

ADMINISTRATIVE AGREEMENT

between the

GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA

and the

ASIAN DEVELOPMENT BANK

In Regard to a Grant for the

GENDER AND DEVELOPMENT COOPERATION FUND

AusAID Agreements Number 55955

Dated: 2010

AGREEMENT between the Government of the Commonwealth of Australia (hereinafter referred to as the "Government"), represented by Australian Agency for International Development (hereinafter referred to as the "AusAID"), and the ASIAN DEVELOPMENT BANK (hereinafter referred to as "ADB").

WHEREAS, the Government wishes to provide a grant for the reduction of poverty in Asia and the Pacific, specifically in the area of gender and development;

WHEREAS, the Government wishes to facilitate closer working relationships, policy dialogue and collaborative programming with ADB;

WHEREAS, the Government has indicated its intention to make available to ADB a grant (hereinafter referred to as the "Grant") for the Gender and Development Cooperation Fund established in accordance with the arrangements described in the ADB Board Paper attached hereto as Annex 1 (hereinafter referred to as the "Fund") for the purpose of financing all or part of the program of activities described in Article 3 of this Agreement (hereinafter referred to as the "Program"), and has requested ADB to manage and administer the Grant;

WHEREAS, the Government and ADB wish to conclude the present Agreement for the purpose of setting out the terms and conditions concerning the provision and the management of the Grant for the Program;

NOW THEREFORE, the Government and ADB have reached the following Agreement:

Article 1: Responsible Authorities

1.01 The Government designates AusAID (or his or her representative) as the party responsible on behalf of the Government for the implementation of its obligations under this Agreement.

1.02 ADB designates the Office of Cofinancing Operations as the ADB unit responsible for the implementation of ADB's obligations under this Arrangement with respect to general communications and financial matters, and Poverty Reduction, Gender, and Social Development Division of the Regional and Sustainable Development Department as the ADB unit responsible for the implementation of ADB's obligations under this Agreement with respect to the implementation of all other aspects of Program and related technical matters.

Article 2: Amount of Grant

2.01 The Government, through AusAID, has provided an untied grant, for the Fund in the amount of one million Australian dollars (AUS\$1,000,000) in accordance with Article 6.01 of this Agreement. Such amount, together with any additional amounts the Government may provide from time to time for the purpose of the Program, will constitute the Grant.

Article 3: The Program

3.01 The Program will consist of activities which fall within the scope of ADB's Gender and Development Policy and Action Plan. It will support activities that accelerate gender mainstreaming of regular bank operations including technical assistance projects (hereinafter referred to as the Projects) for the provision of policy advice, project preparation, training and capacity building, institutional support and other technical assistance services, and other activities, which may be agreed upon between AusAID and ADB. The activities eligible for funding under the Program are more fully described in Annex 1.

Article 4: Recipients of the Grant

4.01 The recipients of the Grant (hereinafter referred to as the "Recipients") will be ADB's developing member countries (DMCs) and/or selected institutions operating in such countries. All borrowing DMCs are eligible to receive assistance under the Program.

Article 5: Implementation of the Program

5.01 The identification, preparation, appraisal and supervision of the Projects, which AusAID finances pursuant to this Agreement shall be the sole responsibility of ADB, and shall be, carried out by ADB in accordance with ADB's policies and procedures.

5.02 ADB will have the responsibility of selecting, obtaining the necessary approvals from ADB's Management or Board for, and subject to this Agreement, establishing the terms and conditions of, Projects. Projects to be financed under the Program will be approved pursuant to the same procedures utilized for authorizing the use of resources administered by ADB.

5.03 ADB will be responsible, as appropriate, for the selection and engagement of consultants, negotiation and conclusion of contracts, procurement of equipment, and supervision of Projects to be financed out of the proceeds of the Grant, and disbursements in connection therewith. The selection and engagement of consultants will follow ADB's *Guidelines on the Use of Consultants*, as amended from time to time; and the procurement of goods and services will be in accordance with ADB's *Procurement Guidelines*, as amended from time to time.

Article 6: Disbursement of the Grant

6.01 On 11 June 2010, AusAID deposited the full amount of the Grant of A\$1,000,000 into a United States dollar interest bearing account (hereinafter called the "ADB Account") to be specified by ADB, at the exchange rate prevailing on the same day of the transfer.

6.02 ADB will make withdrawals from the ADB Account as necessary to meet expenditures on Projects under the Program as agreed between AusAID and ADB. If other currencies are required for payment to meet any eligible expenditure, ADB may purchase the required currencies with the proceeds of the Grant. Any fees and charges relating to such purchase of currencies will be paid out of the Grant.

6.03 For the purposes of this Agreement, the funds referred to in Article 6.01 above will be held, administered and invested at the discretion of ADB. Pending disbursements, ADB may invest and reinvest the proceeds of the Grant, and any income earned in respect of such investment and reinvestment, as well as any interest earned in respect of the ADB account, will be credited to the ADB Account and used for the purposes of the Program.

Article 7: Approval of Projects

7.01 Approval of Projects to be financed under the Program shall be carried out by ADB in accordance with the ADB's standard policies and procedures. ADB shall inform AusAID of all Projects to be financed under the Program, including their objectives, scope, geographic coverage, estimated costs and financing plan, executing agency, and implementation schedule.

Article 8: Administration Fee

8.01 ADB may use part of the Grant (together with any income and interest earned thereon pursuant to Article 6.03 of this Agreement) to cover ADB's fee for the administration of the Grant, up to five percent (5%) of the amounts disbursed under the Grant.

Article 9: Reports and Audits

9.01 ADB will have responsibility for the supervision and control of operations financed under the Grant in accordance with its standard procedures, but ADB will keep AusAID informed with respect to the implementation of each Project as part of ADB's normal procedures for reporting on the status of Projects.

9.02 ADB will, in accordance with its usual procedures: (i) furnish AusAID with such reports and information as AusAID may reasonably request concerning the progress of the Program; and (ii) inform AusAID promptly of any condition which interferes, or threatens to interfere, with the performance by ADB of its obligations under this Agreement.

9.03 ADB will maintain records and accounts in accordance with its normal procedures, to show contributions, interest income and expenditures financed by the Grant.

9.04 ADB will make available to AusAID such documents and records concerning the Program as AusAID may reasonably require in connection with any audit of Program accounts conducted and financed by AusAID. Any expenses incurred by ADB in relation to any external audit required by AusAID will be borne by AusAID.

9.05 This Agreement will not be assigned by either party without the prior consent of the other party.

9.06 Projects funded under this Agreement will be only for the benefit of ADB and its DMCs in accordance with the objectives agreed to between AusAID and ADB from time to time pursuant to Article 3 of this Arrangement.

9.07 ADB will exercise the same care in the discharge of its functions under this Agreement as it exercises with respect to the administration and management of its own affairs.

Article 10: Consultations and Review of Program

10.01 AusAID and ADB will hold consultations each year after this Agreement enters into force to review the operation of the Program and the results being achieved, with a view to confirming or revising the scope of activities under the Program. ADB will be responsible for such consultations and will provide AusAID with draft program and agenda in advance of any consultation.

10.02 AusAID and ADB will consult in particular whenever either party proposes to: (i) modify materially any agreement entered into for the implementation of this Agreement; or (ii) suspend or terminate, in whole or in part, disbursements under this Agreement. ADB will inform AusAID whenever ADB identifies a major change of scope in relation to any activities financed out of the proceeds of the Grant. Based on such information, ADB and AusAID will consult with each other.

10.03 AusAID will maintain the prerogative to monitor, review and evaluate the Program activities, with the support of ADB.

Article 11: Replenishment

11.01 This Agreement may be extended by mutual written Agreement of both parties to cover any additional funds, which the Government may from time to time make available for the purpose of the Program.

Article 12: Entry into Force and Termination of ADB's Responsibility

12.01 This Agreement shall enter into force on the date it is signed by both parties.

12.02 If either party concludes that the cooperation envisaged by this Agreement can no longer appropriately or effectively be carried out, the Agreement may be terminated by any party giving ninety (90) days prior written notice to the other party. In the event of such termination, ADB will undertake no further expenditures or projects, provided that such termination will not affect any obligations undertaken by ADB pursuant to agreements entered into between ADB and DMCs, consultants, other persons or third parties prior to ADB's receipt or giving of notice of such termination, and ADB will be entitled to continue to make disbursements in respect of such agreements as if this Agreement had not been so terminated. Unless otherwise agreed in writing by the parties, funds provided by the Government under this Agreement prior to its termination will, after the termination of this Agreement, continue to be governed by the terms of this Agreement. Any unutilized funds will be returned by ADB to AusAID.

Article 17: Amendments

17.01 Any amendments and modifications to this Agreement will be made by mutual consent and in writing.

Article 18: Settlement of Disputes

18.01 The Government and ADB will seek amicably to settle any differences and disputes arising out of or in connection with the implementation of this Agreement.

Article 19: Recognition of Grant

19.01 ADB will endeavour to maximize opportunities to highlight the identity of the Government's contribution to the Fund (e.g. through related signage, documentation and public information about the activities, including the use of AusAID's logo). ADB will invite representatives of the Government to participate in key events related to the Fund. The Government will be responsible for its own costs with respect to any participation in such events.

Article 20: Partnership Framework on Development

20.01 This Administrative agreement recognizes the existing Partnership Framework on Development between the Asian Development Bank and the Australian Agency for International Development 2009 – 2016.