tr>
<tr>
<td>facilitation unit</td>
<td>2,868,559</td>
<td>2,335,007</td>
</tr>
<tr>
<td>Sub-component 4.2: Access to Justice</td>
<td>2,345,000</td>
<td>1,908,830</td>
</tr>
<tr>
<td>Fees</td>
<td>301,341</td>
<td>245,292</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,230,579</td>
<td>9,141,691</td>
</tr>
</tbody>
</table>