

**ADMINISTRATION AGREEMENT BETWEEN THE WORLD BANK AND
AUSTRALIA FOR THE EAST ASIA AND THE PACIFIC JUSTICE FOR THE
POOR INITIATIVE 2008-2013**

(Trust Fund No.TF071124)

Article 1

Subject and amount of the Grant

Section 1.01. In pursuance of the Cofinancing and Trust Funds Framework Agreement between the Government of Australia ("Donor") and the International Bank for Reconstruction and Development ("IBRD") and the International Development Association ("IDA") (collectively the "Bank") dated June 2, 2004 (the "Framework Agreement"), I am pleased to inform you of the intention of the Donor to make available a grant (the "Grant") of nine million three hundred fifty thousand United States dollars US\$9,350,000 to be administered by the Bank for the Trust Fund (Trust Fund No.TF071124).

Section 1.02. The terms of the Framework Agreement shall apply to the Grant. The Bank shall administer the Grant in accordance with the provisions of the Framework Agreement, except as otherwise provided herein.

Section 1.03. The Grant shall be used exclusively to support the East Asia and the Pacific Justice for the Poor Initiative (the "Program"). The Grant shall be used for the Activities described in the Annex hereto.

Section 1.04. The Grant shall be used to finance the following categories of expenditures: contractual services; short term consultants' fees, extended term consultants' fees (including salaries, benefits and indirects); staff costs (including salaries, benefits and indirects); field benefits; travel expenses; associated overheads; equipment costs lease; and media and workshop costs. In addition to the financial reporting of the Grant to be provided pursuant to Section 11.01 of the Framework Agreement, the Bank shall provide an Annual Report on the activities financed by the Grant and a final report on the activities following the completion date.

Article 2

Payment schedule and modalities

Section 2.01 The Donor shall deposit the Grant funds into the Bank's Cash Account "T" Account No. 2000192003489, Swift Bic Code: PNBPU3NNYC, Fed ABA Number 026005092 maintained with Wachovia Bank NA, 11, Penn Plaza, Floor 4, New York NY 10038, in accordance with the following schedule:

- upon countersignature by Government
of Australia of this Administration Agreement USD \$2,000,000
- upon submission of payment requests

by the Bank in smaller amounts as requested	USD	\$7,350,000
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Total

USD \$9,350,000

Section 2.02. When making such deposit, the Donor shall instruct its bank to include in its payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Donor for *TF number 071124*, and the date of the deposit. In addition, the Donor shall provide a copy of the Donor's deposit instruction to the Bank's Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to (202) 614-1315.

2.03. In order to assist in the defrayment of the costs associated with the establishment of this Agreement, the Bank shall, following deposit of the Grant by the Donor, deduct from the Grant and retain for the Bank's own account an amount equal to Thirty-Five Thousand United States Dollars (\$35,000).

2.04. In order to assist in the defrayment of the costs of administration and other expenses incurred by the Bank under this Agreement, the Bank shall, following deposit of the Grant by the Donor, deduct from the total Grant and retain for the Bank's own account an amount equal to five percent (5%) of the Grant.

2.05. The Bank shall invest and reinvest the funds provided by the Donor under this Agreement 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 itself.

2.06. The Bank shall furnish to the Donor current financial information relating to receipts, disbursements and fund balance in United States Dollars with respect to the Grant funds via the World Bank's Trust Funds Donor Center secure website. Within six (6) months after all commitments and liabilities under this trust fund have been satisfied and the Trust Fund has been closed, the final financial information relating to receipts, disbursements and fund balance in United States Dollars with respect to the Grant funds will be made available to the Donor via the World Bank's Trust Funds Donor Center secure website.

2.07. The Bank shall provide to the Donor within six (6) months following the end of each Bank's fiscal year, 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 trust funds as a whole. The cost of such attestations shall be borne by the Bank.

2.08. If the Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank's external auditors of the trust fund established under this Agreement, 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 most 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 Donor.

Article 3

Completion date

Section 3.01. The Grant funds may be used to finance expenditures for the Program from the date of the latest countersignature of this Agreement and ending on December 30, 2012. The Bank may make disbursements of the Grant funds for up to four (4) months after such latter date for expenditures incurred on or before such date, in accordance with the Bank's applicable policies and procedures.

Article 4

Cancellation

Section 4.01. Either party may, upon giving the other party three (3) months' prior written notice, cancel that part, if any, of the Grant funds provided under this Administration Agreement that the Bank has not committed prior to receipt of such notice under agreements entered into by the Bank with any third party, including any Grant Agreement. Upon such cancellation, and unless the parties hereto agree on another arrangement, the Bank shall credit the uncommitted balance of the Grant funds to the trust fund account specified in Section 9.01 of the Framework Agreement.

Article 5

Communications

Section 5.01 The officers responsible for coordination of all matters related to this Administration Agreement are:

For the Government
of Australia:
David Carpenter
Research Thematic Group Section
GPO Box 887
Canberra ACT 2601
Australian Agency for International Development (AusAID)

Tel: 61- 2-6206-4086
Fax: 61-2-6206-4570

For the Bank:

Caroline Sage
Legal Vice Presidency
The World Bank
1818 H Street, NW

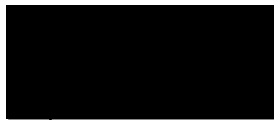
Washington, DC 20433
U.S.A.

Tel: 1-202-473-7780
Fax: 1-202-522-3091

This Administration Agreement is drawn up in two originals, one for each party. It may be amended only by written agreement of the parties hereto.

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT
ASSOCIATION**

By



Scott White
Acting Vice President and General Counsel

Date 12/6/08

GOVERNMENT OF AUSTRALIA

By



Name: MURRAY PROCTOR
Title: ODG Program Enabling

Date 24/10/08

Program Description

Objectives

The overall goal of the East Asia and the Pacific Justice for the Poor Initiative is to:

- Support local justice and governance reform efforts by providing assistance to specific country initiatives and by facilitating regional knowledge sharing and cross-country learning; and
- Improve donor understanding and approaches to supporting justice/governance reform, drawing on lessons learned from country and regional experiences.

Description of Activities

The activities shall, inter alia, consist of the following:

A. Country Programs

1. Enhancing and expanding the existing Justice For the Poor Programs in the Kingdom of Cambodia and Republic of Indonesia, focusing on mainstreaming good governance and conflict resolution principles, increasing participation and the voice of local communities, expanding program reach on the basis of identified 'good practice' and documenting the development impacts of improved local level justice and governance.
2. Supporting research and development activities to identify, test, and assess effective pro-poor approaches to justice reform in Democratic Republic of Timor-Leste, Republic of Vanuatu and Solomon Islands, including design of policies and programmatic initiatives that respond to the unique history and context of each of these countries, and enhance access to equitable justice, and promoting practical avenues of reform, emphasising the justice/development link. The possibility of adding further countries at a latter stage is foreshadowed through the inclusion of the Innovation and Development Program and the creation of a Regional Community of Practice, which can include interested representatives from countries throughout the region.

B. Regional Program

The regional program has three components:

1. Carrying out an analytical and advisory program, structured around the themes of land and natural resources, development effectiveness, gender and legal pluralism.
2. Carrying out of a knowledge sharing program aimed at establishing a community of practice of justice for the poor experts across the region.
3. Carrying out of an innovation and development program, including facilitation of cooperation and learning through existing networks and structures at both the country and

regional level, while providing an opportunity for local partners in non-justice for the poor countries, with similar development challenges, to be involved in a broader exchange of ideas and a community of practice, and developing new areas of thematic interest.