

# OFFICIAL DOCUMENTS

## FINANCIAL PROCEDURES AGREEMENT

between

**EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT**

and



**THE INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT,**

as Trustee of

**THE TRUST FUND FOR THE CLEAN TECHNOLOGY FUND**

*21 APRIL* , 2010

## FINANCIAL PROCEDURES AGREEMENT

FINANCIAL PROCEDURES AGREEMENT (hereinafter the “Agreement”), dated as of ~~21 April~~, 2010 made between the International Bank for Reconstruction and Development (the “World Bank”) as trustee (the “Trustee”) of the Trust Fund for the Clean Technology Fund (the “CTF”) (the “CTF Trust Fund”), and the European Bank for Reconstruction and Development as implementing entity of the CTF (the “EBRD”, “Implementing Entity” or “IE”);

### PREAMBLE

**WHEREAS** (A) the World Bank, in consultation with the other MDBs, developed and developing countries and other development partners, proposed to establish the CTF as one of the two strategic funds under the Climate Investment Funds (CIF), along with the Strategic Climate Fund (SCF);

**WHEREAS** (B) following the approval by the Executive Directors of the World Bank of the establishment of the CTF Trust Fund on July 1, 2008, the Governance Framework for the CTF (the “CTF Governance Framework Document”) was adopted at the joint meeting of the Trust Fund Committees for CTF and SCF on November 18, 2008, held in Washington, D.C., the United States of America;

**WHEREAS** (C) pursuant to the terms of the CTF Governance Framework Document, the World Bank serves as Trustee for the CTF Trust Fund and, in its capacity as the Trustee, has established the CTF Trust Fund to receive contributions from contributors to the CTF Trust Fund;

**WHEREAS** (D) EBRD is empowered by Article 18 of the Agreement Establishing the EBRD to establish and administer Special Funds to carry out special operations financed by Special Funds resources. On October 21, 2009, the EBRD Board of Directors approved the establishment of the EBRD Climate Investment Fund Special Fund (the “EBRD CIF Special Fund”) and the Rules of the EBRD CIF Special Fund (the “Special Fund Rules”). The EBRD CIF Special Fund, is comprised of two sub-accounts: (i) the Clean Technology Fund Sub-account, established to receive CTF Trust Fund funds for the further investment in CTF Projects, managed and administered by EBRD in accordance with the terms of this Agreement, the Special Fund Rules and the CTF Governance Framework Document; and (ii) the Strategic Climate Fund Sub-account;

**WHEREAS** (E) the Implementing Entity wishes to access to CTF Trust Fund resources in accordance with the terms of this Agreement, including the CTF Governance Framework Document;

**WHEREAS** (F) the Trustee and the Implementing Entity now desire to enter into this Agreement relating to the arrangements for the commitment and transfer of CTF Trust Fund resources to the Implementing Entity and the administration and use of such resources by the Implementing Entity; and

**WHEREAS** (G) the CTF Trust Fund resources to be paid to EBRD pursuant to this Agreement shall be managed and administered in accordance with this Agreement.

**NOW, THEREFORE**, the Trustee and the Implementing Entity hereby agree as follows:

## **1. INTERPRETATION**

**Section 1.1.** Unless the context otherwise requires, the several terms defined in the Preamble to this Agreement shall have the respective meanings set forth therein and the following additional terms shall have the following meanings:

“Administrative Budget” means the amount allocated, from time to time, to the Implementing Entity by the CTF Trust Fund Committee (or in the case of the Country Programming Administrative Budget and the Special Administrative Budget where the expenditures for the special activities or initiatives are to be incurred by more than one MDB, by the MDB Committee based on the authority granted by the CTF Trust Fund Committee) as administrative budget to cover administrative and other costs incurred by the Implementing Entity in connection with activities in support of the CTF (other than the costs covered by Project Administration Fees or any fees received by the Implementing Entity from any Project Recipient), and may comprise: (i) Core Administrative Budget; (ii) Country Programming Administrative Budget; and (iii) Special Administrative Budget (each as the “Sub-category of the Administrative Budget”);

“Administrative Budget Fiscal Year” means July 1 through June 30 of each calendar year;

“Agreement Establishing the EBRD” means the Agreement Establishing the European Bank for Reconstruction and Development dated May 29, 1990;

“Authorized Officer” means a person who is authorized to sign in the name and on behalf of the Implementing Entity for the purposes of this Agreement;

“Business Day” means a day on which the headquarters of the World Bank and the Implementing Entity are open for regular business;

“Cancelled Funds” means any cancelled amount of the CTF funding from the CTF Projects, Project Administration Fees or Administrative Budget, which the Trustee has committed pursuant to Section 3.1 below;

“Cash Transfer Request for Administrative Budgets” means a request submitted by the Implementing Entity to the Trustee for the transfer of CTF Trust Fund funds to the EBRD CTF Sub-account for any Sub-category of the Administrative Budget, which shall be substantially in the form attached to this Agreement as Annex F;

“Cash Transfer Request for CTF Projects” means a request submitted by the Implementing Entity to the Trustee for the transfer of CTF Trust Fund funds to the EBRD CTF Sub-account for CTF Projects, which shall be substantially in the form attached to this Agreement as Annex C-1 or Annex C-2, as may be appropriate (in the case of CTF Non-guarantee Projects) or Annex D (in the case of CTF Guarantee Projects);

“Cash Transfer Request for Project Administration Fees” means a request submitted by the Implementing Entity to the Trustee for the transfer of CTF Trust Fund funds to the EBRD CTF Sub-account for Project Administration Fees, which shall be substantially in the form attached to this Agreement as Annex E;

“Core Administrative Budget” means the portion of the Administrative Budget allocated by the CTF Trust Fund Committee to the Implementing Entity during the Administrative Budget Fiscal Year (or such other period as may be approved by the CTF Trust Fund Committee) to cover the Implementing Entity’s administrative and other costs in connection with the performance of the administrative and other activities during such period in support of the CTF, other than the costs covered by the Country Programming Administrative Budget and the Special Administrative Budget;

“Country Programming Administrative Budget” means the portion of the Administrative Budget allocated out of the Country Programming Budget Pool by the MDB Committee to the Implementing Entity;

“Country Programming Budget Pool” means the amount allocated by the CTF Trust Fund Committee as a budget pool to be made available to cover the administrative and other costs incurred by the MDBs in connection with their support to country programming of CTF resources, including preparation and development of, and reporting concerning the Investment Plan, and from which pool the MDB Committee is authorized to make a further allocation to an individual MDB;

“CTF Guarantee Project” means any CTF Project in respect of which the CTF funding is committed in the form of a guarantee;

“CTF Loan” means a loan made available by the Implementing Entity, directly or indirectly, to a Project Recipient financed from the resources of the EBRD CTF Sub-account;

“CTF Non-guarantee Project” means any CTF Project, in respect of which the CTF funding is committed by the Implementing Entity in a form other than a guarantee, including for the avoidance of doubt, any CTF Loan;

“CTF Project” means that part of a project, program or activity which is to be financed with funds from the CTF Trust Fund as approved by the CTF Trust Fund Committee based upon the Proposal submitted by the Implementing Entity. For the avoidance of doubt, CTF Project also includes technical assistance activities, including those which are directly provided by the Implementing Entity and for which the Project Recipient does not receive funding from the Implementing Entity provided that the funding from the CTF Trust Fund for such technical assistance activities has been approved by the CTF Trust Fund Committee;

“CTF Trust Fund Committee” means the trust fund committee of the CTF established in accordance with the terms of the CTF Governance Framework Document;

“Dollars” or “US\$” means dollars in the currency of the United States of America;

“EBRD CTF Sub-account” means the sub-account of the EBRD CIF Special Fund into which all CTF Trust Fund funds shall be paid by the Trustee to EBRD;

“Financial Reporting Year” means January 1 through December 31 of each calendar year;

“Income” means any interest, fee, dividend or any other reflow of funds scheduled to be received by the Implementing Entity in respect of a CTF Project in excess of the principal amount of the CTF funding provided by the Implementing Entity (including default interest charged by the Implementing Entity, if any), which is due to be returned to the CTF Trust Fund under the terms of the CTF funding approved by the CTF Trust Fund Committee. For the avoidance of doubt, Income does not include any Principal Repayment, or any Investment Income;

“Investment Income” means the investment income earned, if any, on the CTF Trust Fund funds transferred to the EBRD CTF Sub-account pending their disbursement. For the avoidance of doubt, Investment Income does not include (i) any Income, including any interest or any other amount charged on CTF funding by the Implementing Entity to Project Recipients, or (ii) any income earned, if any, on the investment of CTF Trust Fund funds transferred as Project

Administration Fees, but includes any income earned, if any, on the investment of CTF Trust Fund funds transferred as Administrative Budget unless exclusion of such income is approved by the CTF Trust Fund Committee;

“Investment Plan” means any investment plan prepared by the recipient country, in cooperation with the MDBs, pursuant to paragraph 14 of the CTF Governance Framework Document, to be submitted to the CTF Trust Fund Committee for endorsement of further development of activities for CTF funding;

“Letter of Commitment” means a letter from the Trustee to the Implementing Entity confirming the commitment of CTF Trust Fund funds to the Implementing Entity, which shall be substantially in the form attached to this Agreement as Annex A and shall include in its annex the relevant decisions of the CTF Trust Fund Committee approving the allocations of CTF Trust Fund funds and the currency of such approved allocations for which the Letter of Commitment is issued;

“Letter of Commitment Cancellation” means a letter from the Trustee to the Implementing Entity confirming the cancellation of the commitment of CTF Trust Fund funds to the Implementing Entity, which shall be substantially in the form attached to this Agreement as Annex B;

“MDBs” means the Implementing Entity and certain other multilateral development banks named in the CTF Governance Framework Document;

“MDB Committee” means the MDB committee established to facilitate collaboration, coordination and information exchange among the MDBs, comprising of representatives of the MDBs, in accordance with the terms of the CTF Governance Framework Document;

“Principal Repayment” means any repayment of principal of any CTF Loan or any other financial product provided by the Implementing Entity in respect of a CTF Project with the CTF Trust Fund resources, which is due to be returned to the CTF Trust Fund under the terms of the pertinent CTF funding approved by the CTF Trust Fund Committee. For the avoidance of doubt, Principal Repayment does not include any Unused Funds;

“Project Administration Fee” means the amount allocated to the Implementing Entity in accordance with the policies and decisions approved by the CTF Trust Fund Committee, if applicable, as a fee to cover the Implementing Entity’s costs and expenses in respect of managing the project cycle of any specific CTF Project. For the avoidance of doubt, Project Administration Fee does not include any fee received or due to be received by the Implementing Entity from the Project Recipient, and is not provided to cover any cost which is covered by such fees received by the Implementing Entity from any Project Recipient;

“Project Recipient” means any entity, which receives, directly or indirectly, CTF funding from the Implementing Entity for any CTF Project under an agreement entered into with the Implementing Entity;

“Proposal” means any proposal submitted by, or on behalf of, the Implementing Entity to the CTF Trust Fund Committee seeking an allocation of resources from the CTF Trust Fund;

“Rules” means the Rules of the EBRD CIF Special Fund approved by the EBRD Board of Directors on October 21, 2009, as amended, attached hereto as Schedule 1, as may be further amended from time to time;

“Special Administrative Budget” means the portion of the Administrative Budget allocated to the Implementing Entity (where relevant, out of the Special Administrative Budget Pool) to cover the administrative and other costs incurred by the Implementing Entity in connection with the performance of any special activities or initiatives, which are in support of the CTF and approved by the CTF Trust Fund Committee to be funded by the CTF Trust Fund;

“Special Administrative Budget Pool” means the amount allocated by the CTF Trust Fund Committee as a budget pool to be made available to cover the administrative and other costs incurred in connection with the performance of any of the special activities or initiatives that are carried out by more than one MDB, where the allocation was made by the CTF Trust Fund Committee for the aggregate costs of all MDBs concerned for a further allocation by the MDB Committee to an individual MDB to carry out such activities or initiatives; and

“Unused Funds” means any undisbursed or unused funds from any CTF Project or Administrative Budget which: (a) the Trustee has committed pursuant to Section 3.1; and (b) are no longer due to be disbursed following completion of activities for which CTF funding was provided. For the avoidance of doubt, in the case of Core Administrative Budget, Unused Funds means any undisbursed or unused funds committed by the Trustee, which are no longer due to be disbursed for the activities carried out during the period for which the budget was provided.

**Section 1.2.** The CTF Governance Framework Document (as defined in the Preamble (b) of this Agreement) constitutes an integral part of this Agreement; provided that the Trustee shall not agree to any amendment to the terms of the CTF Governance Framework Document without the prior consent of the Implementing Entity (such consent not to be unreasonably withheld or delayed).

## **2. ADMINISTRATION OF THE EBRD CIF SPECIAL FUND BY THE IMPLEMENTING ENTITY**

**Section 2.1.** The Implementing Entity shall establish and maintain the EBRD CIF Special Fund, to receive in the EBRD CTF Sub-account CTF Trust Fund funds transferred to it by the Trustee and to be managed and administered in accordance with the terms of this Agreement. In administering the EBRD CIF Special Fund, the Implementing Entity shall maintain separate records and ledger accounts in respect of the CTF Trust Fund funds in the EBRD CTF Sub-account and disbursements made therefrom.

**Section 2.2** The Implementing Entity shall perform its functions as contemplated in this Agreement, and in the discharge of such functions, shall exercise the same degree of care as it exercises with respect to the administration and implementation of its own resources or any other Special Fund administered by the Implementing Entity. In administering the EBRD CIF Special Fund and performing its functions in accordance with the terms of this Agreement, the Implementing Entity shall not be liable for any loss, costs, damages or other liability that may result from any act or omission on the part of the Implementing Entity other than any such loss, costs, damages or other liability caused by its gross negligence or willful misconduct.

## **3. COMMITMENT OF FUNDS BY THE TRUSTEE**

**Section 3.1.** Unless otherwise agreed between the Trustee and the Implementing Entity, the following procedures shall apply to the commitment of CTF Trust Fund funds by the Trustee to the Implementing Entity.

(a) (i) Proposals for allocation of the CTF Trust Fund resources to the Implementing Entity for any CTF Project, Project Administration Fee or Administrative Budget or any amounts to be otherwise allocated to the Implementing Entity (except in the case referred to in (a) (ii) below) shall be submitted by the Implementing Entity to the CTF Trust Fund Committee pursuant to the terms of the CTF Governance Framework Document.

(ii) In case of the Country Programming Administrative Budget Pool, or the Special Administrative Budget Pool, the MDB Committee may, for the Implementing Entity and other MDBs concerned, submit to the CTF Trust Fund Committee for approval, a Proposal for the overall allocation of the CTF Trust Fund resources for the relevant Country Programming Administrative Budget Pool or Special Administrative Budget Pool.

(b) Upon approval of a Proposal by the CTF Trust Fund Committee and subject to the availability of resources in the CTF Trust Fund, the Trustee shall reserve the CTF Trust Fund funds in the amount approved by the CTF Trust Fund Committee (and allocated by the MDB Committee where relevant) to be made available for a commitment to the Implementing Entity by the Trustee pursuant to Sections 3.1(c) and (d) below. In case the Trustee has reserved funds under this Section for a CTF Project and/or Project Administration Fee and the Implementing Entity notifies the Trustee of the cancellation by the Implementing Entity of the CTF Project and/or Project Administration Fee in whole or in part prior to a commitment by the Trustee under Section 3.1(c) below, the Trustee shall release the amount of the CTF Trust Fund funds corresponding to such cancelled amount, which was previously reserved for such CTF Project and/or Project Administration Fee, so that the amount may be made available for allocation by the CTF Trust Fund Committee for other purposes.

(c) To the extent that the funds have been reserved under Section 3.1(b), the Trustee shall commit to the Implementing Entity the CTF Trust Fund funds as follows:

(i) For CTF Projects and Project Administration Fees, the Trustee shall, subject to the availability of resources in the CTF Trust Fund, commit CTF Trust Fund funds to the Implementing Entity in the amounts approved by the CTF Trust Fund Committee promptly following the notification of approval by the CTF Trust Fund Committee.

(ii) For the Core Administrative Budget and the Special Administrative Budget, the Trustee shall, subject to the availability of resources in the CTF Trust Fund, commit CTF Trust Fund funds to the Implementing Entity in the amount approved by the CTF Trust Fund Committee (and allocated by the MDB Committee, where relevant) promptly following the approval by the CTF Trust Fund Committee (and the allocation by the MDB Committee following the approval by the CTF Trust Fund Committee, where relevant).

(iii) For the Country Programming Administrative Budget, the Trustee shall, subject to the availability of resources in the CTF Trust Fund, commit CTF Trust Fund funds to the Implementing Entity in the amount allocated by the MDB Committee promptly following this allocation.

(d) Commitment of CTF Trust Fund funds from the Trustee to the Implementing Entity under paragraphs Section 3.1(c) shall be confirmed, on a monthly basis (or such other agreed period) by means of a Letter of Commitment.

(e) If there are any Cancelled Funds or Unused Funds, the corresponding amount of the CTF Trust Fund funds committed by the Trustee (whether held by the Trustee, the Implementing Entity or the Project Recipient) shall be cancelled so as to offset such Unused Funds or Cancelled Funds. Such cancellation shall be

made based on the information provided by the Implementing Entity to the Trustee under Section 11.2(d) below in respect of the Cancelled Funds, and under Section 11.2 (e) or (f) below in respect of the Unused Funds. Any cancellation of any Project Administration Fees, arising from the cancellation of the related CTF Project, shall be calculated in accordance with the relevant decisions of the CTF Trust Fund Committee.

(f) Cancellation of commitment of the CTF Trust Fund funds from the Trustee to the Implementing Entity under Section 3.1(e) shall be confirmed by means of a Letter of Commitment Cancellation.

(g) Notwithstanding the provision of Section 3.1(c)(i) above, the Letter of Commitment shall indicate the availability of funds for an up-front transfer of the CTF Trust Fund funds up to the full amount of the relevant CTF Non-guarantee Projects, if the conditions provided for in Section 4.1(c)(i)(2) below have been met.

#### **4. TRANSFER OF FUNDS BY THE TRUSTEE TO THE IMPLEMENTING ENTITY**

##### **Section 4.1. CTF Projects**

The following procedures shall apply to the transfer of CTF Trust Fund funds by the Trustee to the Implementing Entity for CTF Projects.

(a) The Implementing Entity may request the transfer of CTF Trust Fund funds for a CTF Project after (i) the funds have been committed by the Trustee for the CTF Project pursuant to Section 3.1 above, and (ii) the CTF Project has been approved by the Implementing Entity in accordance with its policies and procedures (if such approval is required under the Implementing Entity's policies and procedures). The request by the Implementing Entity for the transfer of CTF Trust Fund funds shall be submitted to the Trustee in accordance with Sections 4.1(b), (c) and (d) below.

(b) Upon meeting the two conditions provided for in Section 4.1(a) above, the Implementing Entity shall submit, by email, facsimile or as otherwise agreed with the Trustee, a Cash Transfer Request for CTF Projects to the Trustee.

(c) (i) In respect of CTF Non-guarantee Projects:

(1) The Implementing Entity may request a transfer of CTF Trust Fund funds, substantially in the form attached to this Agreement as Annex C-1, based on the projected cash requirements for the next six (6)-month period (or such other frequency as the Trustee and the Implementing Entity may agree), adjusted to reflect the net

cash position of the EBRD CTF Sub-account (as referred to in Section 4.1(d)(i)(B) below). The projected cash requirements shall be calculated by the Implementing Entity based on the disbursement needs of the relevant CTF Projects.

- (2) Notwithstanding the provisions of Section 4.1(c)(i)(1), if the relevant Proposal(s) explicitly requested an up-front transfer of up to the full amount of the relevant CTF Non-guarantee Projects, and authorization of the same was provided at the time of approval of the Proposal(s) by the CTF Trust Fund Committee, the Implementing Entity may request an up-front transfer of the CTF Trust Fund funds up to the full amount of the relevant CTF Non-guarantee Project, substantially in the form attached to this Agreement as Annex C-2; provided that the CTF Trust Fund funds were available for an unconditional commitment at the time of the CTF Trust Fund Committee approval of the Proposal(s), based on the confirmation of availability made by the Trustee prior to the submission of the relevant Proposal(s).
- (3) CTF Trust Fund funds requested to be transferred in accordance with Section 4.1(c)(i)(2) shall be excluded from the calculations performed by the Implementing Entity in accordance with Section 4.1(c)(i)(1) to reflect the net cash position of the EBRD CTF Sub-account.

(ii) In respect of any CTF Guarantee Project, the Implementing Entity may request a transfer of CTF Trust Fund funds, substantially in the form attached to this Agreement as Annex D, on a project-by-project basis and may request an up-front transfer of the CTF Trust Fund funds up to the full amount of the relevant CTF Guarantee Project.

(d) Each Cash Transfer Request for CTF Projects shall be signed by the Authorized Officer, and shall indicate:

- (i) for any request of funds for CTF Non-guarantee Projects;
  - (A) the projected cash requirements for CTF Non-guarantee Projects for the six (6)-month period (or such other frequency as the Trustee and the Implementing Entity may agree) following the date of the request;
  - (B) a statement of the net cash position (net cumulative CTF Trust Fund funds received from the Trustee for CTF Non-guarantee Projects less net cumulative disbursements by the Implementing Entity for CTF Non-guarantee Projects) as of the date of the request, subject to Section 4.1(c)(i)(3); and

- (C) the amount of funds requested to be transferred.
- (ii) for any request of funds for CTF Guarantee Projects;
  - (A) the name(s) of the CTF Guarantee Project(s) and the amount(s) of the CTF funding approved by the CTF Trust Fund Committee for the said project(s);
  - (B) the net cumulative CTF Trust Fund funds received from the Trustee for CTF Guarantee Projects as of the date of the request; and
  - (C) the amount of funds requested to be transferred.
- (iii) notwithstanding Section 4.1(d)(i) above, for any request of funds for the CTF Non-guarantee Project which has been approved by the CTF Trust Fund Committee for its up-front transfer of up to the entire amount of the CTF Non-guarantee Project as referred to in Section 4.1(c)(i)(2) above;
  - (A) the name(s) of the CTF Non-guarantee Project(s) and the amount(s) of the CTF funding approved by the CTF Trust Fund Committee for the said project(s);
  - (B) the net cumulative CTF Trust Fund funds received from the Trustee for CTF Non-guarantee Projects as of the date of the request; and
  - (C) the amount of funds requested to be transferred.
- (e) Upon receipt of a Cash Transfer Request for CTF Projects, the Trustee shall verify that:
  - (i) for any request of funds for CTF Non-guarantee Projects (except for CTF Non-guarantee Projects for which funds are requested to be transferred in accordance with Section 4.1(c)(i)(2) above), the amount requested by the Implementing Entity does not exceed the amount equal to (A) the net cumulative CTF Trust Fund funds committed by the Trustee and approved by the Implementing Entity for the CTF Non-guarantee Projects or as the case may be, CTF Guarantee Projects, less (B) the net cumulative CTF Trust Fund funds transferred by the Trustee to the Implementing Entity for the CTF Non-guarantee Projects or as the case may be, CTF Guarantee Projects; and
  - (ii) for any request of funds for CTF Guarantee Projects and for CTF Non-guarantee Projects for which funds are requested to be transferred in accordance with Sections 4.1(c)(i)(2) and 4.1(c)(ii) above, the amount requested

does not exceed the amount committed by the Trustee for that CTF Guarantee Project or, as the case may be, CTF Non-guarantee Project.

(f) (i) Upon the verification referred to in Section 4.1(e)(i) above and subject to the availability of resources in the CTF Trust Fund, the Trustee shall transfer to the EBRD CTF Sub-account the amount of funds requested for CTF Projects in each Cash Transfer Request for CTF Projects. Notwithstanding the foregoing, in the case of CTF Non-guarantee Project, except for CTF Non-guarantee Projects for which funds are requested to be transferred in accordance with Section 4.1(c)(i)(2) above, if the Trustee has reasonably determined that after transfer of requested funds from the CTF Trust Fund, there would be a balance in the EBRD CTF Sub-account that exceeds the projected cash requirement of the Implementing Entity for the next six (6) months, the Trustee may transfer such lesser amount as the Trustee deems appropriate to satisfy the disbursement needs of the Implementing Entity for the next six (6) months; provided, however, that such determination by the Trustee shall be made based on: (i) the relevant documents from the CTF Trust Fund Committee; (ii) the Trustee's review of the amount of CTF Trust Fund funds received by the Implementing Entity from the Trustee for CTF Non-guarantee Projects but undisbursed by the Implementing Entity to Project Recipients; (iii) the Trustee's review of Cancelled Funds or Unused Funds from CTF Non-guarantee Projects reported by the Implementing Entity under Sections 11.2 (d) and (e) below; and (iv) consultation with the Implementing Entity on the purposes for which any such undisbursed funds may be used.

(ii) Upon the verification referred to in Section 4.1(e)(ii) above, the Trustee shall transfer to the Implementing Entity the amount of funds requested for such CTF Projects in each Cash Transfer Request for CTF Projects.

(g) Any transfer of funds under Section 4.1(f) shall be made by the Trustee no later than ten (10) Business Days after the Trustee has confirmed the receipt of all information required from the Implementing Entity under Section 4.1.

#### **Section 4.2. Project Administration Fees**

The following procedures shall apply to the transfer of the CTF Trust Fund funds by the Trustee to the Implementing Entity for the Project Administration Fees.

(a) The Implementing Entity may request the transfer of CTF Trust Fund funds for any Project Administration Fee after the CTF Trust Fund funds have been committed by the Trustee for the Project Administration Fee pursuant to Section 3.1 above. The request by the Implementing Entity shall be submitted to the Trustee in accordance with Sections 4.2 (b) and (c) below.

(b) Every six (6) months (or at such other frequency as the Trustee and the Implementing Entity may agree) the Implementing Entity shall submit, by email, facsimile or as otherwise agreed with the Trustee, a Cash Transfer Request for Project Administration Fees to the Trustee.

(c) Each Cash Transfer Request for Project Administration Fees shall be signed by the Authorized Officer, and shall indicate the net cumulative CTF Trust Fund funds received from the Trustee for Project Administration Fees as of the date of the request and the amount of funds requested to be transferred; provided that the amount requested shall not exceed the amount equal to the net cumulative amount of the CTF Trust Fund funds committed by the Trustee for Project Administration Fees less the net cumulative amount of the CTF Trust Fund funds received for Project Administration Fees from the Trustee, both as of the date of the request.

(d) The Trustee shall verify that the amount of funds requested to be transferred does not exceed an amount equal to (i) the cumulative CTF Trust Fund funds committed by the Trustee for the Project Administration Fees, less (ii) the cumulative CTF Trust Fund funds transferred by the Trustee to the EBRD CTF Sub-account for the Project Administration Fees as of the date of the request. Upon such verification and subject to the availability of resources in the CTF Trust Fund, the Trustee shall transfer to the EBRD CTF Sub-account the amount of funds requested for the Project Administration Fees.

(e) Any transfer of funds under Section 4.2(d) shall be made by the Trustee no later than ten (10) Business Days after the Trustee has confirmed the receipt of all information required from the Implementing Entity under Section 4.2.

#### **Section 4.3. Administrative Budgets**

The following procedures shall apply to the transfer of the CTF Trust Fund funds by the Trustee to the Implementing Entity for funding its Administrative Budget.

(a) The Implementing Entity may request the transfer of CTF Trust Fund funds for any Sub-category of the Administrative Budget after the funds have been committed by the Trustee for the Sub-category pursuant to Section 3.1 above. The request by the Implementing Entity shall be submitted to the Trustee in accordance with Sections 4.3 (b) and (c) below.

(b) (i) For the Core Administrative Budget, once a year (or at such other time or frequency as the Trustee and the Implementing Entity may agree) after the commitment by the Trustee, the Implementing Entity may submit, by email, facsimile or as otherwise agreed with the Trustee, a Cash Transfer Request for Administrative Budgets to the Trustee.

(ii) For the Country Programming Administrative Budget and the Special Administrative Budget, every six (6) months (or at such other frequency as the Trustee and the Implementing Entity may agree) after the commitment by the Trustee, the Implementing Entity may submit, by email, facsimile or as otherwise agreed with the Trustee, a Cash Transfer Request for Administrative Budgets to the Trustee.

(c) Each Cash Transfer Request for Administrative Budgets shall be signed by the Authorized Officer, and shall indicate the net cumulative CTF Trust Fund funds received from the Trustee for the respective Sub-categories of the Administrative Budget as of the date of the request, and the amount of funds requested to be transferred; provided that the amount requested shall not exceed the amount equal to the net cumulative amount of the CTF Trust Fund funds committed by the Trustee for the respective Sub-categories of the Administrative Budget less the net cumulative amount of the CTF Trust Fund funds received for that Sub-category of the Administrative Budget from the Trustee, both as of the date of the request.

(d) Upon receipt of a Cash Transfer Request for Administrative Budgets, the Trustee shall verify that the amount requested by the Implementing Entity does not exceed an amount equal to (i) the net cumulative CTF Trust Fund funds committed by the Trustee for the respective Sub-categories of the Administrative Budget, less (ii) the net cumulative CTF Trust Fund funds transferred by the Trustee for the respective Sub-categories of the Administrative Budget. Upon such verification and the availability of resources in the CTF Trust Fund, the Trustee shall transfer to the EBRD CTF Sub-account the amount of funds requested for the respective Sub-categories of the Administrative Budget.

(e) Any transfer of funds under Section 4.3(d) shall be made by the Trustee no later than ten (10) Business Days after the Trustee has confirmed the receipt of all information required from the Implementing Entity under Section 4.3.

#### **Section 4.4. Transfer of Funds**

(a) Transfer of the CTF Trust Fund funds from the Trustee to the Implementing Entity shall be made to such account as the Implementing Entity has designated in the relevant transfer request in the same currency indicated in the Letter of Commitment. The Trustee shall notify the Implementing Entity of each such transfer.

(b) The Implementing Entity shall be entitled to withdraw and transfer to its own account funds from the EBRD CTF Sub-account in respect of its Administrative Budget and Project Administration Fees as such costs and expenses are incurred by the Implementing Entity.

## **5. USE OF FUNDS**

- Section 5.1.** The funds transferred to the Implementing Entity under Section 4 of this Agreement may be used only for the purpose for which they have been provided under the terms of the CTF Governance Framework Document, and applicable decisions of the CTF Trust Fund Committee, including relevant Proposals approved by the CTF Trust Fund Committee for individual allocations of CTF Trust Fund funds.
- Section 5.2.** The Implementing Entity shall be responsible for: (a) the use of funds transferred by the Trustee and activities carried out therewith in accordance with: (i) the Rules; (ii) its own policies, guidelines, and procedures (including in respect of procurement of goods and services and reporting arrangements); and (iii) the applicable decisions of the CTF Trust Fund Committee including the purpose for which the allocations of the funds have been approved by the CTF Trust Fund Committee based on the Proposal submitted by the Implementing Entity; and (b) reporting to the CTF Trust Fund Committee on its activities in accordance with the terms of the Rules, this Agreement and the CTF Governance Framework Document.
- Section 5.3.** Recognizing the obligations of Implementing Entity's member countries under various United Nations Security Council Resolutions to take measures to prevent financing of terrorists, the Implementing Entity shall use reasonable efforts, in accordance with the Implementing Entity's policies and procedures, to ensure that the funds provided to the Implementing Entity by the Trustee are used for their intended purposes and are not diverted to terrorists or their agents.
- Section 5.4.** Subject to the terms of this Agreement, the Implementing Entity shall be entitled to invest and reinvest all funds in the EBRD CTF Sub-account pending their disbursement in accordance with the Implementing Entity's policies and procedures concerning the investment of Special Funds resources. The Implementing Entity shall not be held liable for any losses, which may arise from such investment.
- Section 5.5.** The Implementing Entity shall have the right to convert all funds received by the EBRD CTF Sub-account into other currencies to facilitate the administration of the EBRD CTF Sub-account. In the event that the Implementing Entity has provided funding to Project Recipients in a currency other than the currency in which the commitment by the Trustee is made, unless otherwise agreed by the CTF Trust Fund Committee, any exchange risks arising as a result of such conversion of currencies shall be borne by the Implementing Entity.

- Section 5.6.** The Implementing Entity shall report on the receipt of Principal Repayments, receipt of Income, and Unused Funds and return any such funds received or held by it in accordance with Sections 6 and 7 below. The Trustee shall have no responsibility for collection of funds due to the Implementing Entity from the Project Recipient or such other entity under any CTF Project.
- Section 5.7.** If the Implementing Entity uses the CTF Trust Fund funds transferred to it under this Agreement to provide CTF Loans, the Implementing Entity shall, as a lender of record, administer CTF Loans in accordance with its policies and procedures. In the case of CTF Projects approved by the CTF Trust Fund Committee as loans to the public sector, the Implementing Entity shall follow the terms set out in Annex Q attached hereto. In the case of CTF Projects approved by the CTF Trust Fund Committee for the private sector, the Implementing Entity shall, except as otherwise agreed, follow the terms set out in the CTF financing terms for private sector projects agreed between the MDBs and the CTF Trust Fund Committee, which shall be attached as Annex R hereto. For the avoidance of doubt, upon allocation of resources by the contributors to the CTF Trust Fund pursuant to paragraphs 5 and 6 of Annex Q, the Trustee shall commit and transfer CTF Trust Fund funds to the Implementing Entity in accordance with the terms of this Agreement.
- Section 5.8.** In the event that the Trustee has notified the Implementing Entity of any non-compliance with the terms of this Agreement and the Implementing Entity fails to cure such non-compliance, within thirty (30) calendar days after the notification by the Trustee, the Trustee: (a) shall consult with the CTF Trust Fund Committee (or its designee); and (b) at the instruction of the CTF Trust Fund Committee (or its designee), may suspend any further commitment and/or cash transfer of CTF Trust Fund funds to the Implementing Entity until such time as the Implementing Entity has cured (or otherwise has taken necessary steps within its control to cure, in case action by any party other than the Implementing Entity is required) the non-compliance to the reasonable satisfaction of the Trustee in consultation with the CTF Trust Fund Committee (or its designee).

## **6. DISBURSEMENT OF FUNDS**

- Section 6.1.** Disbursement of funds from the EBRD CTF Sub-account to Project Recipients shall be made in accordance with the Implementing Entity's rules and policies and its applicable disbursement procedures.
- Section 6.2.** Cancelled Funds or Unused Funds shall be held by the Implementing Entity (following, if applicable, their return to the Implementing Entity by the Project Recipient or such other party) in the EBRD CTF Sub-account; provided, however, that (a) in the case of such Cancelled Funds or Unused Funds from CTF Non-guarantee Projects or Project Administration Fees for CTF Non-guarantee

Projects (except for those approved for the up-front transfer of the CTF Trust Fund funds under Section 4.1(c)(i)(2)), any such funds held by the Implementing Entity shall, be reflected in the net cash position referred to in Annex C-1 to this Agreement, so that the amount of such funds shall be taken into account in determining the amount of CTF Trust Fund funds transferred to the Implementing Entity; (b) in the case of Cancelled Funds in respect of CTF Guarantee Projects and from CTF Non-guarantee Projects which have been approved for the up-front transfer of the CTF Trust Fund funds under Section 4.1(c)(i)(2) or Project Administration Fees for CTF Guarantee Projects and for CTF Non-guarantee Projects which have been approved for the up-front transfer of the CTF Trust Fund funds under Section 4.1(c)(i)(2), the amount of any such funds shall be returned to the Trustee, except that the Trustee may choose to deduct such funds from the amount of the funds requested to be transferred to the Implementing Entity in the immediately following cash transfer request for the same category of funding referred to in Annexes D and E to this Agreement, respectively; (c) in the case of the Cancelled Funds or Unused Funds from Administrative Budgets (other than Core Administrative Budget), the amount of any such funds shall be returned to the Trustee, except that the Trustee may choose to deduct such funds from the amount of the funds requested to be transferred to the Implementing Entity in the immediately following cash transfer request for the same category of funding referred to in Annex F to this Agreement; and (d) in the case of the Unused Funds from the Core Administrative Budget, the Implementing Entity shall return the funds to the Trustee, to such account as the Trustee may designate, promptly after the end of the period for which the Core Administrative Budget was provided.

**Section 6.3.** The Implementing Entity shall maintain a record of any Cancelled Funds or Unused Funds and report to the Trustee pursuant to Section 11.2 (d) or (e) below. Any such Cancelled Funds or Unused Funds reported by the Implementing Entity shall be reflected in cancellation of commitments by the Trustee pursuant to Section 3.1(d).

**Section 6.4.** Notwithstanding Section 6.2(a) above, if so requested by the Trustee, the Implementing Entity shall return to the Trustee, to such account as the Trustee may designate, any Cancelled Funds or Unused Funds from any CTF Non-guarantee Projects or Project Administration Fees for CTF Non-guarantee Projects held by the Implementing Entity.

## **7. INCOME; PRINCIPAL REPAYMENT**

**Section 7.1.** If any CTF Trust Fund funds transferred to the Implementing Entity for CTF Projects are used to provide financing which generates any Income or Principal Repayment, the Implementing Entity shall receive such Income and Principal Repayment transferred by Project Recipients consistent with the applicable terms of financing in the relevant Proposal approved by the CTF Trust Fund Committee. Subject to Section 2.2 above, the Implementing Entity shall have no liability for

any non-payment of any Income or Principal Repayment in respect of a CTF Project. The risk of any non-payment by Project Recipients in respect of or arising under any agreements entered into between the Implementing Entity and Project Recipients in connection with CTF Trust Fund funds shall be borne by the CTF Trust Fund.

- Section 7.2.** The Implementing Entity shall credit and hold the Income and Principal Repayment received from Project Recipients in the EBRD CTF Sub-account (following their receipt by the Implementing Entity) until such Income and Principal Repayment are returned to the Trustee pursuant to Section 7.4 below.
- Section 7.3.** The Implementing Entity shall maintain a record of receipt of any Income and Principal Repayment referred to in Sections 7.1, 7.2 and 7.5, and report them to the Trustee pursuant to Section 11.2(c) below.
- Section 7.4.** One (1) month prior to the end of each quarter of the Financial Reporting Year, the Trustee shall send the Implementing Entity a notice listing the names of CTF Projects and the amounts of Income and Principal Repayment, which are due to be received by the Implementing Entity, based on the information provided by the Implementing Entity under Section 11.2(c) below in the previous quarter.
- Section 7.5.** Unless otherwise agreed with the Trustee, the Implementing Entity shall, within fifteen (15) calendar days after the end of each quarter of the Financial Reporting Year, return to the Trustee, to such account as the Trustee may designate, any Income and Principal Repayment received and held by the Implementing Entity in the EBRD CTF Sub-account during the said quarter.

## **8. INVESTMENT INCOME**

- Section 8.1.** Investment Income shall be held in the EBRD CTF Sub-account until the Trustee requests the Implementing Entity to return it to such account as the Trustee may designate; provided that the Trustee may only request the Implementing Entity to return any Investment Income after the Implementing Entity has provided to the Trustee the report referred to in Section 11.2(g) below and in any event no more frequently than once per year, unless otherwise agreed with the Trustee. The Implementing Entity shall maintain a record of any such Investment Income and report to the Trustee pursuant to Section 11.2(g) below. For the avoidance of doubt, any amount earned on the investment of CTF Trust Fund funds transferred to the Implementing Entity as Project Administration Fees may be retained by the Implementing Entity and is not required to be reported or returned to the Trustee. Any amount earned on the investment of CTF Trust Fund funds transferred to the Implementing Entity as Administrative Budget may be retained by the Implementing Entity and is not required to be reported or returned to the Trustee if so is approved by the CTF Trust Fund Committee.

## **9. OWNERSHIP OF EQUIPMENT, SUPPLIES AND OTHER PROPERTY**

**Section 9.1.** Ownership of equipment, supplies and other property financed with funds from the EBRD CIF Special Fund may vest in the Implementing Entity, the Project Recipient or such other entity as may be permitted to retain ownership under the policies and procedures of the Implementing Entity.

## **10. VERIFICATION**

**Section 10.1.** For the purposes of reserving, committing and transferring CTF Trust Fund funds under this Agreement, the Trustee shall rely upon the information provided in the decisions of the CTF Trust Fund Committee and shall use such information to verify the information provided by the Implementing Entity, as necessary.

## **11. RECORDS AND REPORTING**

**Section 11.1.** Unless the parties hereto agree otherwise, all financial accounts and reports related to the CTF Trust Fund funds shall be expressed in the respective currency in which the commitment was made by the Trustee, except that all financial statements referred to in Sections 11.2 (h) and (i) shall be expressed in Dollars.

**Section 11.2.** The Implementing Entity shall provide the following information to the Trustee, prepared in accordance with the Implementing Entity's accounting and reporting procedures and provided in a form and means agreed with the Trustee:

(a) within thirty (30) days after the end of each quarter of the Financial Reporting Year (or such other frequency agreed with the Trustee), the dates of approval and amounts approved by the Implementing Entity of CTF Projects, if applicable, for the period reported, broken down by each CTF Project, substantially in the form attached to this Agreement as Annex G;

(b) within thirty (30) days after the end of each quarter of each Financial Reporting Year (or such other frequency agreed with the Trustee) and substantially in the form attached to this Agreement as Annex H, the principal financing terms for CTF Projects (except for those financed through grants), which are approved by the Implementing Entity during the period reported, broken down by each CTF Project;

(c) within thirty (30) days after the end of each quarter of each Financial Reporting Year (or such other frequency agreed with the Trustee): (i) the dates and amounts of Income and Principal Repayment received by the Implementing Entity, if any; (ii) the due dates and amounts of Income and Principal Repayment

which are overdue to the Implementing Entity; and (iii) the amounts of Income and Principal Repayment returned to the Trustee, for the period reported, broken down by each CTF Project, substantially in the form attached to this Agreement as Annex I;

(d) within thirty (30) days after the end of each quarter of each Financial Reporting Year (or such other frequency agreed with the Trustee), the dates and amounts of the Cancelled Funds from CTF Projects and Project Administration Fees, for the period reported, broken down by each CTF Project, substantially in the form attached to this Agreement as Annex J;

(e) within thirty (30) days after the end of each quarter of each Financial Reporting Year (or such other frequency agreed with the Trustee), (i) the date on which all financial obligations owed by or to, as applicable, the Implementing Entity in connection with any CTF Project is financially closed; and (ii) the final amount disbursed and the amount of any Unused Funds from such project, for the period reported, broken down by each CTF Project, substantially in the form attached to this Agreement as Annex K;

(f) within thirty (30) days after the end of each Administrative Budget Fiscal Year (or such other frequency agreed with the Trustee), (i) the cumulative amount of funds received by the Implementing Entity for the Administrative Budget during the year reported; and (ii) the final amount disbursed or used and the amount of any Unused Funds from the Administrative Budget for the Administrative Budget Fiscal Year reported, broken down by each Sub-category of the Administrative Budget, substantially in the form attached to this Agreement as Annex L;

(g) within sixty (60) days after the end of each six (6)-month period of each Financial Reporting Year (or such other frequency agreed with the Trustee), statements of: (i) Investment Income earned on the CTF Trust Fund funds transferred to the EBRD CTF Sub-account for CTF Projects; (ii) Investment Income earned on the CTF Trust Fund funds transferred to the EBRD CTF Sub-account for Administrative Budget unless otherwise approved by the CTF Trust Fund Committee; and (iii) Investment Income returned to the Trustee, substantially in the form attached to this Agreement as Annex M;

(h) within six (6) months after the end of each Financial Reporting Year, an annual financial statement of the EBRD CTF Sub-account;

(i) within six (6) months after termination of this Agreement, a final financial statement for the EBRD CTF Sub-account;

(j) within thirty (30) days after the end of each Financial Reporting Year (or such other frequency agreed with the Trustee) and substantially in the form attached to this Agreement as Annex N, a report on the disbursement of CTF Projects; and

(k) such other reports related to the CTF Trust Fund funds transferred to the Implementing Entity, as may reasonably be requested by the Trustee from time to time.

For the purposes of the financial reports and statements required under Sections 11.2 (g), (h) and (i) above, Investment Income earned by the EBRD CTF Sub-account shall be reported as aggregate Investment Income and shall not be allocated between individual CTF activities.

**Section 11.3.** As soon as practicable after the end of each Financial Reporting Year, the Trustee shall furnish the Implementing Entity with an annual report for reconciliation between the Trustee and the Implementing Entity in respect of CTF Trust Fund funds allocated by the CTF Trust Fund Committee, or the MDB Committee as appropriate, to the Implementing Entity, substantially in the form attached to this Agreement as Annex O. The Implementing Entity shall confirm its agreement to the information contained in the report, no later than forty-five (45) calendar days after receipt by the Implementing Entity of the report, by signing, dating and returning to the Trustee a copy of the report. In the event that there is any discrepancy between the information provided by the Trustee in the report and the information used by the Implementing Entity, the Implementing Entity shall promptly inform the Trustee of such discrepancy and reconcile with the Trustee the information contained in the report.

**Section 11.4.** Unless otherwise agreed between the Trustee and the Implementing Entity, the Implementing Entity's external auditors shall audit the financial statements of the EBRD CTF Sub-account referred to in Sections 11.2 (h) and (i) above; provided that the costs of such audits shall be borne by the CTF Trust Fund. The Trustee acknowledges that the Implementing Entity is required to prepare financial statements for its Special Funds in Euro, and the costs of such audits shall be borne by the CTF Trust Fund.

**Section 11.5.** The Implementing Entity shall, from time to time, provide the Trustee with a list containing the names and signatures of the Implementing Entity's Authorized Officers, substantially in the form attached to this Agreement as Annex P.

## 12. NOTICES

**Section 12.1.** All communications concerning this Agreement shall be made to the relevant person at the address, facsimile number, telephone number or electronic mail address, from time to time designated by that party to the other for that purpose. The address, facsimile number, telephone number and electronic mail address so designated are set out below:

(a) For the Trustee:

Name: International Bank for Reconstruction and Development, as  
Trustee of the Trust Fund for the Clean Technology Fund  
Address: 1818 H. Street, N.W.  
Washington, D.C. 20433  
U.S.A.  
  
Attention: Ms. Susan Bender McAdams  
Director,  
Multilateral Trusteeship and Innovative Financing  
Department  
  
Telephone: (202) 458 0019  
Facsimile: (202) 614 0795  
Electronic mail: Smcadams@worldbank.org

(b) For the Implementing Entity:

Name: European Bank for Reconstruction and Development  
Address: One Exchange Square  
London EC2A 2JN  
United Kingdom  
  
Attention: Official Cofinancing Unit  
Richard Jones  
  
Telephone: (+44) 207 338 6909  
Facsimile: (+44) 207 338 6538  
Electronic mail: jonesr@ebrd.com

## 13. DISPUTE RESOLUTION

**Section 13.1.** The Implementing Entity and the Trustee shall, to the extent possible, strive to resolve promptly and amicably questions of interpretation and application of the terms and conditions and settle any disputes, controversy, or claim arising out of or relating to the terms and conditions of this Agreement.

**Section 13.2.** If any dispute, controversy, or claim arising out of or relating to the terms and conditions of this Agreement has not been settled by agreement of the Implementing Entity and the Trustee, the Trustee and the Implementing Entity shall consult with the CTF Trust Fund Committee (or its designee) (and, in case of a dispute, controversy or claim relating to any payment default by any Project Recipient of Income and Principal Payment, only those relevant contributors to the CTF Trust Fund, whose contributions are used to provide such funding to such Project Recipient) with a view to reconciling the difference.

## **14. AMENDMENT**

**Section 14.1.** This Agreement may be amended at any time by the written agreement of the Trustee and the Implementing Entity. Any amendment to the Rules shall be subject to the approval of the Implementing Entity's Board of Directors.

## **15. DISCLOSURE**

**Section 15.1.** The Trustee or the Implementing Entity may make this Agreement publicly available, pursuant to their applicable policies on disclosure of information. The Trustee may disclose any other information submitted to the Trustee by the Implementing Entity under this Agreement, only if the Implementing Entity has given its prior consent to such disclosure, which consent may only be withheld if the proposed disclosure is inconsistent with the Implementing Entity's policy on disclosure of information.

**Section 15.2.** The Trustee may provide to the CTF Trust Fund Committee and any contributors to the CTF Trust Fund any relevant information received under this Agreement; provided that the Trustee shall provide information relating to specific CTF private sector projects only with the prior approval of the Implementing Entity.

## **16. TERMINATION**

**Section 16.1.** Unless extended by mutual agreement, this Agreement will terminate on the date which is four (4) months after the last date on which any Principal Repayment or Income is scheduled to be received by the Implementing Entity, as notified by the Implementing Entity consistent with the applicable terms of the CTF Funding approved by the CTF Trust Fund Committee. This Agreement may be terminated before such date by either party hereto, and shall cease to be in force sixty (60) days after either party hereto gives to the other written notice of its desire to terminate the Agreement.

**Section 16.2.** Sections 5, 13 and 15 of this Agreement (except for Section 5.4) and the obligation of the Trustee to transfer amounts committed by the Trustee for a CTF Project prior to termination, shall survive termination of this Agreement until all outstanding commitments, obligations and liabilities incurred by or to the Implementing Entity under CTF financing for the CTF Projects, or activities for which any Administrative Budget is provided, have been satisfied. In particular, notwithstanding the termination of this Agreement, the Implementing Entity shall continue to receive and hold in the EBRD CTF Sub-account any Income, Principal Repayment, Cancelled Funds, Unused Funds, Investment Income and any other amounts received or due to be received by the Implementing Entity until all outstanding commitments, obligations and liabilities incurred by or owed to the Implementing Entity under CTF financing for the CTF Projects, or activities for which any Administrative Budget is provided, have been satisfied. At the request of the Trustee, the Implementing Entity shall provide any information on such amounts received and held by it, and return to the Trustee any portion of the amount received by the Implementing Entity according to the terms of this Agreement and Investment Income earned thereon (other than the amount earned on Project Administration Fees or Administrative Budget, if applicable, described in Section 8.1), if any, which are remaining after the relevant commitments, obligations and liabilities have been satisfied.

## **17. ENTIRE AGREEMENT**

**Section 17.1.** This Agreement constitute the entire agreement and understanding of the parties hereto with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.

**Section 17.2.** This Agreement shall be effective as of the date aforementioned on the first page of this Agreement.

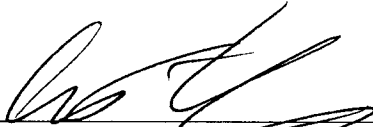
**Section 17.3.** Nothing in this Agreement shall operate as or be construed to constitute a waiver, renunciation or any other modification of any privilege, exemption or immunity accorded to either of the Implementing Entity or the Trustee pursuant to its respective constituent document, international convention or any applicable law.

## **18. EXECUTION IN COUNTERPARTS**

**Section 18.1.** This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the undersigned, being duly authorized thereto, have signed this Agreement with effect from the date aforementioned on the first page of this Agreement

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT, AS TRUSTEE OF THE  
TRUST FUND FOR CLEAN TECHNOLOGY FUND



\_\_\_\_\_  
Name: Axel van Trotsenburg

Title: Vice President, Concessional Finance and Global Partnerships

EUROPEAN BANK FOR  
RECONSTRUCTION AND DEVELOPMENT



\_\_\_\_\_  
Name: Richard Jones

Title: Director, Official Cofinancing Unit

**Schedule 1**

**RULES OF THE EBRD CIF SPECIAL FUND**

**EUROPEAN BANK  
FOR RECONSTRUCTION AND DEVELOPMENT**

Dated: 21 October 2009, as amended on 29 March 2010

TABLE OF CONTENTS

<b>ARTICLE I - THE FUND .....</b>	<b>- 29 -</b>
<b>ARTICLE II - RESOURCES OF THE FUND .....</b>	<b>- 29 -</b>
Section 2.01 Types of Resources .....	- 29 -
Section 2.02 Contributions .....	- 30 -
Section 2.03 Payment of Contributions .....	- 30 -
Section 2.04 Increases in Contributions .....	- 30 -
<b>ARTICLE III - USE OF THE RESOURCES OF THE FUND .....</b>	<b>- 30 -</b>
Section 3.01 Use of the Resources of the Fund .....	- 30 -
Section 3.02 Policy and Procedures .....	- 31 -
Section 3.03 Financing Principles .....	- 31 -
Section 3.04 Procurement Rules .....	- 31 -
<b>ARTICLE IV - ADMINISTRATION OF RESOURCES OF THE FUND .....</b>	<b>- 31 -</b>
Section 4.01 Principles .....	- 31 -
Section 4.02 Separation of Resources .....	- 32 -
Section 4.03 Investment .....	- 32 -
Section 4.04 Administrative and other Expenses .....	- 32 -
Section 4.05 Allocation of Net Income and repayment of principal amounts .....	- 32 -
Section 4.06 Valuation of Currencies .....	- 32 -
Section 4.07 Accounts and Audit .....	- 32 -
Section 4.08 Information and Reports .....	- 33 -
<b>ARTICLE V – TERMINATION .....</b>	<b>- 33 -</b>
Section 5.01 Termination .....	- 33 -
Section 5.02 Disposal of Resources on Termination .....	- 33 -
Section 5.03 Liquidation of Sub-Accounts .....	- 34 -
<b>ARTICLE VI - AMENDMENTS AND DISPUTE RESOLUTION .....</b>	<b>- 34 -</b>
Section 6.01 Amendments .....	- 34 -
Section 6.02 Dispute Resolution .....	- 34 -

**WHEREAS:**

- (a) The European Bank for Reconstruction and Development (the “Bank”) is empowered by Article 18 of the Agreement Establishing the Bank to establish and administer Special Funds and to carry out special operations financed from such Special Funds;
- (b) On 30 May 2008 the International Bank for Reconstruction and Development (IDRB)/International Development Association (the “World Bank”), the African Development Bank, the Asian Development Bank, the Inter-American Development Bank, the International Finance Corporation and the Bank (collectively, the “MDBs”), developed and developing countries and other developing partners reached an agreement on the design and establishment of the Climate Investment Funds (“CIF”) comprising (i) the Clean Technology Fund (“CTF”) to provide scaled up financing that shall contribute to the demonstration, deployment and transfer of low carbon technologies with significant potential for long-term greenhouse gas emissions savings; and (ii) the Strategic Climate Fund (“SCF”) to support financing for scaled-up, transformational action in support of adaptation and mitigation measures to specific climate change challenges. On 1 July 2008, the Executive Directors of the World Bank approved the establishment of the CIF, including the CTF and the SCF and the appointment of the International Bank for Reconstruction and Development as trustee for each of the CTF Trust Fund (the “CTF Trustee”) and the SCF Trust Fund (the “SCF Trustee”);
- (c) On 18 November 2008 the Trust Fund Committee of the CTF (the “CTF Trust Fund Committee”) approved the Governance Framework for the CTF (the “CTF Governance Framework”) and the Trust Fund Committee of the SCF (the “SCF Trust Fund Committee”) approved the Governance Framework for the SCF (the “SCF Governance Framework”);
- (d) The Bank has agreed to establish and administer a Special Fund in connection with the CIF (the “EBRD CIF Special Fund”, hereinafter referred to as the “Fund”) comprised of at least two sub-accounts. One sub-account will be established and administered in connection with projects to be financed with CTF funds (a “CTF Project”) and the other will be established and administered in connection with projects to be financed with SCF funds (an “SCF Project”);
- (e) Contributions to the Fund shall be made pursuant to and in accordance with the terms and conditions of a financial procedures agreement to be entered into between the Bank and the CTF Trustee, as may be amended from time to time, in respect of the CTF Account (the “CTF Financial Procedures Agreement”) and the SCF Trustee, in respect of the SCF Account (the “SCF Financial Procedures Agreement”, individually a “Financial Procedures Agreement”); and
- (h) The Board of Directors has adopted on 21 October 2009, as amended on 29 March 2010, the following rules for the establishment and operation of the Fund (the “Rules”).

## **ARTICLE I - THE FUND**

### **Section 1.01 Establishment of the Fund**

- (a) The EBRD CIF Special Fund (the "Fund") is hereby established as a Special Fund of the Bank in accordance with Article 18 of the Agreement Establishing the Bank as of the date on which these Rules are first approved by the Board of Directors of the Bank.
- (b) The Fund consists of, at least, two sub-accounts:
  - (i) the CTF sub-account is established to receive contributions of CTF Trust Fund funds in respect of, and make resources available to support, projects and activities approved by the CTF Trust Fund Committee based on a proposal submitted by the Bank and to receive and hold any investment income and reflows paid in respect of such CTF Projects (the "CTF Account"); and
  - (ii) the SCF sub-account is established to receive contributions of SCF Trust Fund funds in respect of, and make resources available to support, projects and activities approved by the SCF Trust Fund Committee based on a proposal submitted by the Bank and to receive and hold any investment income and reflows paid in respect of such SCF Projects (the "SCF Account"),

each a Sub-Account of the Fund.

### **Section 1.02 Application of Rules and Regulations**

The Fund and the resources thereof shall be governed by, and such resources shall be received, administered, used and disposed of in accordance with, the Rules, as may be amended from time to time pursuant to Section 6.01.

### **Section 1.03 Administration of the Fund**

- (a) Subject to the express provisions of the Rules, and except as may be otherwise agreed in writing between the Bank and the relevant Trustee, the respective functions of the Board of Directors, the President, the Vice-Presidents, the officers and the staff members of the Bank in carrying out the responsibilities and exercising the powers of the Bank with respect to the Fund, and the procedures to be followed in the exercise of such functions, shall be the same as those which apply in similar circumstances to the ordinary operations of the Bank.
- (b) The President may adopt such guidelines and operating procedures for the Bank, not inconsistent with the Rules, as shall be considered necessary or appropriate for the efficient administration of the Fund.

## **ARTICLE II - RESOURCES OF THE FUND**

### **Section 2.01 Types of Resources**

The resources of the Fund shall consist of:

- (a) amounts accepted by the Bank for inclusion in the Fund as provided in Section 2.02 herein;
- (b) income derived from investment of the resources of the Fund in accordance with Sections 4.03 herein; and

- (c) amounts paid, repaid or recovered in respect of investments of the resources of the Fund in accordance with Sections 3.01 herein.

The Fund may have different Sub-Accounts, in addition to the CTF Account and the SCF Account, as may be determined by the Bank from time to time. The resources of a Sub-Account shall not be commingled with the resources of other Sub-Accounts of the Fund.

#### **Section 2.02 Contributions**

- (a) The CTF Trustee or the SCF Trustee shall, pursuant to the relevant Financial Procedures Agreement, enter into a letter of commitment with the Bank which shall specify, among other things, the amount of its contribution to a CTF or SCF Project, the Sub-Account(s) to which the contribution shall be allocated, the purposes for which such contribution shall be used, the manner in which payment thereof shall be made to the Bank, and such other matters as may be permitted by the Rules and the relevant Financial Procedures Agreement, substantially in the form attached to the Financial Procedures Agreement (a "Letter of Commitment").
- (b) By signing a Letter of Commitment, the CTF Trustee or SCF Trustee, as the case may be, shall be deemed to accept the application of the Rules, as may be amended from time to time pursuant to Section 6.01, to the resources contributed to Fund from the CIF under such Letter of Commitment.

#### **Section 2.03 Payment of Contributions**

Each contribution to the Fund shall be paid in the currency provided for in the Letter of Commitment and shall be made available to the Bank in cash. Contributions will be paid in accordance with the term of the relevant Financial Procedures Agreement and Letter of Commitment.

#### **Section 2.04 Increases or Decreases in Contributions**

The CTF Trustee or the SCF Trustee may propose an increase in the amount of a contribution set forth in a Letter of Commitment by either amending the relevant Letter of Commitment or by entering into another Letter of Commitment. The provisions of these Rules relating to contributions shall apply equally to increased amounts so contributed. The CTF Trustee or the SCF Trustee may propose a decrease in the amount of a contribution set forth in a Letter of Commitment by a letter of commitment cancellation, as defined in, and in accordance with the provisions of, the relevant Financial Procedures Agreement.

### **ARTICLE III - USE OF THE RESOURCES OF THE FUND**

#### **Section 3.01 Use of the Resources of the Fund**

Subject to the terms of each Letter of Commitment, the resources of the Fund may be used for one or more of the following purposes:

- (a) to finance the following types of technical assistance:
  - (1) project preparation in anticipation of a proposed CTF, SCF or Bank lending, guarantee or investment operation;
  - (2) project implementation in support of a CTF or SCF lending, guarantee or investment operation, to be rendered after the investment documentation has been signed by the Bank; and

- (3) other types of technical assistance unrelated to any lending, guarantee or investment operation, in support of activities that foster demonstration, deployment and transfer of low carbon technologies with significant potential for long-term greenhouse gas emissions savings and promote adaptation measures to specific climate change challenges and such other activities permitted by the CTF Governance Framework or the SCF Governance Framework.
- (b) to finance incentive payments in support of any CTF, SCF or Bank lending, guarantee or investment operation;
- (c) to finance investment grants, whether non-repayable, repayable upon a contingency or repayable in part or in full, for goods or works contracts, provided that such grants are extended in anticipation or support of a CTF, SCF or Bank lending, guarantee or investment operation;
- (d) to finance lending, guarantee or investment operations, whether or not in association with a related lending, guarantee or investment operation funded from the Bank's ordinary capital resources;
- (e) such other activities as the Bank and the CTF Trustee or SCF Trustee may otherwise agree; and
- (f) as may be agreed in a Financial Procedures Agreement, for the administrative expenses referred to in Section 4.04.

### **Section 3.02 Policy and Procedures**

In using the resources of the Fund, the Bank shall apply the same internal policies and procedures as are applied when administering technical assistance or other grants or making a loan or providing a guarantee or other credit support, from its ordinary capital resources. The Bank will exercise the same amount of care and diligence as for its own ordinary capital resources.

### **Section 3.03 Financing Principles**

The Bank shall follow commercial practices and procedures appropriate for participating borrowers or investee companies or entities in all operations financed with the resources of the Fund. In particular, in providing or guaranteeing financing, the Bank shall pay due regard to the prospect that the borrower and its guarantor, if any, or the investee will be in a position to meet their obligations under the investment agreement.

### **Section 3.04 Procurement Rules**

The Bank's Procurement Policies and Rules shall apply to all projects and activities having regard to the procurement of all goods, works and services undertaken with the resources of the Fund.

## **ARTICLE IV - ADMINISTRATION OF RESOURCES OF THE FUND**

### **Section 4.01 Principles**

The establishment, administration and use of the resources of the Fund shall be the responsibility of the Bank.

#### **Section 4.02 Separation of Resources**

- (a) The resources of the Fund shall at all times and in all respects be held, used, committed, invested or otherwise disposed of entirely separate from the ordinary capital resources of the Bank, any other Special Funds resources of the Bank and any co-operation funds administered by the Bank.
- (b) Under no circumstances shall the ordinary capital resources of the Bank be charged with, or used to discharge, losses or liabilities arising out of the operations or other activities for which resources of the Fund were originally used or committed.

#### **Section 4.03 Investment**

The Bank may invest any resources of the Fund which are not immediately required for use under Article III in accordance with the Bank's usual treasury management practices applicable to Special Funds resources; such practice may include placing money in an interest bearing account without any active management by the Bank.

#### **Section 4.04 Administrative and other Expenses**

- (a) The Bank shall recover the costs and expenses of administering and managing the EBRD CIF Special Fund in accordance with the terms of the relevant Financial Procedures Agreement. Such costs and expenses shall either be paid directly to the Bank for its own account or shall be paid into the Fund, which the Bank shall then be entitled to withdraw from the Fund without further notice to the relevant Trustee, in accordance with the terms of the relevant Financial Procedures Agreement and Letter of Commitment.
- (b) The Fund shall bear its proportionate share of expenses appertaining directly to operations financed from the resources of the Fund, including without limitation a pro rata share of any costs and expenses incurred in respect of the preservation, protection or recovery of investments made with the resources of the Fund.

#### **Section 4.05 Allocation of Net Income and repayment of principal amounts**

- (a) Net income accruing on the resources of the Fund shall be retained in the Fund in accordance with the relevant Letter of Commitment and Financial Procedures Agreement. Net income shall be determined and retained per Sub-Account and in accordance with the allocation and reflow procedures described in the relevant Financial Procedures Agreement and Letter of Commitment.
- (b) Repayment of amounts contributed to the Fund to be made available for investment operations (i.e., loan, equity or guarantee operations) shall be repaid to the CTF Trustee or the SCF Trustee, as the case may be, in accordance with the terms of the relevant Financial Procedures Agreement and Letter of Commitment.

#### **Section 4.06 Valuation of Currencies**

Whenever it shall be necessary to determine the value of any currency in terms of another currency or of the unit of account of the Bank, the valuation shall be reasonably made by the Bank, applying as far as practicable the principles applicable to valuation of currencies forming part of the ordinary capital resources of the Bank.

#### **Section 4.07 Accounts and Audit**

- (a) The Bank shall maintain accounts of the Fund in accordance with generally accepted accounting principles and the Bank's accounting policies, and shall prepare and submit to the Board of Directors financial statements of the Fund on an annual basis. The accounts of the Fund shall be prepared and presented in euro.

- (b) The accounts of the Fund shall be subject to the same audit requirements by internal and external auditors of the Bank as are applied to the accounts of the Bank's ordinary capital resources.
- (c) The Board of Directors shall submit to the Board of Governors, for approval at each Annual Meeting of the Bank, the audited financial statements of the Bank, which shall include a summary statement of the Fund for the previous financial year.

#### **Section 4.08 Information and Reports**

- (a) The Bank shall report on the Fund in its Annual Report.
- (b) The Bank shall provide the CTF Trustee and SCF Trustee with reports and other information in accordance with the terms of the relevant Financial Procedures Agreement on the current status and anticipated use of the resources of the Fund and implementation of the CTF Projects and SCF Projects.

### **ARTICLE V – TERMINATION**

#### **Section 5.01 Termination**

- (a) The Board of Directors may, after consultation between the Bank and the CTF Trustee and SCF Trustee, decide to terminate the Fund.
- (b) The Fund shall terminate automatically upon termination by the Bank of its operations pursuant to Article 41 of the Agreement Establishing the Bank.
- (c) The Fund shall terminate automatically upon the termination of the CIF.

#### **Section 5.02 Disposal of Resources on Termination**

Upon termination of the Fund the following provisions shall apply with respect to the resources of the Fund:

- (a) The Bank shall forthwith cease all activities relating to such resources, except those incidental to the orderly realisation, conservation and preservation of such resources and the settlement of the direct or contingent obligations to which they may be subject.
- (b) Subject to subsection (c) below, the Bank shall distribute to the CTF Trustee or SCF Trustee, as the case may be, funds available and as yet not committed at the time of termination in accordance with the relevant Financial Procedures Agreement. Any proceeds from investments still held in the Fund at the time of termination shall be distributed to the CTF Trustee or SCF Trustee, as the case may be, when such proceeds are received, in accordance with the terms of the relevant investment agreement.
- (c) No distribution shall be made until all liabilities to creditors (including liabilities to the Bank in respect of any administrative expenses) shall have been discharged or provided for. Any distribution to the CTF Trustee or SCF Trustee, as the case may be, shall be subject to prior settlement of all outstanding claims by the Bank against the CTF Trustee or SCF Trustee, as the case may be, in respect of its contribution. Amounts which are not disputed shall be distributed to the CTF Trustee or SCF Trustee, as the case may be, pending final distribution.

- (d) Until final distribution of the assets of the Fund, all rights and obligations of the Bank and of the CTF Trustee or SCF Trustee, as the case may be, under the relevant Financial Procedures Agreement and Letter of Commitment shall continue unimpaired.

#### **Section 5.03 Liquidation of Sub-Accounts**

A Sub-Account may be liquidated without terminating the Fund, in particular, if the relevant Financial Procedures Agreement is terminated.

### **ARTICLE VI - AMENDMENTS AND DISPUTE RESOLUTION**

#### **Section 6.01 Amendments**

The Rules are and shall remain consistent with the provisions of the Agreement Establishing the Bank. The Rules may be amended, after consultation between the Bank and the CTF Trustee and/or SCF Trustee, as the case may be, upon approval of the Board of Directors, provided that such amendments shall be consistent with the provisions of the Financial Procedures Agreements and all Letters of Commitment entered into prior to such amendment.

#### **Section 6.02 Dispute Resolution**

If a disagreement should arise between the Bank and the CTF Trustee or SCF Trustee, as the case may be, concerning any matter arising out of or in connection with the relevant Financial Procedures Agreement or a Letter of Commitment and such dispute cannot be settled by consultation between the Bank and the CTF Trustee or SCF Trustee, as the case may be, such disagreement shall be referred to the relevant CIF Trust Fund Committee with a view to reconciling the difference, in accordance with the relevant Financial Procedures Agreement.

**Annex A**

*Letter of Commitment*

[date]

[MDB Full Name]

[MDB Address]

THE TRUST FUND FOR CLEAN TECHNOLOGY FUND

Commitment of Funds to the [MDB Full Name]

Dear Sir or Madam:

Reference is made to the Financial Procedures Agreement dated [ ], 2010, between the International Bank for Reconstruction and Development, as Trustee of the Trust Fund for the Clean Technology Fund (the “CTF Trust Fund”) (the “Trustee”) and the [MDB Full Name] (“[MDB Name]”) (the “Agreement”).

In accordance with Section 3 of the Agreement, the Trustee hereby commits the sum of US\$ [ amount ] to [MDB Name], such amount reflecting the amounts approved by the CTF Trust Fund Committee, during [period] for the Implementing Entity activities to be carried out in connection with the [CTF Projects], [Project Administration Fees], [Administrative Budget] [select as applicable] listed in Annex attached hereto; provided, however, that pursuant to Sections 3.1(e) and (f) of the Agreement, the amount of the commitment hereunder may be subject to adjustment, in accordance with terms of the Agreement, to reflect any subsequent decrease of CTF funding allocated for any CTF Project or Project Administration Fee for which the commitment was made by the Trustee.

Funds will be transferred by the Trustee to the Implementing Entity to the EBRD CTF Sub-account, [account details], in accordance with the procedures set out in Section 4 of the Agreement.

International Bank for Reconstruction and Development, as  
Trustee of the Trust Fund for the Clean Technology Fund

---

Name:

Title:

Attachments

**Annex B**

*Letter of Commitment Cancellation*

[date]

[MDB Full Name]  
[MDB Address]

THE TRUST FUND FOR THE CLEAN TECHNOLOGY FUND  
Cancellation of Commitment of Funds to  
[MDB Full Name]

Dear Sir or Madam:

Reference is made to the Financial Procedures Agreement dated [ ], 2010, between the International Bank for Reconstruction and Development, as Trustee of the Trust Fund for the Clean Technology Fund (the “Trustee”) and the [MDB Full Name] (“[MDB Name]”) (the “Agreement”).

In accordance with Sections 3.1(e) and (f) of the Agreement, the Trustee hereby notifies you that the commitment made by the Trustee in the sum of US\$[ amount ] for the [CTF Projects, Project Administration Fees *[select as applicable]*] listed in Annex attached hereto is cancelled pursuant to said sections.

International Bank for Reconstruction and Development, as  
Trustee of the Trust Fund for the Clean Technology Fund

---

Name:  
Title:

Attachment

**Annex C-1**

**CLEAN TECHNOLOGY FUND**

[MDB Name] Ref. No. \_\_\_\_\_

Cash Transfer Request Number \_\_\_\_\_

[MDB name]

**Cash Transfer Request for CTF Non-Guarantee Projects a/**

As of [date] \_\_\_\_\_

(in [US dollars])

Net Cumulative Cash received from the Trustee in the [MDB Name]/CTF Fund <i>b</i>	Net Cumulative Disbursements from the [MDB Name]/CTF Fund <i>c</i>	Net Cash Position	Projected Cash Requirements for Next [6] Months	Projected Net Cash Position	Amount of Cash Transfer Request
(1)	(2)	(3) = (1) - (2)	(4)	(5) = (3) - (4)	(6)
0.00	0.00	0.00	0.00	0.00	0.00

*a: This request includes cash transfers for CTF Non-Guarantee Projects, including project preparation activities, but excludes cash transfers for Guarantees, MDB and Administrative Budget*

*b: This column represents the cumulative amount transferred to the [MDB] less return of funds to the Trustee since the inception of the [MDB] CTF Fund.*

*c: This column represents the cumulative amount disbursed from the [MDB] CTF Fund less subsequent return of funds by project recipients to the [MDB] since the inception of the [MDB] CTF fund.*

**Bank Account Details**

Bank account name:

Bank account number:

Bank name:

Bank address:

Bank SWIFT code:

Bank code:

Routing instructions:

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**Annex C-2**

**CLEAN TECHNOLOGY FUND**

[MDB Name] Ref. No. \_\_\_\_\_  
Cash Transfer Request Number \_\_\_\_\_

[MDB name]

**Cash Transfer Request for CTF Non-Guarantee Projects a/**

As of [date] \_\_\_\_\_  
(in [US dollars])

Trustee ID	[MDB] ID	Project Title	Project Approval Date by [MDB]	Anticipated Closing (Signing) Date	Net Committed Amount b/	Amount Transferred to date c/	Amount of Cash Transfer Request
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**Total Cash Transfer Amount** \_\_\_\_\_

*a This request is for an up-front transfer of CTF Non-Guarantee Projects in accordance with Section 4.1.(c)(1)(2).*

*b' This column represents the committed amount less cancelled amount.*

*c' This column represents the cumulative amount transferred to the [MDB Name] less return of funds to the Trustee since the inception of the [MDB Name] CTF Fund.*

**Bank Account Details**

Bank account name:

Bank account number:

Bank name:

Bank address:

Bank SWIFT code:

Bank code:

Routing instructions:

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**Annex D**

**CLEAN TECHNOLOGY FUND**

[MDB Name] Ref. No. \_\_\_\_\_  
Cash Transfer Request Number \_\_\_\_\_

[MDB name]

**Cash Transfer Request for CTF Guarantee Projects a/**

As of [date] \_\_\_\_\_  
(in [US dollars])

Trustee ID	[MDB] ID	Project Title	Net Committed Amount b/	Amount Transferred to date c/	Amount of Cash Transfer Request
(1)	(2)	(3)	(4)	(5)	(6)

**Total Cash Transfer Amount** \_\_\_\_\_

*a/ This request includes cash transfers for CTF Guarantees, including loan guarantees and contingent finance*

*b/ This column represents the committed amount less cancelled amount.*

*c/ This column represents the cumulative amount transferred to the [MDB Name] less return of funds to the Trustee since the inception of the [MDB Name] CTF Fund.*

**Bank Account Details**

Bank account name:

Bank account number:

Bank name:

Bank address:

Bank SWIFT code:

Bank code:

Routing instructions:

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex E**

**CLEAN TECHNOLOGY FUND**

**[MDB Name] Ref. No. \_\_\_\_\_**  
**Cash Transfer Request Number \_\_\_\_\_**

**[MDB Name]**

**Cash Transfer Request for Project Administration Fees a/**

**As of [date] \_\_\_\_\_**  
**(in [US dollars])**

Net Cumulative Cash received from the Trustee in the [MDB Name]/CTF Fund b/	Amount of Cash Transfer Request for Fees
(1)	(2)
0.00	0.00

*a/ The Implementing Entity may request up to the amount equal to the net cumulative amount of the CTF Trust Fund funds committed by the Trustee for Project Administration Fees less the net cumulative amount of the CTF Trust Fund funds received for Project Administration Fees from the Trustee, both as of the date of the request.*

*b/ This column represents the cumulative amount transferred to the [MDB Name] less return of funds to the Trustee since the inception of the [MDB Name]/CTF Fund.*

**Bank Account Details**

Bank account name:

Bank account number:

Bank name:

Bank address:

Bank SWIFT code:

Bank code:

Routing instructions:

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**Annex F**

**CLEAN TECHNOLOGY FUND**

[MDB Name] Ref. No. \_\_\_\_\_  
Cash Transfer Request Number \_\_\_\_\_

[MDB Name]

**Cash Transfer Request for Administrative Budget**

As of [date] \_\_\_\_\_  
(in [US dollars])

	Net Cumulative Cash received from the Trustee in the [MDB Name]/CTF Fund a		Amount of Cash Transfer Request b/
	(1)		(2)
Core			
	Country name		
Country Programming			
	Initiative name		
Special			

*a This column represents the cumulative amount transferred to the [MDB Name] less return of funds to the Trustee since the inception of the [MDB Name] CTF Fund.*

*b The Implementing Entity may request up to the amount equal to the net cumulative amount of the CTF funds committed by the Trustee less the net cumulative amount of the CTF funds transferred from the Trustee for that Sub-Category of the Administrative Budget, both as of the date of the request.*

**Bank Account Details**

Bank account name:  
Bank account number:  
Bank name:  
Bank address:  
Bank SWIFT code:  
Bank code:  
Routing instructions:

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex G**

**CLEAN TECHNOLOGY FUND**

**[MDB Name]**

**Quarterly Report on [MDB] Approvals of CTF Projects  
For the Quarter Ended \_\_\_\_\_, \_\_\_\_\_  
(in [US dollars])**

**Part I: Summary**

1. Amount of CTF funds for CTF Projects approved by [MDB] since reported to the Trustee on \_\_\_\_\_, \_\_\_\_\_ (total from Part II below)
2. Cumulative amount of CTF funds for CTF Projects approved by [MDB] (as reported in item 3 of Part I of the last submitted Quarterly Report on [MDB] Approvals of CTF Projects)
3. Total amount of CTF funds for CTF Projects approved by [MDB] (1 + 2)

**Part II: CTF Projects approved by [MDB] since reported to the Trustee on \_\_\_\_\_, \_\_\_\_\_**

Trustee ID	[MDB] ID	Project Title	Beneficiary Country	Financing Instruments a/	Project Execution/ Implementation Status	Project Approval Date by [MDB]	Total CTF Funding Approved by [MDB]	MDB Financing b/	Country Financing b/	Non- MDB Cofinancing b/	Total Financing including CTF b/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12) = (8) + (9) + (10) + (11)

a/ This column indicates the financing products of the CTF funding, such as grants, loans and guarantees in the case of CTF Projects.

b/ These columns are information purpose only to the CTF Administrative Unit and filled in only if applicable.

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex H**

**CLEAN TECHNOLOGY FUND**

[MDB Name] Ref. No. \_\_\_\_\_

[MDB name]

**[Loan]/[Guarantee] Term Sheet**

Trustee ID  
Agency ID  
Project Title  
Effective Date of the [Loan]/[Guarantee]  
[Loan]/[Guarantee] Currency and Amount  
Financing Product  
[Interest Rate]/[Guarantee Fees]  
[Interest Payment]/[Guarantee Fees] Dates/Interval

**Principal Repayment Schedule**

Principal Repayment Date	Principal Repayment Amount	Remaining Outstanding Loan Balance after Principal Repayment Date
(1)	(2)	(3)

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex I**

**CLEAN TECHNOLOGY FUND**

**[MDB Name]**

**[MDB] Quarterly Report for Income and Principal Repayment to CTF Trust Fund**

**As of [date] \_\_\_\_\_**  
*(in [US dollars])*

Trustee ID	[MDB] ID	Project Title	Principal Repayments/ Guarantee Repayments Transferred to Trustee	Income Transferred to Trustee to date	Expected Principal Repayments/ Guarantee Repayments for Reporting Period [...]	Expected Income for Reporting Period [...]	Principal Repayments/ Guarantee Repayments Collected from Borrowers and to be Transferred to Trustee for Reporting Period	Income Collected from Borrowers and to be Transferred to Trustee for Reporting Period	Loan Loss/ Guarantee Called Amount	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) = (6 + 7) - (8 + 9)	(11)

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex J**

**CLEAN TECHNOLOGY FUND**

**[MDB Name]**

**[MDB] Quarterly Report on Cancellations of CTF Projects and MDB Fees Associated with the Projects**

**As of [date] \_\_\_\_\_**  
*(in [US dollars])*

Trustee ID	[MDB] ID	Project Title	Beneficiary Country	Financing Instruments a/	Original CTF Funding Approved by [MDB], if applicable c/	Project Amount Adjustment d/	Date of Adjustment	Net Project Amount	Project Status	Project Cancellation Date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = (6) - (7)	(10)	(11)

*a/ This column indicates the financing products of the CTF funding, such as grants, loans, guarantees.*

*b/ The Trustee's commitment is contingent upon MDB's approval of CTF project.*

*c/ In the case that the MDB dropped the whole project after the Trustee commitment, but before MDB approval, insert zero (0) in this column.*

*d/ This column includes (i) any drop, cancellation (full or partial) or amendment recorded by the MDB, which reduces the amount endorsed or approved by the CTF Trust Fund Committee, as applicable, (ii) any amount which was committed by the Trustee, but not disbursed by the MDB to a project recipient of CTF funds, and (iii) any amount, which was disbursed to a project recipient of CTF funds but subsequently returned by such recipient to the MDB.*

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**Annex K**

**CLEAN TECHNOLOGY FUND**

**[MDB Name]**

**[MDB] Quarterly Report on Unused Funds from CTF Project Closure**

**As of [date] \_\_\_\_\_**  
*(in [US dollars])*

Trustee ID	[MDB] ID	Project Title	Beneficiary Country	Financing Instruments a/	Total CTF Funding Approved by [MDB]	Final Project Closure Date	Final Disbursed Amount	Final Unused Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = (6) - (8)

*a/ This column indicates the financing products of the CTF funding, such as grants, loans, guarantees.*

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex L**

**CLEAN TECHNOLOGY FUND**

[MDB Name] Ref. No. \_\_\_\_\_

[MDB Name]

**Annual Actual Administrative Expense Report**

As of [date] \_\_\_\_\_  
(in [US dollars])

	Cash received from the Trustee in the [MDB Name]/CTF Fund a		Used Amount	Balance
	(1)		(2)	(3) = (1) - (2)
Core				
	Country name	Cash received from the Trustee in the [MDB Name]/CTF Fund b	Used Amount	Balance
		(1)	(2)	(3) = (1) - (2)
Country Programming				
	Initiative name	Cash received from the Trustee in the [MDB Name]/CTF Fund c	Used Amount	Balance
		(1)	(2)	(3) = (1) - (2)
Special				

a This column represents the amount transferred to the [MDB Name] for the administrative budget fiscal year reported.

b This column represents the amount transferred to the [MDB Name] for each Country Programming Administrative Budget.

c This column represents the amount transferred to the [MDB Name] for each special initiative

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**Annex M**

**CLEAN TECHNOLOGY FUND**

**[MDB name]**

**Semi-annual Investment Income Report a/**

**As of [date] \_\_\_\_\_**  
*(in [US dollars])*

Investment Income Earned for the Reporting Period	Cumulative Investment Income Earned to date	Cumulative Investment Income Transferred to Trustee to date	Balance
(1)	(2)	(3)	(4) = (2) - (3)

a/ This report is different from return of investment income referred to Section 8.1.

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex N**

**CLEAN TECHNOLOGY FUND**

**[MDB Name]**

**[MDB] Annual Report on Disbursements of CTF Projects**

**As of [date] \_\_\_\_\_**  
*(in [US dollars])*

Trustee ID	[MDB] ID	Project Title	Beneficiary Country	Financing Instruments a/	CTF Funding Approved by [MDB]	Cumulative Disbursements since Inception	Cumulative Disbursements as of Calendar Year [...]	Commitments not yet disbursed	Status
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = (6) - (7)	(10)

*a/ This column indicates the financing products of the CTF funding, such as grants, loans, guarantees.*

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

**Annex O**

**CLEAN TECHNOLOGY FUND**

**[MDB Name]**

**[MDB] Annual Report for Reconciliation in respect of CTF Trust Fund funding approved for the [MDB Name]**

**As of [date] \_\_\_\_\_**  
**(in [US dollars])**

Trustee ID	[MDB] ID	Project Title	Financing Instruments b/	CTF TF Committee Approval date c/	[MDB] Project Execution/ Implementation Status	[MDB] Project Approval Date	Cumulative Trustee Commitment	Cumulative Cancelled Amounts	Financial Closure Date d/	Final Unused Amount d/	Final Used Amount d/	Trustee Net Commitment	Return of funds to CTF, if applicable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

*a This report includes CTF Projects (including project preparation activities) and excludes [MDB Name] Fee and Administrative Budget.*

*b This column indicates the financing products of the CTF funding, such as grants, loans, guarantees.*

*c This column indicates the date of CTF TF Committee approval.*

*d These columns are filled in only when project is financially closed.*

**Annex P**

[DATE]

International Bank for Reconstruction and Development,  
As Trustee of the Trust Fund for the Clean Technology Fund  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Attention: Director, Multilateral Trusteeship and Innovative Financing Department

Dear Director:

Re: Financial Procedures Agreement between the Trustee and the Implementing Entity

I refer to the Financial Procedures Agreement (“Agreement”) between the International Bank for Reconstruction and Development, as Trustee of the Trust Fund for the Clean Technology Fund and [Full name of the MDB] (“[MDB Acronym]”), dated \_\_\_\_\_. For the purposes of the Agreement, any [one/two] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Implementing Entity to sign any request or report under the Agreement:

[Name], [position]	Specimen Signature: _____
[Name], [position]	Specimen Signature: _____
[Name], [position]	Specimen Signature: _____

Yours truly,

/ signed /

\_\_\_\_\_  
[Position]

## **Annex Q**

1. MDBs will need to follow the principles below in order to receive allocations of resources from the CTF for providing concessional loans to borrowers for public sector operations.<sup>1 2</sup>

2. The MDB will administer CTF loans in accordance with its policies and procedures (including, for the avoidance of doubt, its policies and procedures for the CTF operations, if any), subject to the understanding that the MDB's measures regarding non-payments on CTF loans will be based on the following principles:

- (a) In determining i) whether any guarantee or security for the CTF loan will be obtained, and ii) whether to call such guarantee or security in case of a payment default on the CTF loan, the MDB will, unless otherwise agreed between the MDB and the Trust Fund Committee, follow the same approach as the one used in MDB's own lending operations.
- (b) In respect of negative pledge covenants, the MDB will, unless otherwise agreed between the MDB and the Trust Fund Committee, follow the same approach as the one used in MDB's own lending operations.
- (c) In respect of suspension, cancellation, and acceleration of CTF loans, the CTF loan agreements will, unless otherwise agreed between the MDB and the Trust Fund Committee and subject to the following paragraphs (d) through (h) below, include suspension, cancellation and acceleration events like those included in the MDB's own lending operations, so as to avoid further exposure to the project which no longer has financial/operational prospects. Those events will include optional cross-suspension and cross-acceleration clauses between the CTF loan and the MDB co-financing loan.
- (d) The determination to suspend or cancel the CTF loan will be made by the MDB on the same basis as applied by the MDB for its own loans.
- (e) If the MDB co-financing loan is suspended or cancelled prior to the full disbursement of the CTF loan, the MDB will, unless otherwise agreed with the relevant contributors, suspend or cancel the undisbursed amount of the CTF loan to avoid further exposure to the troubled project.
- (f) If the CTF loan has been fully disbursed, a payment default on the CTF loan would not generally trigger acceleration of the MDB co-financing loan or suspension or acceleration of other MDB loans, although the MDB will have an option to do so at its own discretion.
- (g) The determination to accelerate the CTF loan or commence enforcement proceedings with respect to the CTF loan will be made by the MDB in accordance with paragraph 5 below.
- (h) There will not be any sharing of payment proceeds received or mandatory cross-default clauses between the CTF loan and MDB co-financing loan or any other MDB loans.

3. The MDB will be responsible for returning to the Trustee any interest and principal payments on the CTF loan received by it from the borrower. Return of those interest and principal payments will be made in accordance with the Financial Procedures Agreement entered into between the Trustee and the MDB. In any event, the risk of any payment defaults by the borrower in respect of or arising under the CTF loan agreement will be borne by the CTF.

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<sup>1</sup> The principles set out below may be amended by a decision of the Trust Fund Committee subject to the agreement of the Trustee after consultation with the MDBs.

<sup>2</sup> A CTF loan under public sector operations mean that any loan provided to, or guaranteed by, a sovereign government, a central bank or some comparable agency of the sovereign government.

4. If any borrower of a CTF loan defaults on any payment on the CTF loan for no less than 30 consecutive calendar days, the MDB will report such default to the Trustee, so that the Trustee may report to the Trust Fund Committee, as agreed between the Trustee and the Trust Fund Committee.

5. If the borrower or the guarantor of a CTF loan remains in default on any payment on the CTF loan following cancellation of the CTF loan by the MDB and a call of the guarantee or security, if any, by the MDB in accordance with paragraphs 2(a) and (d), the MDB will promptly (a) consult the Trust Fund Committee and all relevant contributors to the Trust Fund<sup>3</sup> on the proposed course of action in respect of the CTF loan, and (b) seek agreement with the relevant contributors on the course of action to be taken. If as a result of any action agreed to be taken, the MDB is expected to incur any cost, the MDB will seek an approval by the contributors for allocation of the Trust Fund funds to cover such costs. The MDB will take appropriate action in accordance with its own procedures, but only to the extent that the related costs for such actions are borne by the Trust Fund and resources have been allocated to the MDB on a full-cost recovery basis.

6. A prior approval by the contributors for allocation of resources will not be needed for any reasonable costs incurred by the MDB in good faith when immediate or urgent action was needed to protect, defend or secure the CTF loan. Subject to availability of resources in the Trust Fund and upon submission of a request by the MDB showing the amount incurred and the action taken, the contributors will allocate the resources to reimburse the MDB any such reasonable costs.

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<sup>3</sup> Submission of such proposal will be made through the Trustee.