Administration Agreement between Japan, through its Ministry of Finance and the International Bank for Reconstruction and Development and the International Development Association concerning the Japan-World Bank Distance Learning Partnership Program-Phase 3 Single-Donor Trust Fund (No. TF072462)

1. The International Bank for Reconstruction and Development and the International Development Association (collectively, the “Bank” or “World Bank”) acknowledge that Japan, through its Ministry of Finance (the “Donor”, and together with the Bank, the “Parties” and each a “Party”) agrees to provide the sum of twenty-five million United States Dollars (US$25,000,000) (the “Contribution”) for the Japan-World Bank Distance Learning Partnership Program-Phase 3 Single-Donor Trust Fund, No. TF072462 (the “Trust Fund”) in accordance with the terms of this Administration Agreement.

2. The Contribution shall be used to finance the activities set forth in the “Japan-World Bank Distance Learning Partnership Program-Phase 3 Trust Fund Description” attached hereto as Annex 1, and shall be administered by the Bank on behalf of the Donor in accordance with the terms of this Administration Agreement, including the “Standard Provisions” attached hereto as Annex 2 and the provisions on “Governance” attached hereto as Annex 3.

3. The Donor hereby authorizes the Bank to transfer the Contribution from the PHRD Multilateral Account (TF050728) to this Trust Fund (TF072462) in accordance with the following schedule and in the currency specified in Section 1 above (“Contribution Currency”) (each amount transferred hereinafter referred to as an “Installment”):

   (A) promptly following countersignature five million United States Dollars (US$5,000,000);
   (B) by July 1, 2016, five million United States Dollars (US$5,000,000);
   (C) by July 1, 2017, five million United States Dollars (US$5,000,000);
   (D) by July 1, 2018, five million United States Dollars (US$5,000,000); and
   (E) by July 1, 2019, five million United States Dollars (US$5,000,000).

4. Any notice, request or other communication to be given or made under this Administration Agreement shall be in writing and delivered by mail, fax or e-mail to the respective Party’s address specified below or at such other address as such Party notifies in writing to the other Party from time to time:

For the Bank (the “Bank Contact”):

Carmen Nonay
Practice Manager, Global partnerships and Resource Mobilization
Social, Urban, Rural and Resiliency Global Practice
1818 H Street, NW
Washington, DC 20433
Telephone: +1 202 458-0409
Email: cnonay@worldbank.org

For the Donor (the “Donor Contact”):

Director
Development Institution Division
International Bureau
Ministry of Finance Japan
3-1-1 Kasumigaseki Chiyoda-Ku Tokyo 100-8940
Japan
5. In the event any amounts are to be returned to the Donor under this Administration Agreement, the Bank shall transfer such amounts to the Donor, unless otherwise agreed with the Bank.

6. All annexes hereto constitute an integral part of this Administration Agreement, whose terms taken together shall constitute the entire agreement and understanding between the Donor and the Bank. Unless otherwise specified in an annex hereto, this Administration Agreement may be amended only by written amendment between the Bank and the Donor.

7. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Administration Agreement and act in accordance with these terms and conditions. The Parties are requested to sign and date this Administration Agreement, and upon possession by the Bank of this fully signed Administration Agreement, this Administration Agreement shall become effective as of the date of the last signature.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: ___________________________ Date: __/__/2015
Ede Ijjasz-Vasquez
Senior Director
Urban, Rural and Social Development Global Practice

JAPAN, ACTING THROUGH ITS MINISTRY OF FINANCE

By: ___________________________ Date: __/__/2015
Masahiro Kan
Executive Director
The World Bank
Japan-World Bank Distance Learning Partnership Program-Phase 3 Trust Fund Description

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor.

1. **Objective**

The objective of the Trust Fund is to support partners and institutions in Japan and other countries in documenting and sharing development experiences, lessons and solutions and in sharing these with relevant change agents in Bank client countries.

2. **Activities**

The activities (which may be described as “components” of activities) to be financed by the Trust Fund are:

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

A. **City Partnership Program**

   1. Collaborate with selected cities in Japan to document experiences and lessons on various development challenges and solutions areas through joint research and through knowledge delivery and learning activities designed to share experience around specific development solutions.

   2. Capture and document practical, “how to” experiences from relevant agencies and/or knowledge institutions in selected cities in Japan, producing outputs such as knowledge notes, toolkits, good practice guides, videos, etc.

   3. Use the materials referred to in paragraph A.2 above as the basis for learning and knowledge sharing activities that bring officials from Bank client countries, sometimes together with Bank staff to Japan to learn from the selected cities and to share knowledge through peer-to-peer learning and benchmarking mechanisms such as deep dives, master classes, etc.

   4. Explore linkages with other city partnership initiatives housed in the Bank.

   5. Facilitate operational linkages between Bank clients and selected cities in Japan.

B. **Knowledge Networking and Outreach Support**

   1. Support knowledge outreach, dissemination and networking activities of selected World Bank Global Practices (“GPs”) and Cross-Cutting Solutions Areas (“CCSAs”), through the Tokyo Development Learning Center (“TDLC”), a platform for exchange of knowledge and experience on development through partnerships with various public and private organizations in Japan and the region. The GPs and CCSAs for collaboration will be selected in consultation by the Bank and the Donor based on thematic/development solution topics of mutual interest.
2. Support communities of practice as an instrument for ongoing knowledge exchange among Bank staff, clients and partners, around specific thematic development topics or issues.

C. Operational Support

1. Support and/or facilitate delivery of knowledge, capacity building, and advisory services, particularly on a just-in-time basis, in conjunction with Bank operational projects.

2. Use the TDLC’s networking and connectivity capacity to transform traditional modes of technical assistance and advisory services into more programmatic and sustained approaches through inclusion of virtual delivery elements.

3. Identify operational linkages and opportunities both at the upstream stage and at the project implementation stage.

D. Design & Delivery of Structured Learning for Clients, Partners and Staff

1. Utilize TDLC as a platform for a number of e-learning courses that have been developed by the Bank and are currently being delivered through the Bank’s e-Institute, including: (a) sustainable urban land use planning; (b) municipal finance; (c) street addressing and management of cities; (d) integrated urban transport planning; (e) urban crime and violence protection; (f) safe and resilient cities; (g) cities and climate change leadership.

2. Identify opportunities for utilizing content developed by the Donor into the courses mentioned in paragraph D.1 above and other e-learning courses to be delivered through the Bank’s open learning campus.

E. Technology, Conferencing and Outreach Services

1. Utilize TDLC as a delivery platform both for Bank knowledge, learning and outreach programs and for those of development partners.

2. Provide conferencing support for various types of development events.

3. Coordinate with other Bank units in Japan to ensure optimal use of the technology and conferencing facilities to support Bank and development partner needs, including the provision of the necessary facility and event coordination support for other partnerships housed in the Bank.

F. Program Management and Administration

1. Program management and administration activities for the Trust Fund, including but not limited to, supporting the governance arrangements and Trust Fund related meetings; planning and executing work plans and budgets, developing communications programs including visibility activities and conducting outreach, disseminating lessons learned, reporting on progress, and monitoring and evaluating the program.
3. **Eligible Expenditures**

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

(a) contractual services;
(b) equipment and office premises lease cost;
(c) equipment purchased;
(d) media, workshops, conferences, meetings and other;
(e) travel expenses;
(f) short-term consultants and temporaries;
(g) extended term consultants and temporaries; and
(h) staff costs (excluding short term consultants and temporaries, and also excluding extended term consultants and temporaries).

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

Any equipment purchased under (c) above shall be transferred to the relevant government authorities upon closure of the Trust Fund or earlier when no longer required to support Trust Fund operations, management or administration; provided such transfer is at no cost to the Bank and is on an “as-is, where-is” basis without any warranty or guarantee from the Bank. If such disposal method is not feasible, the Bank shall seek another means of disposal in conformity with Bank policies and procedures, including potentially donation to organizations that have a charitable or non-profit status.

4. **Taxes**

4.1 The foregoing activities and categories of expenditures may include the financing of taxes in accordance with the Bank’s applicable policies and procedures.

5. **Program Criteria**

5.1 Activities are to be financed in accordance with the following program criteria:

(a) In the case of country activities:

(i) consistency with one or more elements of the relevant Bank Country Partnership Strategy;
(ii) evident Bank client demand;
(iii) wider benefits or results leveraged through synergies with other programs or projects implemented in Bank client countries (both knowledge and learning) and drawing upon Japanese counterparts knowledge and expertise; and
(iv) good potential for sparking innovation, reform, or scaling up of existing projects or reforms.
(b) In the case of global activities:

(i) evident Bank client demand;
(ii) clearly defined audience and dissemination plan; and
(iii) contribution to informing design and content reforms supported by the Bank and/or the Donor.
Standard Provisions

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor, it being understood that any plural references in the annexes to Donors, Administration Agreements, Contributions and pro rata shares shall be read as singular references to the Donor, its Administration Agreement, its Contributions thereunder and the remaining uncommitted balance of the Trust Fund, respectively.

1. Administration of the Contributions

1.1 The Bank shall be responsible only for performing those functions specifically set forth in this Administration Agreement and shall not be subject to any other duties or responsibilities to the Donors, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Administration Agreement shall be considered a waiver of any privileges or immunities of the Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

1.2 Each Donor's Contribution (collectively, the “Contributions”) shall be administered in accordance with the Bank’s applicable policies and procedures, as the same may be amended from time to time, including its procurement, financial management, disbursement and safeguard policies, its framework to prevent and combat fraud and corruption and its screening procedures to prevent the use of Bank resources to finance terrorist activity, in line with the Bank's obligations to give effect to the relevant decisions of the Security Council taken under Chapter VII of the of Charter of the United Nations. The Donors acknowledge that this provision does not create any obligations of the Bank under the anti-terrorist financing and asset control laws, regulations, rules and executive orders of an individual member country that may apply to a Donor.

2. Management of the Contributions

2.1 The funds deposited in the Trust Fund shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the Bank. The funds deposited in the Trust Fund may be commingled with other trust fund assets maintained by the Bank. The Bank, in its capacity as trustee, has legal title to the funds deposited in the Trust Fund.

2.2 The currency in which the funds in the Trust Fund shall be held is United States Dollars (the “Holding Currency”).

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

2.4 The funds deposited in the Trust Fund may be freely exchanged by the Bank into other currencies as may facilitate their disbursement at the exchange rate obtained by the Bank on the date of the conversion.
2.5 The Bank shall invest and reinvest the funds deposited in the Trust Fund pending their disbursement in accordance with the Bank’s applicable policies and procedures for the investment of trust funds administered by the Bank. The Bank shall credit all income from such investment to the Trust Fund to be used for the same purposes as the Contributions.

3. **Accounting and Financial Reporting**

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

3.2 The Bank shall furnish to the Donors current financial information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the Contributions via the World Bank’s Trust Funds Donor Center secure website. Within six (6) months after all commitments and liabilities under the Trust Fund have been satisfied and the Trust Fund has been closed, the final financial information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the Contributions shall be made available to the Donors via the World Bank’s Trust Funds Donor Center secure website.

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

3.4 If a Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank’s external auditors of the Trust Fund, the Donor and the Bank shall first consult as to whether such an external audit is necessary. The Bank and the Donor shall agree on the appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Bank shall arrange for such external audit. The costs of any such audit, including the internal costs of the Bank with respect to such audit, shall be borne by the requesting Donor.

4. **Progress Reporting**

4.1 The Bank shall provide the Donors with annual reports on the progress of activities financed by the Contributions. Within six (6) months of the End Disbursement Date (as defined below), the Bank shall furnish to the Donors a final report on the activities financed by the Trust Fund.

4.2 Any Donor may review or evaluate activities financed by the Trust Fund at any time up to six (6) months following the End Disbursement Date. The Donor and the Bank shall agree on the scope and conduct of such review or evaluation, and the Bank shall provide all relevant information within the limits of the Bank’s applicable policies and procedures. All associated costs, including any costs incurred by the Bank, shall be borne by the Donor. It is understood that any such review or evaluation will not constitute a financial, compliance or other audit of the Trust Fund.
5. **Disbursement: Cancellation: Refund**

5.1 It is expected that the funds deposited in the Trust Fund will be fully disbursed by the Bank by December 31, 2020 (the “End Disbursement Date”). The Bank shall only disburse funds deposited in the Trust Fund for the purposes of this Administration Agreement (other than returns to Donors) after such date to the extent such date is changed in accordance with amendments made to the Administration Agreements of all the Donors. Following the End Disbursement Date, the Bank shall return any remaining balance of the Trust Fund to each Donor in the Holding Currency in the manner specified in its respective Administration Agreement on a pro rata basis with regard to the total funds deposited in the Trust Fund by such Donor relative to the total funds deposited in the Trust Fund by all Donors, all calculated as Holding Currency amounts.

5.2 Any Donor may cancel all or part of such Donor’s pro rata share, and the Bank may cancel all or any Donors’ pro rata shares, upon three (3) months’ prior written notice, of any Contributions (paid and not yet paid) that are not committed pursuant to any agreements entered into between the Bank and any consultants and/or other third parties for the purposes of this Administration Agreement, including any Grant Agreements, prior to the receipt of such notice. In the event of a cancellation, the Bank shall return to the Donor its pro-rata share in the Holding Currency as specified in the Administration Agreement; unless otherwise agreed between the Bank and the Donor.

6. **Disclosure: Dispute Resolution**

6.1 The Bank shall disclose the Administration Agreements and related information on this Trust Fund in accordance with the Bank’s Policy on Access to Information. By entering into Administration Agreements, the Donors consent to such disclosure of their respective Administration Agreements and such related information.

6.2 The Donors and the Bank shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of or relating to the Administration Agreements.
ANNEX 3

Governance

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor.

The Bank and the Donor will establish a Steering Committee with representation from both Parties which will meet annually to review progress and provide guidance as necessary, and to approve annual work programs. Decisions will be made by consensus.