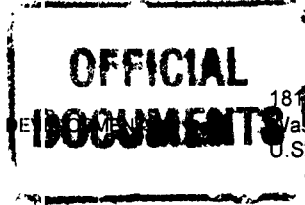


The World BankINTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION1818 H Street N.W.
Washington, D.C. 20433
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Cable Address: INTBAFRAD
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December 10, 2012

H.E. Mr. Bertil Christer Asp
Ambassador
Embassy of Sweden
Ledi Pedzet 2
11000 Belgrade
Republic of Serbia

Re: Amendment to the Administration Agreement between Sweden, represented by the Swedish International Development Agency, and the International Bank for Reconstruction and Development and the International Development Association concerning the Multi-Donor Trust Fund for Justice Sector Support in the Republic of Serbia (TF071444) (Successor of TF071171)

Excellency:

1. We refer to the Administration Agreement between Sweden, represented by the Swedish International Development Agency (the "Donor") and the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), (collectively, the "Bank") regarding the Multi-donor Trust Fund for Justice Sector Support in the Republic of Serbia (TF071444) (successor of TF071171) (the "Trust Fund") dated December 3, 2009, as amended as of February 26, 2010, December 10, 2010, and December 12, 2011 (the "Administration Agreement").

2. Pursuant to recent discussions between the Donor and the Bank, the Bank hereby proposes to amend the Agreement as follows:

i. Attachment 1 titled "Description of Activities and Expenditures under the Multi-Donor Trust Fund" of the Agreement is replaced in its entirety by a new Attachment 1 attached here to, which constitutes an integral part of this Amendment

ii. In addition, costs for program management and trust fund administration as defined in Attachment 2 titled "Standard Provisions Applicable to the Multi-Donor Trust Fund for Justice Sector Support in the Republic of Serbia", Section 3.b, up to a maximum of one hundred and twenty thousand five hundred and fifty nine United States Dollars (US\$ 120,559) will be amended to a maximum of one point six percent (1.6%) of each Contribution to be charged to the Trust Fund on an actual basis. If the contributions increase beyond what was originally expected at the time of counter-signature of the first administration agreement, and the administrative costs increase as a result, the Donors acknowledge that an additional administrative fee may be applied to such new contributions.

iii. The Donor's Contribution, as defined in the Agreement, that was already paid into the Trust Fund No.071444 prior to the date of this Amendment letter shall not be subject to the administrative cost set forth in Section 3.b of the Attachment 2;

provided, however, that the said administrative cost set forth in Section 3.2 shall apply to all new or unpaid contributions made to the Trust Fund after the date of this Amendment letter.

iv Attachment 2, Section 3.b will read as follows, "In addition, costs for program management and trust fund administration as defined by Attachment 1 to a maximum of one point six percent (1.6%) of each Contribution will be charged to the Trust Fund on an actual basis."

3. All other terms of the Agreement shall remain the same.

4. It is the Bank's policy to make publicly available the Administration Agreement and any information related thereto, including this Amendment. By confirming its agreement below, the Donor consents to the disclosure of this Amendment after it has become effective.

5. We propose that this letter shall constitute an amendment to the Agreement between the Bank and the Donor. Please confirm your agreement with the foregoing, on behalf of the Donor, by signing and dating the two originals, retaining one original for your records and returning the other original to the Bank. Upon receipt by the Bank of such agreement in writing by all Donors contributing to this trust fund, the Amendment to the Agreement will become effective as of the last date of the agreements by the Donors. The Bank shall promptly notify the Donor when the Amendment becomes effective.

Sincerely,


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



By /s/ Loup Brefort
Country Manager for the Republic of Serbia
Europe and Central Asia Region

AGREED:

**FOR SWEDEN,
REPRESENTED BY THE SWEDISH INTERNATIONAL DEVELOPMENT
AGENCY**

By: 

Date: 17.12.2012

Name: _____

Title: **Christer Asp
Ambassador of Sweden**

ATTACHMENT 1 OF THE ADMINISTRATION AGREEMENT

Description of Activities and Expenditures under the Multi-Donor Trust Fund for Justice Sector Support in the Republic of Serbia

This Attachment shall be applicable to and form an integral part of all agreements entered into between the Bank and entities (collectively, the “Donors”) that provide contributions (the aggregate of all contributions from the Donors, the “Contributions”) to be administered by the Bank for the Trust Fund.

A. DESCRIPTION OF ACTIVITIES

The objective of the Trust Fund is to provide support for strengthening the justice sector of the Republic of Serbia in order to facilitate its integration to the European Union. The Trust Fund activities consist of the following components:

a. Bank-executed Activities

Component 1. Advisory services.

Sub-component 1.1. Provision of Advisory Services for Justice Sector Reform. Provide advisory services, including but not limited to preparation of analytical reports, provision of training, facilitation of policy dialogue and conducting surveys, in the areas of (i) institutional capacity, (ii) resource management and aid coordination, (iii) legal and institutional environment, (iv) judicial facilities and infrastructure, and (v) outreach, monitoring and evaluation in order to strengthen the justice sector reform in the Republic of Serbia;

Sub-component 1.2. Provision of Additional Advisory Services for continued Justice Sector Reform. Advisory services provided under this Component 1 and initiated after May 1, 2012, shall include, among others:

- I. Preparation of a roadmap of projects to be used for planning and implementation of future initiatives in the Serbian Justice Sector, as well as preparation of form documents which may be used for future planning, design, and implementation of these projects.
- II. Training related to any of the above mentioned activities may be provided;
- III. Development and promotion of a SWAp (sector-wide approach) methodology to be used in planning Justice Sector reform at the central level. Training will be provided to key MOJ staff to facilitate the SWAp preparations;
- IV. Support to the newly introduced judicial services in accordance with best practices, including but not limited to notary and bailiff services;
- V. Preparation of a report on the case management system in the courts of general jurisdiction, and propose mechanisms to update the case management system;
- VI. Preparation of a proposal to adopt certain measures for efficient reduction of inflow of minor cases to the courts within the current legal framework.
- VII. Preparation of documentation setting out best practices in the provision of the newly introduced judicial services (i.e. notaries, bailiffs, etc).

- VIII. Provision of support for the development of justice sector performance indicators for judges and prosecutors;
- IX. Provision of support for the development of an effective mechanism for collection, analysis and publishing of statistical data on judiciary performance for the purposes of better analytical work of the MoJ, HJC and SPC;
- X. Provision of technical assistance for the preparation of a set of recommendations for the business reengineering of courts.

Component 2. Supervision of Recipient-executed activities.

Carry out supervision of Recipient-executed activities.

Component 3. Trust Fund Administration and Program Management

Manage and administer the Trust Fund as per trustee responsibility, including donor and stakeholder coordination and report preparation.

b. Recipient-executed Activities

Component 4. Technical Assistance

Sub-component 4.1 Justice Sector Reform Facilitation Unit

Provide support for the establishment and operation of a Justice Sector Reform Facilitation Unit in the Ministry of Justice of the Republic of Serbia (MOJ), which will be responsible for facilitating and coordinating the justice sector reform program of the Republic of Serbia.

Sub-component 4.2 Access to Justice

Provide technical assistance to improve access to justice by (i) developing a legislative framework for free legal aid based on the strategy for free legal aid, (ii) establishing the national and local institutions responsible for overseeing the free legal aid system, (iii) building the capacity of free legal aid providers, (iv) increasing the efficiency in the MOJ, (v) facilitating knowledge-sharing, (vi) carrying out a public awareness campaign, and (vi) strengthening the monitoring and evaluation systems and capacities in the MOJ.

B. CATEGORIES OF EXPENDITURE

For Bank-executed activities the Contributions may be used to finance (a) staff costs, (b) media and workshop, (c) consultants fee, (d) contractual services, (e) extended term consultants costs, (f) temporary support staff costs, (g) travel expenses, (h) associated overheads, and (i) equipment lease.

For Recipient-executed activities, the Contributions may be used to finance (a) consultants' services, excluding salaries of government employees, (b) training, (c) goods, and (d) operating costs.

The Contributions shall not be used to finance taxes, except social benefit charges of individual consultants, attributed to the expenditures on Recipient-executed activities.

C. INSTITUTIONAL ARRANGEMENT

A Management Committee for the Multi-Donor Trust Fund for Justice Sector Support in the Republic of Serbia (the "Committee") is established to provide general oversight and direction for the Trust Fund. The Committee is comprised of representatives from the MOJ, all Donors contributing to the Trust Fund, the Bank and, as appropriate, other beneficiaries of the Trust Fund. The Committee shall be chaired by the Bank, and co-chaired by the Commission. The Committee shall be consulted on individual activities to be financed from the Trust Fund, excluding activities concerning Trust Fund management, administration, and monitoring and supervision of Recipient-executed activities. The Republic of Serbia and Donors may recommend to the Committee in writing to have certain activities executed by the Bank, which shall be subject to Bank's approval. The Committee shall ensure that the activities financed under the Trust Fund are in conformity with the development priorities of the Republic of Serbia, the Donors and the Bank, and also facilitate the Republic of Serbia's integration to the European Union. The Bank shall report to the Committee on quarterly basis on activities financed or proposed to be financed under the Trust Fund.

D. PROJECT REPORTING AND INDICATORS

The IBRD will monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Standard Provisions and on the basis of the indicators presented in Appendix A to this Administration Agreement.

E. PROCUREMENT

As soon as it is available, the Bank will present to the Donors the Procurement Plan for the parts of the Project to be contracted by the Bank.