

**CONFORMED COPY**  
December 6, 2010

Mr. Pradeep Itty  
Head East Asia Division  
Swiss Agency for Development and Cooperation (SDC)  
Freiburgstrasse 130  
3003 Berne  
Switzerland

***Trust Fund Administration Agreement between the Swiss Agency for Development and Cooperation and the International Bank for Reconstruction and Development and the International Development Association concerning the Multi-Donor Trust Fund for Poverty and Social Impact Analysis (TF No. 071382)***

Dear Mr. Itty:

1. We are pleased to acknowledge on behalf of the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively, the “Bank”) the intention of the Swiss Agency for Development and Cooperation (the “Donor”) to make available as a grant the sum of five hundred and forty thousand United States dollars (USD 540,000) (the “Contribution”) for the Multi-Donor Trust Fund for Poverty and Social Impact Analysis (the “Trust Fund”) in accordance with the terms of this Agreement (the “Agreement”). Other donors are also expected to contribute to the Trust Fund on the terms and conditions specified in the annexes to this Agreement.
2. The Contribution shall be used to finance the activities and the categories of expenditure set forth in the “Description of Activities and Expenditures under the Multi-Donor Trust Fund for Poverty and Social Impact Analysis” attached hereto as Annex 1.
3. The Contribution shall be administered by the Bank on behalf of the Donor in accordance with the terms of this Agreement including the “Standard Provisions Applicable to the Multi-Donor Trust Fund for Poverty and Social Impact Analysis” (the “Standard Provisions”) attached hereto as Annex 2.
4. Additionally, the Contribution shall be administered by the Bank in accordance with the “Governance Terms Applicable to the Multi-Donor Trust Fund for Poverty and Social Impact” attached hereto as Annex 3.

5. The Donor shall deposit the Contribution into such bank account designated by the Bank in installments in accordance with the following schedule:

- (a) promptly following countersignature of this Agreement by the Donor and submission of a payment request by the Bank, two hundred and seventy thousand United States Dollars (USD 270,000); and
- (b) on or before November 30, 2011, upon submission of a payment request by the Bank; two hundred and seventy thousand United States Dollars (USD 270,000).

6. When making each 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 No. 071382 (Multi-Donor Trust Fund for Poverty and Social Impact Analysis), and the date of the deposit (the "Deposit Instruction"). 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](mailto:tfremitadvice@worldbank.org) or by fax sent to (202) 614-1315.

7. Except as provided for in paragraph 6 above, any notice, request or other communication to be given or made under this Agreement shall be in writing and delivered by mail, facsimile 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:

Cyprian F. Fisiy  
Sector Director  
Social Development Department  
The World Bank  
1818 H Street, NW  
Washington, DC 20433  
U.S.A.

Tel: 202-473-3580  
Fax: 202-522-3247  
E-mail: [cfisiy@worldbank.org](mailto:cfisiy@worldbank.org)

For the Donor:

Pradeep Itty  
Head East Asia Division  
Swiss Agency for Development and Cooperation (SDC)  
Freiburgstrasse 130  
3003 Berne

Switzerland

Tel:+41 31 322 34 16

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E-mail: pradeep.itty@deza.admin.ch

8. All annexes hereto constitute an integral part of this Agreement. This Agreement may be amended only in writing between the Bank and the Donor; provided, however, that such annexes may be amended only with the agreement of all donors contributing to the Trust Fund.

9. Please confirm your agreement with the foregoing, on behalf of the Donor, by signing, dating, and returning to us the enclosed copy of this Agreement. Upon receipt by the Bank of the copy of this Agreement countersigned by you, this Agreement will become effective as of the date of the countersignature.

Sincerely,

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

/s/ Elizabeth Huybens  
Acting Director  
Social Development Department

**AGREED:**

**SWISS AGENCY FOR DEVELOPMENT  
AND COOPERATION (SDC)**

By: /s/ Pradeep Itty  
Head East Asia Division

Date: December 10, 2010

ANNEX 1

**Description of Activities and Expenditures under the Multi-Donor Trust Fund for Poverty and Social Impact Analysis**

This Annex will 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. Objectives of the Trust Fund**

The Bank has committed itself to consider the poverty, social and distributional impacts of key policy reforms and operational activities. This is anchored in its operational policies guiding development policy operations (the Bank’s OP 8.60).

The overarching goal of this Trust Fund is to help partner governments and the Bank consider the poverty and social impacts of key policy reforms and operational activities. To this end, the Trust Fund has two objectives: (1) to support the effective use of poverty, social and distributional analysis in guiding the Bank’s policy dialogue and program lending; and, (2) to strengthen client country capacity to implement and use the results of poverty, social and distributional analysis to inform national policies.

The Trust Fund is especially expected to support the Bank in putting into practice the lessons learned from the recent reviews on the implementation of PSIA activities in the Bank and partner countries, and the forthcoming review of PSIA by the Bank’s Independent Evaluation Group. The Trust Fund is also expected to support capacity development in the area of PSIA for a wide range of actors (parliaments, central and local governments, civil society organizations, research institutes, media and the private sector) as called for in the Accra Agenda for Action adopted by members of the international community on September 4, 2008.

For reporting purposes for Donors only, the implementation results will be measured against the following outcome indicators, where applicable:

**Objective 1: Effective use of PSIA within the Bank**

- a) Trust Fund activities support improved coverage and relevance of poverty and social impacts in the Bank’s development policy operations (DPOs). [Means of verification: bi-annual DPO retrospective, end of Trust Fund evaluation]
- b) Country teams discuss and consider analytical work supported by the Trust Fund and regard it as valuable in improving the quality of country policy dialogue and Bank programming. [Means of verification: annual perception surveys and interviews of Bank country teams]

- c) Pilots for innovative processes, funding arrangements, skill development, communication, dissemination and analytical methods increase the effectiveness of PSIA in informing policy dialogue and program lending. [Means of verification: studies funded by the Trust Fund , interviews with Trust Fund Manager (TTLs), regional annual monitoring reports, end of Trust Fund evaluation]
- d) PSIA activities funded by the Trust Fund include a communication and dissemination plan, as appropriate to the particular policy issue and country context. [Means of verification: end of Trust Fund evaluation, review (Poverty Reduction and Economic Management, Poverty Reduction Group (PRMPR), Social Development Department (SDV), Operational Policy and Country Services) in 2012 in countries and sectors where PSIA work has been supported by the Trust Fund, regional annual monitoring reports]
- e) The quality of formal PSIA activities supported by the Trust Fund assessed in line with regular Bank Economic and Sector Work (ESW) and technical assistance quality assurance processes. [Means of verification: regional annual reports, end-of Trust Fund evaluation]
- f) The quality and quantity of knowledge management products on PSIA increases, along with the demand for these products. [Means of verification: hits on the Bank's PSIA webpage and user feedback, increased usage of the online training courses on PSIA, comparison against a 2008 baseline]

Objective 2: Strengthen partner country capacity to implement and use PSIA

- g) In-country stakeholders (governments, non-governmental stakeholders) who have participated in an activity funded by the Trust Fund perceive PSIA findings and inclusive dialogue processes as useful. [Means of verification: perception survey among Bank staff and in-country stakeholders at the end of the Trust Fund]
- h) PSIA findings are discussed and considered by stakeholders in the policy making process, as appropriate to the country and policy context. [Means of verification: perception survey at the end of the Trust Fund, end-of Trust Fund evaluation]
- i) Increased participation and greater expertise among client country governments, researchers, think tanks or non-governmental stakeholders in the design, implementation and use of poverty and social impact analysis and methods, as appropriate to the policy and country context. [Means of verification: end-of Trust Fund evaluation of PSIA capacity building activities in countries where activities have been undertaken]

## **B. Description of Activities to be Financed Under the Trust Fund**

Activities contributing to the achievement of Objectives 1 to 2 may include, but are not limited to:

- Monitoring of how poverty and social impacts are addressed in DPO program documents, Country Assistance Strategies (CASs) and other relevant Bank documents.
- The production and dissemination of knowledge management and learning products, including the provision of training for Bank staff and national stakeholders.
- Implementation, communication and dissemination of PSIA activities by country teams and/or partner country stakeholders.
- Establishing a community of practice around PSIA within the Bank and among partner country stakeholders and relevant development partners at country or regional level.
- Evaluation of results of activities supported by the Trust Fund at the end of the Trust Fund period in 2012.

Activities under Objective 1 are expected to contribute to establishing a knowledge base to promote a more effective use of poverty, distributional and social impact analysis within the Bank and among partner countries. Building on this knowledge base, staff skills are expected to be strengthened to conduct high-quality poverty, distributional and social analysis and to promote continuous knowledge sharing and learning within the Bank and among partner countries. The resources of the Trust Fund are intended to strengthen incentives for staff to pay attention to PSIA reforms upstream in the preparation of Bank operations. This will be promoted through a flexible, policy relevant and demand driven approach that is well adapted to the timeframe and resource conditions under which Bank teams operate and that ties in with the Bank's usual business cycle (i.e. integrating PSIA into the medium term business planning process at the regional and country levels).

Activities to be undertaken under Objective 2 comprise measures to explore and develop client country capacity for PSIA and, building on this, promote demand for more routine use of such analysis in national policy formulation.

## **C. Expected Benefits of the Trust Fund**

Activities supported by the Trust Fund are expected to help enhance the effectiveness of Bank operations and the policy reforms they support by: (1) providing empirical evidence on poverty, social and distributional effects of the reform design, (2) identifying alternative policy options to improve poverty reduction outcomes, (3) highlighting institutional, political economy and implementation risks, and (4) contributing to a national policy dialogue that results in more inclusive and transparent policy making.

An underlying principle of the Trust Fund is the promotion of flexible approaches to PSIA with respect to the selection of instruments, communication strategies and tools, dissemination, and timing of the analysis. This is expected to increase incentives for Bank staff and client country governments to use PSIA to inform Bank operations and national policy design and implementation. The more routine application of PSIA at the country level are expected to contribute to more transparent and inclusive policy making in partner countries. Capacity development activities are expected to help to address critical constraints within government and civil society organizations to assess and address potential poverty, distributional and social risks of policy reforms. Furthermore, the integration of PSIA with other tools to support evidence-based policy making (e.g. monitoring and evaluation systems) are expected to enhance the policy impact and sustainability of PSIA-type work. Another benefit is expected to be the strengthening of donor collaboration through overall management of the Trust Fund and possible joint activities, as well as through improved dissemination of good practices.

#### **D. Categories of Expenditures**

For **Bank-Executed** activities the Contributions may be used to finance the following categories of expenditures: (a) staff costs; (b) extended term consultants; (c) consultant fees; (d) temporary support staff costs; (e) contractual services; and (f) travel expenses; (g) associated overheads; and (h) media & workshop costs. Staff costs (including staff time and travel) up to 20% of the total amount of the Contributions can be charged to the Trust Fund. Co-terminus appointments are not eligible for financing.

For **Recipient-Executed** activities, the Contributions may be used to finance the following categories of expenditures: (a) goods; (b) consultants' services; (c) operating costs; and (d) training and workshops.

ANNEX 2

**Standard Provisions Applicable to the Multi-Donor Trust Fund for Poverty and Social Impact Analysis**

This Annex shall be applicable to and form an integral part of all agreements entered into between the Bank and the Donors that provide Contributions to be administered by the Bank for the Trust Fund.

1. Administration of the Contributions

1.1. The Bank shall be responsible only for performing those functions specifically set forth in this Agreement and shall not be subject to any other duties or responsibilities to the Donors, 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 Agreement shall be considered a waiver of any privileges or immunities of the IBRD and IDA under their Articles of Agreement or any applicable law, all of which are expressly reserved.

1.2. The Contribution 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 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 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, nor shall it be deemed a waiver, express or implied, of any of the privileges and immunities of the Bank.

2. Commingling, Exchange and Investment of the Contributions

2.1. The Contributions shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the Bank. The Contributions may be commingled with other trust fund assets maintained by the Bank.

2.2. The Contributions may be freely exchanged by the Bank into other currencies as may facilitate their disbursement.

2.3. The Bank shall invest and reinvest the Contributions 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 to be used for the same purposes as the Contributions.



3. Administrative Cost Recovery

3.1. In order to assist in the defrayment of the costs of administration and other expenses incurred by the Bank under this Agreement, the Bank may deduct and retain for its own account an amount equal to two percent (2%) of each Contribution. In addition, costs for program management and trust fund administration up to a maximum of USD996,483 will 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.

4. Grants to Recipients

4.1. The Bank shall, as administrator of the Trust Fund on behalf of the Donors, enter into grant agreements (the "Grant Agreements") with eligible recipients (the "Recipients") consistent with the purposes of this 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 that all Donors have agreed to make available under the Administration Agreements between the Bank and the Donors. Upon request by a Donor, the Bank shall furnish a copy of the Grant Agreements to the Donors.

4.2. The Bank shall be responsible for the supervision of the activities financed under the Grant Agreements. Subject to the consent of the Recipients, representatives of the Donors may be invited by the Bank to participate in Bank supervision missions related to the Trust Fund.

4.3. The Bank shall promptly inform the Donors 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 Donors the opportunity to exchange views before effecting any such modification or exercising any such remedy.

5. Procurement

5.1. For Recipient-executed activities, the Grant Agreements shall provide that the Contributions shall be used by the Recipients to finance expenditures for goods and services, as the case may be, in accordance with the Bank's Guidelines on "Procurement under IBRD Loans and IDA Credits" and the Bank's Guidelines on the "Selection and Employment of Consultants by World Bank Borrowers", as in effect at the date of entry into the respective Grant Agreements.

5.2. For Bank-executed activities, the employment and supervision of any consultants and the procurement of any goods financed by the Contributions shall be the responsibility of the Bank and shall be carried out in accordance with its applicable policies and procedures.

6. Accounting and Financial Reporting

6.1. The Bank shall maintain separate records and ledger accounts in respect of the Contributions deposited in the Trust Fund account and disbursements made therefrom.

6.2. The Bank shall furnish to the Donors current financial information relating to receipts, disbursements and fund balance *in the holding currency* of the Trust Fund with respect to the Contributions via the 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* of the Trust Fund with respect to the Contributions will be made available to the Donors via the Bank's Trust Funds Donor Center secure website.

6.3. The Bank shall provide to the Donors, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (1) 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 (2) 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.

6.4. If a Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank's external auditors of the Trust Fund, 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 paid by the requesting Donor.

6.5. The Bank shall provide the Donors with copies of all financial statements and auditors' reports received by the Bank from the Recipients pursuant to the Grant Agreements.

7. Progress Reporting

7.1. The Bank shall provide the Donors with an annual report on the progress of activities financed by the Contributions. Within six (6) months of the final disbursement date specified in paragraph 8.1, the Bank shall furnish to the Donors a final report on the activities financed by the Trust Fund.

7.2 Any Donor may review or evaluate activities financed by the Trust Fund. 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 policies and procedures. All associated costs 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 the Trust Fund.

8. Disbursement; Cancellation; Refund

8.1 It is expected that the Contributions will be fully disbursed by the Bank by December 31, 2012. The Bank shall only disburse Contributions for the purposes of this Agreement after such date with the written approval of the Donors.

8.2 Any Donor or the Bank may, upon three (3) months' prior written notice, cancel all or part of the Donor's pro rata share, of any remaining balance of the Contributions that is not committed pursuant to any agreements entered into between the Bank and any consultants and/or other third parties for the purposes of this Agreement prior to the receipt of such notice, including the Grant Agreements.

8.3 Following the final disbursement date specified in paragraph 8.1, the Bank shall return any remaining balance of the Contributions to the Donors on a pro rata basis based on the Donors' paid Contributions. In the event of a cancellation the Bank shall promptly return to the relevant Donor or Donors the Donor's pro rata share of uncommitted Contributions in accordance with paragraph 8.2.

9. Disclosure

The Bank may disclose this Agreement and information on this Trust Fund in accordance with the Bank's policy on disclosure of information, in effect at the time of such disclosure. By entering into this Agreement, Donors consent to disclosure of this Agreement and information on this Trust Fund.

## **Governance Terms Applicable to the Multi-Donor Trust Fund for Poverty and Social Impact Analysis**

### **Overall Trust Fund management**

The overall management of the Trust Fund in the Bank will be the responsibility of the Social Development Department (SDV) of the Bank, in which the Trust Fund Manager (TTL) will carry out this function in close coordination with the Poverty Reduction Group (PRMPR) of the Poverty Reduction and Economic Management Network of the Bank.

### **Focal Team**

Designated Bank staff from SDV and PRMPR will form a **Focal Team** that will be responsible for: (a) overall quality control, ensuring that regional concept notes and activities to be funded are aligned and consistent with Annex 1 of the Agreement, (b) managing communications with donors, including reporting of the implementation of activities, (c) communicating and coordinating with the Bank's regional vice-presidential units (VPUs), (d) organizing meetings with donors and regional representatives, including the annual Steering Committee meetings to take place in Washington D.C. in spring, and (e) seeking to build a community of practice around poverty, social and distributional impact analysis within the Bank and among relevant development partners.

### **Steering Committee**

The donors to the Trust Fund will form a **Steering Committee** together with the Bank, represented by SDV, PRMPR and Operations Policy and Country Services (OPCS) for providing input on strategic planning, advice on priorities and overall substantive guidance regarding the Trust Fund. Each donor agency contributing to the Trust Fund can send up to two delegates of their choice to the Steering Committee. Delegates can be specialists from research or implementing agencies. The Steering Committee will meet annually, tentatively at the end of the first quarter of the Bank's fiscal year. Other meetings (audio/video or in person) will be organized as needed. The Bank will call and chair the meeting. Any decisions will be made by consensus. Decisions made in the meeting will be recorded in minutes prepared by the Bank, within a reasonable time, and submitted to the Donors for concurrence. The Focal Team will assist the Steering Committee in conducting its activities.

The Steering Committee will have the following responsibilities:

- Review and provide substantive guidance on the regional concept notes, to be submitted by each regional VPU interested in obtaining Trust Fund funding once at the outset of the Trust Fund period.

- Review progress on Trust Fund objectives and activities, based upon annual progress reports, and discuss emerging areas of regional and anchor engagement.
- Review and provide substantive guidance on the regional stream (described below). The Focal Team, with guidance from the Steering Committee, may decide to reallocate undisbursed funds from the regional stream on an annual basis.
- Review and provide substantive guidance on the annual work programs of the anchor stream (described below), and
- Guide the commissioning of an independent evaluation on the results of the Trust Fund at the end of the Trust Fund period.

### **Learning event**

The annual Trust Fund meetings will also provide an opportunity for joint learning and knowledge sharing on poverty, social and distributional analysis. Donor commissioned experts, regional Bank staff and partner country stakeholders engaged in PSIA will be invited to an annual one-day learning event, at which experiences and outcomes of selected Trust Fund activities at country level will be presented and discussed. The event will be organized by the Bank in collaboration with donor delegates of the Steering Committee.

### **Funding streams**

The Trust Fund will comprise two funding streams. The anchor stream (20% of total Trust Fund resources) will be with SDV and PRMPR; each unit will be allocated 50 percent of anchor stream resources. The regional stream (80% of total Trust Fund resources) will be with the respective regional VPUs through annual disbursements (guided by notional allocations determined by the Bank in consultation with the Steering Committee at the outset). The anchor stream will fund Bank-executed activities only; the regional stream will fund Bank-executed activities and recipient-executed activities, as considered appropriate by the relevant regional VPU. This includes the ability of regional VPUs and the anchor units to involve other parts of the Bank, such as the World Bank Institute (WBI), or other organizations, such as the United National Development Program (UNDP), for capacity building and related activities.

Each regional VPU and anchor unit managing Trust Fund windows will report annually to the Steering Committee on the status of activities funded under the Trust Fund and on progress towards the outcome indicators of the Trust Fund as laid out in Annex 1 (Annual Progress Reports). The above does not replace the Bank's standard procedures for grant reporting and monitoring, as applicable.

### **Management of anchor stream**

PRMPR and SDV will have management responsibility for and implement activities under the anchor stream. The anchor stream will be divided into two windows, with each anchor unit managing its respective window. Both anchor units will annually develop their respective work programs, outlining objectives, activities, budget allocations and expected results. Each anchor unit will be responsible for managing and monitoring the

Trust Fund resources allocated to its window, as well as for implementation of activities, quality assurance and reporting for the work program in its window. SDV and PRMPR will seek to coordinate their engagement in activities to be performed under their respective windows, so as to maximize synergies in achieving desired results and to avoid duplicated efforts.

### **Management of regional stream**

The regional stream will be divided into a number of windows, one for each of the regional VPUs obtaining Trust Fund funding. Each regional VPU interested in obtaining funding will be asked to develop a concept note at the beginning of the Trust Fund period, outlining regional objectives, monitoring and quality assurance processes, allocation mechanisms and criteria and general types of activities to be undertaken under the Trust Fund. The concept notes will also indicate broadly how each regional VPU may complement resources from the Trust Fund with its own staff and other resources.

Each regional VPU will be responsible for managing and monitoring the Trust Fund resources allocated to its window. Implementation of activities, quality assurance and reporting for the work program in a window will be entirely the responsibility of the relevant regional VPU. The regional VPUs will be asked to propose quality assurance mechanisms which are easy to handle and appropriate to their respective contexts. Each regional VPU will appoint a regional focal point for its window, who will be the main contact point in the region for the Focal Team and will be responsible for overall management of the Trust Fund resources allocated to the region. This person should be knowledgeable about PSIA and help champion this area in the respective region.

### **Country level collaboration**

Each regional VPU will decide how to collaborate within its partner countries to support poverty, social and distributional analysis that is designed and led by the government or other stakeholders in the country. Regional VPUs will be asked to explain in their concept notes how they plan to contribute to country-led PSIA and capacity building with their activities and allocate Trust Fund resources at the country level in a transparent manner. Regions may either identify a few focal countries from the start or develop mechanisms to allocate funds across several countries. Regions may also consider appointing country-based facilitators to support this agenda.

The regional VPUs are encouraged (but not required) to allocate funds to the support of country level PSIA work that can be either managed by the Bank or national stakeholders. These country level funds are intended to support PSIA work that is designed, led and/or undertaken by stakeholders in partner countries. It is the responsibility of the regional VPUs to decide how to organize the management of these funds (for example, the funds could be managed by a committee of national stakeholders).

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