Memorandum of Understanding
Between the Government of Romania and the World Bank
on Partnership for the Modernization of the Public
Administration and Support to Structural Reforms

I. PREAMBLE

1. WHEREAS the Government of Romania and the World Bank (“Parties”) recognise the long standing good collaboration between the Parties in financing investments, capacity building and other needs of Romania during its transition period, in the process that led up to joining the European Union, during the global economic crisis and during the first European Funds Programming Period 2007-13; 

2. WHEREAS the Parties acknowledge the useful experience under the Memorandum of Understanding between the Government of Romania and the Bank “Partnership and Support in the Implementation of EU Structural and Cohesion Funds in Romania and the Modernization of Public Administration” signed on January 26, 2012;

3. WHEREAS the Bank is one of the specialized International Financial Institution that can provide specialized reimbursable advisory services (RAS) in Romania in line with the provisions of the Bank’s Articles of Agreement and Article 9 (b) the European Directive for Public Procurement 2014/24/EU dated 26 February 2014.

4. WHEREAS the Parties recognise the great significance of the funding that Romania is scheduled to receive through the European Fund for Regional Development (“ERDF”), the European Social Fund (“ESF”), the Cohesion Fund (“CF”), European Agricultural Fund for Rural Development (EAFRD) and European Maritime and Fishery Fund (EMFF) (collectively “European Structural and Investment Funds”, amounting to 43 billion Euros for the Programming period of 2014-2020) and consider that it represents an unparalleled opportunity for Romania to help the country converge to the EU standards, deepen structural reforms, modernize its public administration and pursue smart, sustainable and inclusive growth.

5. WHEREAS the Government of Romania is determined to deepen the structural reforms agenda, to accelerate growth towards EU average and to meet the conditions for the Euro zone entry, address the challenges of inclusion and equity for its population and accelerate the rate and quality of absorption of the European Structural and Investment Funds.
6. WHEREAS to leverage international experience, the Government has asked the World Bank to assist in this effort of modernizing the public administration through strengthening the Government's capacity in policy and strategy formulation, analysis, diagnosis, sector and project/program planning, design and implementation.

7. WHEREAS the approved Romania Partnership Agreement 2014-2020 with the European Commission outlines key priorities for Romania for financing from EU funds in the following years;

8. WHEREAS the value of the knowledge and advice that the World Bank can provide to Romania is recognized as important and needed for Romania both to successfully implement the priorities, strategies and projects to be financed by the European Structural and Investment Funds under the 2014-2020 period as well as to prepare Romania for the future 2021-2027 Programming period;

9. WHEREAS the World Bank can provide assistance along with the priorities defined in its Country Partnership Strategy and its subsequent strategies and frameworks with Romania

10. NOW THEREFORE the Parties have agreed upon this Memorandum of Understanding as follows:

II. AREAS OF SERVICES TO BE PROVIDED

11. It is anticipated that the World Bank support will focus on priority areas included in the Partnership Agreement 2014-2020 and in the current and subsequent Romania-World Bank country partnership strategies, including but not limited to: support in implementing the objectives of European Structural and Investment Funds, support for development and implementation of policy reforms to help Romania converge to EU standards, promote shared prosperity, poverty alleviation and social inclusion, including for the Roma, support for the improvement of EU funds absorption and effectiveness and reinforcement of the capacity of public administration.

12. At any time prior to the termination of this MoU, the Government of Romania may approach the World Bank with a request for services in any new relevant sector or area. Subject to appropriate expertise and availability of staff and conformity with its mandate, the World Bank will make every effort to respond positively to the Government's request. Such sectors or areas will be established by common agreement between the Parties in the form of an exchange of letters between the Government and the World Bank.

III. DELIVERY OF REIMBURSABLE ADVISORY SERVICES

13. Reimbursable Advisory Services Agreements outlining the scope of services to be provided by the World Bank will be agreed and signed with the relevant Recipient institution in accordance with the terms outlined in the template/standard RAS agreement attached as Annex 1. For the purposes of this MoU, the Recipients are defined as public bodies of Romania, responsible for initiating or initiating and implementing operations, carrying out an individual project and receiving Funds from the European Structural and Investment Funds,
as well as utilizing own resources. The Recipient will be the World Bank’s counterpart in the Advisory Services Agreements. The Reimbursable Advisory Services Agreements shall enter into force upon signature by the Parties unless otherwise specified.

IV. UNDERSTANDINGS OF THE PARTIES

14. The Government of Romania, represented by the Minister of European Funds, will take the lead in coordinating the World Bank’s support in terms of reimbursable advisory services. The World Bank commits to cooperate with the Government in the coordination effort, provide any information necessary and to be available for periodic coordination meetings all in relation to the implementation of this MoU. The implementation of this MoU will be monitored through coordination meetings, to be chaired by the Minister of European Funds every six months, unless either Party requests an ad hoc meeting to address a specific issue arising in the implementation of this MoU. Such meetings will ensure coordination of activities and enhance synergies and complementarity of projects and/or initiatives financed through similar reimbursable advisory services provided by other eligible international financial institutions. The World Bank shall transmit to the Ministry of European Funds an annual report (not later than the end of March of each year during the implementation of this MoU) highlighting the actions taken, the progress achieved, and any issues for which the intervention of the Minister is requested.

15. The World Bank will provide advisory services in accordance with the terms of the signed reimbursable advisory services agreements and following the principles of efficiency, effectiveness and economy. Any procurement carried out by the World Bank for the purposes of service provision shall be carried out using the World Bank’s own policies and procedures.

16. For each Reimbursable Advisory Services Agreement, the World Bank, in consistency with its policies and procedures, will provide the Recipient with all the necessary information and documentation to allow it to comply with all the sound financial management requirements under the European Structural and Investment Funds requirements for these RAS financed through EU funds, as further specified in the respective Advisory Services Agreement (Annex 1).

V. TIMEFRAME AND TERMINATION

17. This Memorandum shall become effective upon the duly signing by both Parties and unless otherwise agreed by the Parties, shall terminate on December 31, 2023.

18. The Parties will undertake a midterm review not later than 2019.

19. At any time, either Party may terminate this MoU by giving the other Party three months prior notice.

20. Any bilaterally concluded RAS agreements will not be affected by the termination of this MoU.
VI. MISCELLANEOUS

21. (i) This MoU does not constitute a legally binding agreement and does not commit the World Bank to provide support for any specific activity or project; (ii) Nothing in this MoU shall be construed as creating a joint venture, an agency relationship, or a legal partnership between the Parties; and (iii) Nothing in this MoU is intended to be, or should be construed as a waiver of the privileges and immunities of either Party or its officers and employees, which privileges and immunities are hereby specifically reserved.

In witness whereof, the undersigned, duly authorized thereto have signed this Memorandum.

Done at Bucharest on 11th January 2016 in two original copies, in the English language.

For the Government of Romania:  

[Signature]

Carmen Aura RĂDUCU

Minister of European Funds

For the World Bank:

[Signature]

Elisabetta CAPANNELLI

Country Manager for Romania
ANNEX 1. Reimbursable Advisory Services Agreement Template

Project Number P#......

REIMBURSABLE ADVISORY SERVICES AGREEMENT

on

..................................................

between

[MINISTRY or Institution]...........................

and the

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated _______________________, 20__
AGREEMENT FOR REIMBURSABLE ADVISORY SERVICES

AGREEMENT dated the ___ day of ______ 20__, between [NAME OF THE RECIPIENT] (the “Recipient”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the “Bank”) (jointly referred to as the “Parties”).

WHEREAS, the Government of Romania and the Bank have entered into a Memorandum of Understanding on Partnership for the Modernization of the Public Administration and Support to Structural Reforms dated . . . .

WHEREAS, the Recipient has requested the Bank to provide to the Recipient reimbursable advisory services (the “Reimbursable Advisory Services” or “RAS”) described in the Schedule to this Agreement to help the Government of Romania under the 2014-2020 period.

NOW, therefore, the Parties hereto agree as follows:

1. **Reimbursable Advisory Services.** The Bank shall provide to the Recipient the services (“Reimbursable Advisory Services” or “RAS”) described in the Schedule to this Agreement, on the terms and conditions set out in this Agreement, including the Annex hereto, which constitutes an integral part hereof.

2. **Recipient Contacts.** In carrying out the Reimbursable Advisory Services, the Bank shall work closely with the designated officials of the Recipient. The Recipient shall provide the Bank with the names and contact information for said designated officials.

3. **Timing.** While the Bank undertakes to mobilize all reasonable means available to it to carry out the Reimbursable Advisory Services in a timely manner, the work program and timetable set out in the Schedule to this Agreement have been prepared in good faith based on information currently available to the Bank, and are given on an indicative basis assuming that: (i) the Recipient and its personnel shall carry out their respective duties in a timely manner; and (ii) the Recipient shall at all times act in a timely manner in providing information, making decisions and providing necessary support as provided herein and as requested from time to time by the Bank.

4. **Payment**
   (a) The Recipient shall pay the Bank a fee of ........ Euro/Ron (EUR/RON......) in accordance with the following schedule of payment:

   1. 10% of total amount Within xx business days of the effectiveness date of this Agreement
   2. €........ Upon the submission by the Bank and approval by the Recipient of Output ..... 
   3. €........ Upon the submission by the Bank and approval by the Recipient of Output......
4. Upon the submission by the Bank and approval by the Recipient of Output....

(b) All payments to the Bank hereunder shall be made within 15 business days in full when due, upon submission of an invoice by the Bank. Payment shall be made, in Euro/RON, in immediately available funds, without any deductions whatsoever for taxes, duties, charges or other withholdings, and notwithstanding any pending dispute between the Parties (other than those disputes related to the acceptance of the deliverables referred to in paragraph (c) below), to such account as the Bank may from time to time designate in writing. The amount of the advance shall be deducted from next invoices until the advance payment is fully reimbursed.

(c) All Outputs shall be subject to an approval process by the Recipient after the Bank submits the English and Romanian translation. The Romanian translation of the final Outputs shall be submitted within a maximum of 21 days following the English version as described in Section B Timetable of the Schedule to this Agreement. The Recipient will have 21 days after the submission of the Romanian translation to review each output, after which time the output shall be considered accepted by the Recipient, unless the Recipient provides comments to the Bank within this period. If comments are communicated by the Recipient, the Bank will have 14 days to submit a modified output in English version and its Romanian translation and/or provide comments and clarifications. The Recipient will then have 7 additional days to review the revised output and accept it.

5. **Effectiveness.** This Agreement shall become effective as of the day and year first above written, once it has been duly signed by both Parties.

6. **Expiration.** This Agreement shall expire on .......... unless it shall earlier be renewed with the mutual agreement of the Recipient and the Bank.

7. **Termination.** Either the Recipient or the Bank may terminate this Agreement prior to its expiration upon ninety (90) days' written notice to the other. Upon receipt of such notice, the Parties shall take all appropriate steps to terminate in an orderly manner the activities then ongoing under the Reimbursable Advisory Services and to settle promptly all outstanding matters.

8. **Language.** This Agreement is drafted in English.

9. **Cooperation.**

(a) The Recipient shall at all times provide the Bank in a timely manner with any and all information that may affect the performance of the Reimbursable Advisory Services, inform the Bank of any developments relating to the Reimbursable Advisory Services, and do all things necessary to enable Bank Personnel to carry out the Reimbursable Advisory Services hereunder. The Recipient shall, in particular, without limitation:

(i) provide to the Bank available information on the Recipient and the Reimbursable Advisory Services as may be necessary for the purpose;

(ii) permit Bank Personnel to visit the Recipient facilities, and to have access to books and records relevant to the Reimbursable Advisory Services and to Recipient staff working in relation to the Reimbursable Advisory Services to be provided by the Bank;

(iii) promptly notify the Bank of any proposed change in the nature or scope of the Reimbursable Advisory Services and of any event or condition which has or could reasonably be expected to have a material effect on the performance of the Services; and
(iv) promptly provide to the Bank such other information as the Bank from time to time reasonably requests about the Reimbursable Advisory Services to be performed by the Bank.

(b) It is expressly agreed and understood that the Bank shall bear no responsibility for delay in performance occasioned by the Recipient’s failure to provide its contribution as set forth in Section D of the Schedule to this Agreement or otherwise cooperate as set forth in paragraph (a) above.


(a) All notices required or permitted to be given pursuant to this agreement shall be in writing and shall be deemed to have been duly given or made when delivered by hand or by mail, e-mail or facsimile to the signatories to this Agreement at their addresses as set out below or such other addresses as may be notified by either party from time to time. Notices forwarded by registered mail shall be deemed to be delivered upon delivery. Notices made by facsimile transmission shall also be confirmed by mail, with their effective date being the date of initial transmission.

(b) The following addresses are specified for the purposes of this Agreement:
For the Recipient:
Ministry ............
.............
.............
Phone: +........
Fax: +........
e-mail:

For the Bank:
The World Bank
1818 H Street, NW
Washington, DC 20433
USA
Phone: +1 202 477-1234
Fax: +1 202 477- 6391
e-mail:
IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as of the day and year indicated below.

[NAME OF THE RECIPIENT]

By: ____________________________
    Authorized Representative

Date: __________________________

INTERNATIONAL BANK FOR
RECONSTRUCTION AND
DEVELOPMENT

By: ____________________________
    Authorized Representative

Date: __________________________
SCHEDULE

Description of the Reimbursable Advisory Services

A. Reimbursable Advisory Services.

Except as the Recipient and the Bank may otherwise agree, the Reimbursable Advisory Services shall include the following activities and outputs:

COMPONENT A: ........

COMPONENT B: ........

Any change to the foregoing scope of work shall be set out in writing in a letter signed by the Recipient and the Bank.
B. **Timetable.**

Except as the Recipient and the Bank may otherwise agree, the Bank shall endeavor to perform the Reimbursable Advisory Services in accordance with the following timetable:

<table>
<thead>
<tr>
<th>Indicative Output</th>
<th>Expected time of completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output 1</td>
<td>xx months after Effectiveness date</td>
</tr>
<tr>
<td>Output 2</td>
<td>xx months after Effectiveness date</td>
</tr>
</tbody>
</table>

Any changes in the expected time of completion set forth in the above table may be agreed upon between the Parties through an exchange of letters.

Following the Effectiveness date of this Agreement, a semi-annual progress report in English shall be submitted within 21 days from the end of each period. The progress reports shall include a description of activities completed or in progress in the reporting period, next steps planned for the following reporting period and the outputs. The progress reports shall be in the format provided as Attachment to this Schedule. A Romanian translation of the progress reports will be provided within 14 days after the submission of the English version. The Recipient will have 14 days to review the progress report. If comments are communicated to the Bank on the progress report, the Bank will have 7 days to submit a modified progress report and/or provide comments and clarifications.

For the purposes of the delivery of outputs described in the table above, the Bank shall submit the English version of said documents along the timeline indicated in this Agreement.

All progress reports and outputs as described in the Table under section B. Timetable in this Schedule 1 of this Agreement submitted by the Bank shall be labeled with the Romanian Government’s logo, the European Union logo and the logo for European Structural and Investment Funds in Romania, as well as the identification sentence related to the relevant operational program, as indicated by the Recipient.

C. **Bank Personnel.**

The Bank will be responsible for determining the appropriate composition of teams needed to fulfill the Reimbursable Advisory Services. The Bank Personnel will include experts specialized in the areas of ......

D. **Counterparts and Facilities.**

The Recipient shall provide the following facilities in support of the Reimbursable Advisory Services:

1. The Recipient shall provide facilities for conducting workshops as described in this Agreement. For all workshops and training activities to be conducted pursuant to this Agreement, the Recipient may provide reasonable expenditures necessary for successful completion of each workshop including, cost of photocopying, refreshments, snacks or other food for the attendees.

2. The Recipient may provide office space for the Bank Personnel to ensure maximum interaction with the counterpart and effectiveness of its capacity building activities.

3. In carrying out the Reimbursable Advisory Services, the Recipient shall facilitate contact between the Bank and the staff of the Recipient and other relevant stakeholders.
E. Records.

The Bank shall keep appropriate records of the Reimbursable Advisory Services in accordance with its normal record-keeping practices and shall furnish to the Recipient such information regarding the Reimbursable Advisory Services as the Recipient shall reasonably request. As such, the Bank shall maintain appropriate records for a period of seven years after the end of the Bank’s fiscal year to which the record pertains.
ATTACHMENT TO SCHEDULE

INDICATIVE FORMAT OF PROGRESS REPORT

I. Time Period Covered: ______________________

II. Summary
   · Overall Status of Work
   · Findings and Issues

III. Progress by Output

   1. Output 1
      a. Activities and Analysis Completed
      b. Next steps

   2. Output 2
      a. Activities and Analysis Completed
      b. Next steps

.................................................

IV. Conclusions
1. **Performance Standard; Non-Exclusivity.** The Bank hereby shall carry out the Reimbursable Advisory Services with the same care and diligence as it uses in its other analytical and advisory activities. The engagement of the Bank as adviser to the Recipient hereunder is non-exclusive and shall not restrict the Recipient from engaging other advisers on the same or related issues.

2. **Bank Personnel.** The Bank shall, in its sole discretion, determine the composition of the staff (including staff holding consultant appointments) ("Bank Personnel") assigned to perform the Reimbursable Advisory Services. The Schedule to this Agreement contains an indicative list of categories of Bank Personnel likely to be involved in carrying out the Reimbursable Advisory Services; provided, however, that the Bank retains at all times the right to assign such other person or persons in addition to, or substitution for, any of the persons appearing on that list as the Bank may deem necessary or appropriate in the performance of its duties hereunder. The Recipient may, if it has reasonable cause for dissatisfaction with the performance of any of the Bank Personnel, request the Bank to replace such person(s). For avoidance of doubt, it is agreed and understood that this Agreement does not create any employment or other contractual relationship between the Recipient and Bank Personnel.

3. **Recipient Contributions.** The Recipient shall carry out the activities and provide the facilities and other arrangements set out in the Schedule to this Agreement.

4. **Bank Operational Policies.** The Bank shall provide its advice in a manner consistent with its relevant environmental and social safeguards policies.

5. **Confidentiality.** The Parties agree that this Agreement and the outputs set out in the Schedule to this Agreement shall only be made available to the public after the Recipient has given its written consent to such disclosure. For this purpose, the Recipient hereby authorizes the Bank to publicly disclose the outputs set out in the Schedule to this Agreement only in their final form. With respect to underlying information provided by the Parties in support of the Reimbursable Advisory Services, each providing Party reserves the right to designate said information as confidential. The Parties may publicly disclose such information only after the providing Party has given its prior consent.

6. **Intellectual Property.** The intellectual property rights of each Party in any of its pre-existing data or documents used by the Bank in connection with the Reimbursable Advisory Services shall remain with that Party. The intellectual property rights in new materials prepared by the Bank in connection with the Reimbursable Advisory Services shall belong to the Recipient; provided, however, that the Bank shall have the global, non-exclusive, perpetual (for the duration of the copyright), fully sub-licensable and royalty-free right to use, copy, display, distribute, publish and create derivative works of all or part of these materials and incorporate the information therein in its research, papers, publications, web sites, and other media without the consent of the Recipient, subject to the limitations on disclosure of confidential information and any third party rights, as indicated in Section 5, Confidentiality, of this Annex.

7. **Representation of the Bank’s Views and Use of the Bank’s Name, Marks and Logo.**

   (a) The Recipient agrees that it shall not represent, or permit the representation of, the Bank’s views without the prior written consent of the Bank.
(b) The Recipient further agrees that it shall not use, or permit the use of the Bank's name, marks or logos in any advertisements, promotional literature or information without the prior written consent of the Bank, and that if such consent is provided that it shall use the name, marks and logos strictly in accordance with the permission provided and with the insertion of the Bank's usual disclaimers.

(c) Both Parties shall include the appropriate attribution and disclaimers in new materials prepared in connection with the Reimbursable Advisory Services.

8. **Disclaimers and Liabilities.**

(a) While the Bank shall make diligent efforts in its performance of the Reimbursable Advisory Services, the Bank makes no express or implied representation or warranty as to the extent of success that may be achieved in the implementation of any recommendation contained in any work product prepared by or with the assistance of the Bank or Bank Personnel.

(b) Without limitation to the immunities and privileges of the Bank under its Articles of Agreement and other applicable rules of law, the Bank shall not be liable to the Recipient or other third party for any loss, cost, damage or liability that the Recipient shall incur as a result of the Reimbursable Advisory Services, except for those resulting from the gross negligence or willful misconduct of the Bank or Bank Personnel. Notwithstanding anything herein, the Bank's liability, if any, to the Recipient hereunder shall not extend to any indirect, punitive or consequential damage, loss of profit or loss of opportunity, nor shall it exceed the amount of the professional fees received by the Bank for its account under this Agreement.

(c) The Parties acknowledge and agree that it is not the purpose of this Agreement to create a partnership, joint venture or similar arrangement whereby the Parties could be held jointly liable vis-a-vis third parties or for any other purposes. Nothing herein shall constitute a commitment by the Bank to provide financing to the Recipient in respect of a project or otherwise.

9. **Governing Law.** This Agreement is governed by, and shall be construed in accordance with, the laws of England.

10. **Settlement of Disputes.**

(a) The Parties hereto shall endeavor in good faith to resolve any differences and disputes under, or in connection with, this Agreement by amicable settlement. Any dispute arising out of or in connection with this Agreement which is not settled by agreement of the Parties shall be finally settled by arbitration in accordance with the UNCITRAL Arbitration Rules in force on the date of this Agreement. In the event of a conflict between the UNCITRAL Arbitration Rules and the terms of this Agreement, the terms of this Agreement shall govern.

(b) Neither the Recipient nor the Bank shall be entitled in any proceeding under paragraph (a) of this Section to assert any claim that any provision of these Standard Conditions or of the RAS Agreement is invalid or unenforceable because of any provision of the Bank's Articles of Agreement.

11. **Privileges and Immunities; Tax Immunity.** The Recipient recognizes and shall take all reasonable steps to give effect to the status, immunities and privileges of the Bank and its Personnel set forth in the Bank’s Articles of Agreement and other applicable rules of law. The Parties acknowledge and agree that no provision of this Agreement, nor the submission to arbitration by the Bank, in any way constitutes or implies a waiver, renunciation, termination, or modification by the
Bank of any privilege, immunity or exemption of the Bank granted in the Bank’s Articles of Agreement and other applicable rules of law. This includes, inter alia, the immunity of the Bank, its assets, income and its operations and transactions, from all taxation and customs duties.

12. **Amendments.** Any amendment or waiver of, or any consent given under, any provision of this Agreement shall be in writing. In the case of an amendment, it has to be signed by the Parties.

13. **Saving of Rights.** No course of dealing and no failure or delay by any party hereto in exercising any power, remedy, discretion, authority or other right under this Agreement shall impair, or be construed to be a waiver of or an acquiescence in, that or any other power, remedy, discretion, authority or right under this Agreement, or in any manner preclude its additional or future exercise.

14. **Successors and Assignees; No Assignment without Consent.** This Agreement binds and benefits the respective successors and assignees of the Parties, provided that none of them may assign this Agreement in whole or in part without the prior consent of the other.

15. **Entire Agreement and Counterparts.**

(a) This Agreement, together with its Schedule and Annex, constitutes the entire agreement among the Parties hereto and supersedes any and all prior agreements, understandings and arrangements, oral or written, between the Parties with respect to the subject matter hereof.

(b) This Agreement may be executed in several counterparts, each of which is an original, but all of which constitute the same agreement.

16. **Termination.** Notwithstanding termination or expiration of this Agreement, the provisions of this Agreement relating to (i) obligation of confidentiality under Section 5 of this Annex, (ii) the obligations spelled out in Sections 6 on Intellectual Property and 11 on Privileges and Immunities of this Annex; and (iii) the obligation of the Recipient to pay to the Bank remuneration for the Reimbursable Advisory Services performed prior to the date of termination or expiration of the Agreement, as well as reimbursement of any reasonable costs related to the termination of the Agreement by the Recipient, shall continue in full force and effect.
Certifică prin prezenta că doamna Aura Răduceu, ministrul fondurilor europene, are depline puteri, din partea Guvernului României, pentru a semna Memorandumul de Înțelegere între Guvernul României și Banca Mondială privind Parteneriatul pentru Modernizarea Administrației Publice și Sprijinirea Reformelor Structurale.

MINISTREL AFACERILOR EXTERNE

Lazăr Comănescu

Nr.1247
București, 07 ianuarie 2016