
1. The International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) (collectively, the “Bank”) acknowledge that the Ministry of Strategy and Finance of the Republic of Korea (the “Donor”, and together with the Bank, the “Parties” and each a “Party”) agrees to provide the sum of ninety million United States Dollars (USD90,000,000) (the “Contribution”) for the Korea-World Bank Group Partnership Facility Single-Donor Trust Funds (the “Trust Funds”) in accordance with the terms of this Administration Agreement.

2. (a) The Contribution shall be used to finance activities under three windows, assigned under specific trust fund numbers, as set forth below and in the “Korea-World Bank Group Partnership Facility Trust Funds Description” attached hereto as Annex 1.

   Trust Fund No. 072055 (Korea-World Bank Group Partnership Facility Pre-Paid Trust Fund):
   Window 1: Financing for Global and Regional Programs

   Trust Fund No. 072053 (Korea-World Bank Partnership Facility Trust Fund):
   Window 2: Co-financing of Country Investments
   Window 3: Generation and Transfer of Development Knowledge

   The Donor and the Bank agree that the Contribution will initially be allocated to TF No. 072055 for Window 1 and subsequently, upon written confirmation by the Donor, an allocation or allocations will be made from TF No. 072055 for Window 1 to TF No. 072053 for Windows 2 and 3 or to other selected global and regional programs.

   (b) The Contribution shall be administered by the Bank on behalf of the Donor in accordance with the terms of this Administration Agreement, including the “Standard Provisions” attached hereto as Annex 2 and “Governance” attached hereto as Annex 3.

3. The Donor shall deposit the Contribution in accordance with the following schedule into such bank account designated by the Bank (each amount deposited hereinafter referred to as an “Installment”) upon submission of a payment request by the Bank:

   (A) By June 2013 – An amount in United States Dollars to be agreed upon between the Donor and the Bank
   (B) By June 2014 – Fifty percent (50%) of the remaining balance of the Contribution
   (C) By June 2015 – The remaining balance of the Contribution

   Any payment to be made under this Administration Agreement is subject to there being an annual approval by the National Assembly of Korea for the fiscal year in which the payment is to be made.

4. When making any deposit, the Donor shall instruct its bank to include in its deposit details information (remittance advice) field of its SWIFT deposit message, information indicating: the amount deposited, that the deposit is made by the Donor for TF No. 072055 (the Korea - World Bank Group Partnership Facility Pre-Paid Trust Fund), and the date of the deposit (the “Deposit Instructions”). In addition, the Donor shall provide a copy of the Deposit Instructions to the Bank’s Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to +1 (202) 614-1315.
5. Except with respect to the Deposit Instructions, any notice, request or other communication to be given or made under this Administration Agreement shall be in writing and delivered by mail, fax or e-mail to the respective Party’s address specified below or at such other address as such Party notifies in writing to the other Party from time to time:

For the Bank (the “Bank Contact”):

Michael Koch  
Director  
Global Partnership & Trust Fund Operations (CFPTO)  
The World Bank  
Washington, D.C.  20433 U.S.A.  
Tel: 202 473-5351  
Fax: 202 614-5351  
E-mail: Mkoch@worldbank.org

For the Donor (the “Donor Contact”):

Jangro Lee  
Director  
International Financial Institutions Division, Ministry of Strategy and Finance  
Ministry of Strategy and Finance  
Government Complex, Sejong, 339-012  
Tel: 82 44 215-4830  
Fax: 82 44 215-8139  
E-mail: genre@mosf.go.kr

6. In the event any amounts are to be returned to the Donor under this Administration Agreement, the Bank shall transfer such amounts to the Donor’s applicable donor balance account with the Bank, unless otherwise agreed with the Bank.

7. 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.

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8. 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: [Signature]
Name: Joachim von Amsberg
Title: Vice President
Concessional Finance and Global Partnerships
Date: May 16, 2013

MINISTRY OF STRATEGY AND FINANCE OF THE REPUBLIC OF KOREA

By: [Signature]
Name: Hohyun, Jang
Title: Deputy Director General for International Finance Bureau
Date: May 16, 2013
Korea-World Bank Group Partnership Facility Single-Donor Trust Funds Description

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

1. Objectives

The objectives of the Trust Funds are:

1.1 To assist developing member countries of the World Bank Group in achieving inclusive and sustainable economic growth; and

1.2 To foster broader dialogue on economic development issues and provide financial support for the new World Bank regional office in Korea.

2. Activities

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

2.1 Window 1: Financing for Global and Regional Programs (TF No. 072055)

Support to various development activities through the provision of financing to selected global and regional programs managed by the Bank, the International Finance Corporation (IFC) or the Multilateral Investment Guarantee Agency (MIGA), including support to the new World Bank regional office in Korea.

2.2 Window 2: Co-financing of Country Investments (TF No. 072053)

(a) Recipient-executed activities, for which one or more Recipients (as defined in Annex 2) have implementation responsibility:

Investments in goods and services in World Bank client countries as co-financing to projects financed by IBRD and IDA and by the Bank’s Executive Directors.

(b) Bank-executed activities, for which the Bank has implementation responsibility:

Project preparation, supervision and technical assistance to ensure sound management of the Recipient-executed activities specified above (a).

2.3 Window 3: Generation and Transfer of Development Knowledge by Leveraging Korea’s and Other Development Partners’ Development Experience and the World Bank’s Convening Power and Development Expertise (TF No. 072053)

(a) Bank-executed activities, for which the Bank has implementation responsibility:

Generation, dissemination and sharing of development knowledge at the country, regional and global level, including: studies, reports and other research and analytical activities; conferences, workshops, seminars and other knowledge events; training, peer learning and capacity building initiatives.
Recipient-executed activities, for which one or more Recipients (as defined in Annex 2) have implementation responsibility:

Generation, dissemination and sharing of development knowledge at the country, regional and global level, including: studies, reports and other research and analytical activities; conferences, workshops, seminars and other knowledge events; training, peer learning and capacity building initiatives.

3. Eligible Expenditures

3.1 Window 1: Financing for Global and Regional Programs (TF No. 072055)

The separate agreement(s) the Donor has entered into for a global or regional program, including for support to the new World Bank office in Korea, will set out what are Eligible Expenditures under such program or activity.

3.2 Window 2: Co-financing of Country Investments / Window 3: Generation and Transfer of Development Knowledge (TF No. 072053)

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

(i) Associated Overheads  
(ii) Consultant Fees Individuals and Firms  
(iii) Contractual services  
(iv) Equipment and Office Premises Lease Cost  
(v) Equipment Purchased  
(vi) Extended Term Consultants  
(vii) Media, Workshop, Conference and Meeting  
(viii) Staff Costs - with Indirect Costs  
(ix) Temporary Support Staff Costs  
(x) Travel Expenses

(b) For Recipient-executed activities, the Trust Fund funds may be used to finance:

(i) Goods  
(ii) Consulting  
(iii) Training and operating costs but not salaries of civil servants of the Recipient and purchase of motor vehicles

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.
ANNEX 2

Standard Provisions

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

A. Standard Provisions Applicable to All Windows of the Trust Funds

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

2. The currency in which the funds in the Trust Funds shall be held is United States Dollars (the "Holding Currency").

3. The funds deposited in the Trust Funds 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.

4. The Bank shall invest and reinvest the funds deposited in the Trust Funds pending their disbursement in accordance with the Bank’s applicable policies and procedures for the investment of trust funds administered by the Bank. The Bank shall transfer all income from such investment to the Donor’s applicable donor balance account with the Bank.

5. The Donor may cancel all or part, and the Bank may cancel all or part, 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 in the Holding Currency any such uncommitted balance of the Trust Funds.

6. The Bank shall disclose this Administration Agreement and related information on these Trust Funds in accordance with the Bank’s Policy on Access to Information. By entering into this Administration Agreement, the Donor consents to such disclosure of this Administration Agreement and such related information.

7. The Donor and the Bank shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of or relating to this Administration Agreement.

B. Standard Provisions Applicable to Trust Fund No. 072055 for Window 1

1. The funds deposited in TF No. 072055 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 TF No. 072055 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 TF No. 072055.
2. Subject to the availability of funds held in TF No. 072055 as determined by the Bank, the Bank shall make commitments and transfer such funds for any purpose approved and in the amount allocated by the Donor in accordance with the terms of this Administration Agreement.

3. The funds deposited in TF No. 072055 shall not be subject to any fee or charge under this Administration Agreement provided, however, that, funds transferred from TF No. 072055 to other global or regional programs administered by the Bank, IFC or MIGA shall be subject to the cost recovery arrangements under such global or regional program.

4. The Bank shall maintain separate records and ledger accounts in respect of the funds deposited in TF No. 072055 and disbursements made therefrom.

5. The Bank shall report to the Donor annually unless otherwise agreed between the Bank and the Donor, on the status of commitments and transfers from TF No. 072055 and receipt of funds in TF No. 072055.

6. The Bank shall furnish to the Donor current financial information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the Contributions allocated to TF No. 072055 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.

7. The Bank shall provide to the Donor 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.

8. If the Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank’s external auditors of the Trust Fund No. 072055, 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.

9. It is expected that the funds deposited in TF No. 072055 will be fully transferred by June 30, 2021 (the “End Transfer Date”). The Bank shall only transfer TF No. 072055 funds for the purposes of this Administration Agreement after such date with the written approval of the Donor. Following the End Transfer Date, the Bank shall return any remaining balance of TF No. 072055 to the Donor in the Holding Currency.

C. Standard Provisions Applicable to Trust Fund No. 072053 for Windows 2 and 3

1. The amount of the Contribution allocated to Windows 2 and 3 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 Donor acknowledges that this provision does not create any obligations of the Bank under the anti-terrorist financing and asset control laws, regulations, rules and executive orders of an individual member country that may apply to the Donor.

2. The funds deposited in TF No. 072053 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 TF No. 072053 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 TF No. 072053.

3. The Bank shall deduct and retain for its own account, as a deduction from each allocation to Windows 2 and 3, an amount equal to two percent (2%) per allocation as an administrative fee for TF No. 072053.

4. In addition, costs incurred by the Bank for other expenses, such as for program management and trust fund administration (Secretariat), that are (i) not covered by the percentage deduction specified above as an administrative fee and (ii) not included under Annex 1 of the Administration Agreement in accordance with the Bank's applicable policies and procedures shall be charged to TF No. 072053 on an actual basis up to a maximum of three percent (3%) of the Contribution.

5. The Donor acknowledges and agrees that the percentage deductions for fees in paragraphs 3 and 4 above are estimated on the basis of anticipated Contributions allocated to Windows 2 and 3. If actual Contributions significantly differ from what was originally anticipated at the time of signature of the Administration Agreement, or if other circumstances affecting Trust Fund fees or costs change, the Bank reserves the right to request a change to the terms set forth in paragraphs 3 and 4, which would be effectuated by an amendment made to this Administration Agreement which would thereafter be applicable to all new Contributions allocated to Windows 2 and 3.

6. The Bank shall maintain separate records and ledger accounts in respect of the funds deposited in TF No. 072053 and disbursements made therefrom.

7. The Bank shall furnish to the Donor current financial information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the Contributions allocated to TF No. 072053 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.

8. The Bank shall provide to the Donor 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.

9. If the Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank's external auditors of the Trust Fund No. 072053, 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.

10. The Bank shall make available to the Donor copies of all financial statements and auditors’ reports
received by the Bank from Recipients pursuant to any Grant Agreements (as defined below) in accordance
with the Bank’s Access to Information Policy.

11. The Bank shall provide the Donor with annual reports on the progress of activities financed by the
amount of the Contribution allocated to Windows 2 and 3 of the Trust Fund No. 072053. Within six (6)
months of the End Disbursement Date (as defined below), the Bank shall furnish to the Donor a final report
on the activities financed by the Contributions allocated to Windows 2 and 3.

12. The Donor may review or evaluate activities financed by TF No. 072053 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 TF No. 072053.

13. It is expected that the funds deposited in TF No. 072053 will be fully disbursed by the Bank by June
30, 2021 (the “End Disbursement Date”). The Bank shall only disburse funds deposited in TF No. 072053
for the purposes of this Administration Agreement (other than returns to the Donor) after such date to the
extent such date is changed in accordance with an amendment made to this Administration Agreement.
Following the End Disbursement Date, the Bank shall return any remaining balance of TF No. 072053 to the
Donor in the Holding Currency.

14. The Bank shall, as administrator of TF No. 072053 on behalf of the Donor, enter into one or more
grant agreements (the “Grant Agreements”) with recipients (the “Recipients”) consistent with the purposes of
this Administration 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 allocated to TF No.
072053 that the Donor has agreed to make available under this Administration Agreement.

15. The Bank shall be responsible for the supervision of the activities financed under any Grant
Agreements. Subject to the consent of any relevant Recipients, representatives of the Donor may be invited
by the Bank to participate in Bank supervision missions related to TF No. 072053.

16. The Bank shall promptly inform the Donor 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 Donor the opportunity to exchange views before effecting
any such modification or exercising any such remedy.
ANNEX 3

Governance

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

1. On an annual basis, the Donor will advise the Bank on the indicative funding envelope for each Window. Throughout the year, the Donor will be able to change the funding allocation for each Window by a written notice while giving due regard to the funding resources already designated for specific programs or projects agreed to be supported or funded under each Window.

2. Window 1 under TF No. 072055

2.1 The Donor will advise the Bank on the global or regional programs or activities that the Donor and specific units within the World Bank Group have agreed to support under Window 1. Upon the signing by the Donor of a separate agreement concerning a global or regional program or activity, the Bank will transfer funds to the respective account of such global or regional program or activity in accordance with such agreement.

3. Window 2 under TF No. 072053

3.1 On a rolling basis, the Bank will receive and review project proposals for funding under Window 2 to co-finance investment projects. The Bank will submit project proposals deemed eligible for funding under Window 2 to the Donor for the latter’s review and approval on a non-objection basis. Each proposal shall have detailed information on the action plan, including a budget categorized by expenditures. Unless the Donor indicates otherwise, the grant proposal(s) will be deemed approved for funding after eight (8) weeks from date the Bank submits the grant proposal to the Donor.

4. Window 3 under TF No. 072053

4.1 On a rolling basis, the Bank will receive and review project proposals for funding under Window 3. On a quarterly basis, the Bank will submit brief concept notes of project proposals deemed eligible for funding under Window 3 to the Donor for the latter’s review and endorsement on a non-objection basis. Unless the Donor indicates otherwise, the project concept note(s) will be deemed endorsed after three (3) weeks from the date the Bank submits the project concept note to the Donor. After approval of the project concept note, the Bank will receive and review the full project proposal and submit the same to the Donor for final approval. Each proposal shall have detailed information on the action plan, including a budget categorized by expenditures. Unless the Donor indicates otherwise, the full project proposal will be deemed endorsed for funding after six (6) weeks from the date the Bank submits the full project proposal to the Donor.

5. Secretariat

5.1 The Bank, through CFPTO, will act as the Secretariat for the Korea-World Bank Group Partnership Facility (“Partnership Facility”) and will facilitate annual meetings and coordinate with World Bank units in regions and networks using established business processes. The Secretariat will be supported by a Technical Committee, consisting of senior sector/thematic experts from the World Bank’s regions and networks, to ensure technical quality (design, readiness, coherence of results framework, etc.) of the funding proposals.
The Secretariat will prepare an Operations Manual or similar guidelines for Bank staff and others seeking funding from the Partnership Facility or managing ongoing grants funded by the Partnership Facility. Finally, the Secretariat will prepare annual reports on implementation progress and completion of activities under the Partnership Facility.

6. Visibility

6.1 The Donor and the Bank will coordinate on activities to promote visibility of the Partnership Facility, including the use of social media, the development of a Partnership Facility website, the organization of a periodic Korea-World Bank Partnership Day and other events. Visibility guidelines will also be included in the Operations Manual.

7. Consultations

7.1 The Donor and the Bank will meet semi-annually to discuss the overall direction and other matters relating to the Partnership Facility. Such consultations will be co-chaired by CFPTO and the Ministry of Strategy and Finance.

8. Evaluation

8.1 Notwithstanding the provisions of Section C, paragraph 12 of Annex 2 to this Administration Agreement, the Donor may have an independent party review or evaluate the effectiveness of the Partnership Facility every three (3) years or at such other interval agreed between the Donor and the Bank. 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 applicable policies and procedures. All associated costs shall be borne by the Donor.