

**RULES**  
**OF THE**  
**SUPPORT FUND**  
**FOR THE NORTHERN DIMENSION PARTNERSHIP**  
**ON TRANSPORT AND LOGISTICS**

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## PREAMBLE

### Whereas

- A. The Northern Dimension Partnership on Transport and Logistics (“NDPTL” or “Partnership”) was established pursuant to Memorandum of Understanding signed in Naples on 21 October 2009,( “MOU”) according to which the main goals of the Partnership will be to improve, in compliance with the ecological needs of the region, the major transport connections and logistics in the Northern Dimension region to stimulate sustainable economic growth at the local, regional and global level by focusing on a limited number of priorities that reflect both regional and national priorities in a balanced way;
- B. The Partnership has, as a part of its activities, identified a number of priority projects, the implementation of which contribute to meeting the objectives of the Partnership, including but not limited to making travel easier and safer for people and transportation of goods more efficient Other such projects are foreseen to be identified and agreed upon in the future;
- C. It has been recognized that, the development and implementation of NDPTL projects will benefit from a concerted and comprehensive approach whereby resources are pooled for this purpose and that in order to ensure that the most efficient and effective financing solution for each project is applied, eligible projects may require the blending of loans and grant financing from a number of different financing sources as well as local financing;
- D. As an initial response to the large needs for action identified within the NDPTL, the issue of establishing a Northern Dimension Partnership on Transport and Logistics Support Fund (“Fund”), which would enable speeding up the implementation of the NDPTL projects through the provision of funds, on the basis of fair geographical balance , for project preparation and project implementation was discussed at NDPTL Steering Committee (“Steering Committee”) meetings 4-5 May and 9 June 2011;
- E. The NDPTL High Level Meeting (“HLM”) held on 23 November 2011 in Moscow adopted agreed conclusions according to which the HLM, recalling the main goals of the Partnership, as stated in the MOU, requested the Steering Committee to further develop the details for an NDPTL Support Fund in close cooperation with international financial institutions and following certain basic principles laid down;
- F. The Nordic Investment Bank (“NIB”)<sup>1</sup> is hosting the Secretariat of the NDPTL and the possibility of grants being given for activities furthering the

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<sup>1</sup> an international financial institution established by a treaty, owned by its member countries and governed by its constituent documents namely the Agreement between Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden concerning the Nordic Investment Bank (11.2.2004), which has been ratified by the Bank’s eight member countries, Statutes of the Nordic Investment Bank (16.2.2011) and Host Country Agreement between the Government of Finland and the Nordic Investment Bank (20.10 2010 )

purposes of the NDPTL is envisaged in the Agreement on the Secretariat concluded on 9 December 2010 between NIB and the countries participating in the NDPTL;

- G. The Steering Committee meeting held in Berlin on 28-29 March 2012 requested NIB to (i) establish the Fund , pursuant to Paragraph 7 of the Statutes of NIB, which empowers NIB to conclude with public or private entities agreements of co-operation and under which NIB may administer funds provided by such entities for purposes consistent with the purpose and functions of NIB; and to (ii) act as a Fund manager (the “Fund Manager”) and manage and administer the Fund on behalf of the Donors (as defined in Article 3), drawing in particular upon the services of the NDPTL Secretariat, and in cooperation with international financial institutions which have decided and been approved to act as Implementing Agencies (as defined in Article 11 of these Rules) for projects, supported by the Partnership;
- H. the Steering Committee, in collaboration with the NDPTL Secretariat will prepare a project pipeline incorporating inputs from all members of the Partnership and from Implementing Agencies (as defined in Article 11);

**Accordingly,**

It has been agreed by the Steering Committee held in Berlin on 24 September 2012 and endorsed by the High Level Meeting held in Oslo on 21 November 2012 that i) a constituting Assembly of Donors for the Fund will be held. In this meeting all participants of the constituting Assembly of Donors and NIB will approve these rules (the “Rules”) to govern the Fund. The pledging of contributions to the Fund may also take place in this meeting. ii) The Rules will enter into force as of the date on which they are approved by the Constituting Assembly of Donors and NIB.

## **I. THE FUND**

### **Article 1 - Purpose of the Fund**

- 1.1 The purpose of the Fund shall be to allow a harmonised and effective delivery of international financial support over several years by pooling non-reimbursable contributions made by participants of the NDPTL.
- 1.2 The Fund is to accept and make use of the grant contributions for the provision of the following activities, which shall be related to projects or potential projects with a regional dimension and a regional added value in line with stipulations of the Political Declaration on the Northern Dimension Policy and the Northern Dimension Policy Framework document, both effective since 1 January 2007;
  - (a) technical assistance for institutional support with regard to capacity building for project feasibility, development, preparation and implementation
  - (b) assistance to project development and preparation, in particular with a view to draw upon available financing from international financial institutions, as well as other banks, private initiatives or public parties (including EU funds), or otherwise enhancing the projects' potential to mobilize resources for implementation
  - (c) assistance to improved efficiency and quality in project implementation
- 1.3 The Fund can finance up to 50% of the total costs of the activities listed in section 1.2 above.
- 1.4 Subject to a decision in principle of the Assembly of Donors and specification of other conditions applicable, grant contributions can also be used for co-financing investments in preparatory works, services and/or infrastructure on a case- by- case basis for projects or potential projects with a regional dimension.

## **II. RESOURCES OF THE FUND**

### **Article 2 - Resources and Expenditure**

- 2.1 The resources of the Fund shall consist of:

- (a) amounts contributed to the Fund pursuant to Article 3 of these Rules
- (b) any income derived from investment of the resources of the Fund in accordance with Articles 13 and 15 of these Rules ;
- (c) and amounts recovered under proceedings taken pursuant to Article 17.5

2.2 Resources of the Fund will be received, administered, used and disposed of in accordance with the Rules.

### **Article 3 - Donors and Contributions**

- 3.1. Any participant of the NDPTL may contribute resources to the Fund (each a "Donor", jointly the "Donors"), on a non-reimbursable basis, (each a "Contribution", jointly "Contributions"). The Contributions by all Donors may be used for co-financing of eligible projects proposed by the Steering Committee.
- 3.2. Each Contribution shall be subject to the conclusion of a contribution agreement (the "Contribution Agreement") between the Donor and the Fund Manager, incorporating these Rules in full, and substantially following the form and substance attached to these Rules as Annex 1 and specifying the amount and the currency of the Contribution and the manner in which payment thereof will be made to the Fund. The Contribution Agreement may contain such other matters as may be required and are permitted by the Rules.
- 3.3 The European Commission shall, however, enter into a bilateral agreement with the Fund Manager, the provision of which shall not materially differ from those of a Contribution Agreement <sup>2</sup>, while including provisions related to the rights and obligations of the Fund Manager in its quality of recipient of European Union grant funds, in line with the applicable regulatory framework of the European Union."
- 3.4 Subject to adjustment by the Assembly of Donors, the minimum initial Contribution is 100 000 Euro, to be paid as set out in Article 4.2.
- 3.5 By entering into a Contribution Agreement, the Donor shall be deemed to accept the application of the Rules to the Contribution made pursuant to such Contribution Agreement.
- 3.6 Subject to the approval of the Assembly of Donors of the Fund, a Donor may be allowed to make more than one Contribution to the Fund over the life of the Fund. Each additional Contribution will be subject to the conclusion of an amendment to the original Contribution Agreement.

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<sup>2</sup> It is acknowledged and accepted that the Contribution Agreement between the European Commission (EC) and the Fund Manager will be based on EC's standard contribution agreement used in case of joint financing with IFIs.

#### **Article 4 - Terms of payment**

- 4.1 Each Contribution shall be denominated in Euro or any other freely convertible currency and shall be made available to the Fund Manager in cash.
- 4.2 Contributions, which shall be paid in cash through a bank transfer to the Fund Account (as defined in Article 15 below), may be paid by the Donors to the Fund in up to 3 instalments within a period of 3 years from the date of entry into force of the relevant Contribution Agreement, or in case of the European Commission from the date of entry into force of the agreement between the Commission and the Fund Manager. Payment of a Contribution in instalments will be subject to the approval of the Assembly of Donors and the agreement of the Fund Manager.
- 4.3 As specified in Article 4.1, a Contribution Agreement may provide for the settlement of payment obligations of the Donor in a currency other than Euro. Any Contribution not made in Euro will be converted by the Fund Manager in Euro upon the receipt of such Contribution in the Fund Account, on the basis of the exchange rate of such currency vis-à-vis Euro, as will be established by the Fund Manager on the date of payment of the Contribution into the Fund Account.

#### **Article 5 - Separation of resources**

- 5.1 The resources of the Fund shall be kept separate from capital resources of the Fund Manager and from any other funds that the Fund Manager manages.
- 5.2 Under no circumstances shall the resources of the Fund be charged with, or used to discharge losses or liabilities arising out of the operations or other activities of the Fund Manager.

### **III. GOVERNANCE, MANAGEMENT AND OPERATIONS OF THE FUND**

#### **Article 6 - The Steering Committee**

- 6.1 The work of the Fund is directed by the NDPTL Steering Committee. To supplement the existing expertise and building on the principle of inclusion, representatives of the Implementing Agencies are welcome to attend such specific items of Steering Committee meetings as observers, during which Fund matters are dealt with. Furthermore the Steering Committee may invite representatives of and, as appropriate, other

organisations and institutions to attend specific items of the Steering Committee meetings as observers, during which Fund matters are dealt with.

- 6.2 The Steering Committee, taking decisions on consensus basis, shall :
- i) assess projects according to mutually accepted methodology and, if possible, provide a list of eligible priority projects and (ii) issue recommendations to the Assembly of Donors for financing of such projects. Potential priorities shall be identified by the Steering Committee and communicated to the Assembly of Donors. For each project the financing needs shall be indicated and expressed in Euro.
- 6.3 Any participant in the Steering Committee and the Implementing Agencies including the Fund Manager, drawing in particular upon the services of the NDPTL Secretariat, may suggest projects for consideration by the Steering Committee.

### **Article 7 - The Assembly of Donors**

- 7.1. The Assembly of Donors shall be the governing body of the Fund. It shall be responsible for the overall policy of the Fund and will supervise its implementation. In particular, the Assembly of Donors shall
- (a) determine the operations of the Fund and provide the Fund Manager with general policy and strategic guidance on the operations of the Fund;
  - (b) review project proposals based on recommendations from the Steering Committee and presented by the NDPTL Secretariat, and approve eligible projects taken into account fair geographical balance, approve amounts of financing from the Fund and the types and terms of financing;
  - (c) review and approve the project pipeline and annual budget for the Fund including the amount of available allocations for projects for each financial year;
  - (d) approve any Implementing Agencies to the Fund (as set out in Article 11.1);
  - (e) review the effectiveness of the activities financed with the resources of the Fund;
  - (f) approve the annual financial statements, annual report and annual audit report of the Fund;
  - (g) approve of the Fund Manager making deposits of the funds in the Fund Account;
  - (h) ensure that the appropriate visibility is given to the activities financed by the Fund taking into account the needs of the various Donors and
  - (i) take any other action that may be taken by the Assembly of Donors under these Rules.
- 7.2 Each Donor shall have one (1) representative in the Assembly of Donors and shall have the right to participate in meetings of the Assembly of

Donors of the Fund, provided that such Donor has, at the date of the meeting of the Assembly of Donors, met its obligations under its first Contribution Agreement. If a Donor is paying its Contribution to the Fund in instalments, pursuant to the provisions of Article 4.2 and delays the payment of any instalment, its rights as a Donor, including its participation in the Assembly of Donors, shall be automatically suspended, thirty (30) days following the date of default (i.e. the day following the date on which the instalment should have been paid) until the date on which such Donor meets its obligations with respect to the payment of the instalment.

- 7.3 The representative of each Donor shall act on behalf of such Donor without remuneration from the Fund. Each representative may be accompanied by advisory staff, also without remuneration from the Fund. Participants to the Assembly of Donors will cover their own costs of participation.
- 7.4 The Assembly of Donors shall hold a regular annual meeting at which the financial statements for the previous financial year of the Fund shall be submitted for approval. The Assembly of Donors may also decide to hold other meetings, as necessary. Special meetings of the Assembly may be called by the Chair at any time or shall be called by the Chair if so decided by the Assembly, or at the request of the Fund Manager or Donors which account for not less than one-third of the aggregate amount of all Contributions to the Fund at the date of such request.
- 7.5 The representative of the largest Donor, as of the date of commencement of operations of the Fund, shall be the Chair of the Assembly of Donors until the Assembly of Donors votes for a succeeding Chair.
- 7.6 Decisions shall be made by the Assembly of Donors of the Fund by consensus. The participation of not less than half of the total number of all Donors, in any meeting of the Assembly of Donors shall constitute a quorum at such meeting.
- 7.7 When need therefore arises, decisions in the Assembly of Donors can be taken by written procedure. A minimum of ten (10) working days will be given for each Donor to provide its opinion. If a Donor does not submit its response with respect the written solution within the timeframe provided for this purpose, its opinion will be counted in favour of the written solution.
- 7.8 The Assembly of Donors shall communicate its reasoned decisions to the Steering Committee which may present comments or request for further clarification.
- 7.9 The Chair of the Assembly of Donors may invite representatives of governments, other institutions and entities to attend specific agenda items of meetings of the Assembly of Donors as observers.
- 7.10 The meetings of the Assembly of Donors of the Fund shall be held at the Fund Manager's headquarters or in such other place as may be agreed between the Chair of the Assembly of Donors and the Fund Manager.

- 7.11 The Fund Manager shall be present at the meetings of the Assembly of Donors in its capacity as Fund Manager.
- 7.12 Members of the NDPTL who are not Donors and the Implementing Agencies (as defined in Article 11 below) of the Partnership projects supported by the Fund, are entitled to attend meetings of the Assembly of Donors as observers.
- 7.13 The Assembly of Donors will decide on its own Rules of Procedure in line with the present Rules.

### **Article 8 - Administrative Support by the Fund Manager**

- 8.1 Utilising and drawing upon the resources of the NDPTL Secretariat and its other internal resources, the Fund Manager, shall administer the Fund in accordance with its normal practice, within budgets and these Rules. In particular the Fund Manager shall fulfil its role by:
- (a) making available staff and other experts with the skills and competence required to administer the Fund;
  - (b) preparing, making, disbursing and administering the contracts financed from the Fund and otherwise operating the Fund;
  - (c) liaising, to the extent necessary to fulfil its managerial role, with the Donors, concerned authorities and utilities in the recipient countries and other public and private entities and reporting thereon to the Assembly of Donors;
  - (d) preparing annual financial statements of the Fund and a report on such financial statements and on the activities financed with the resources of the Fund during the period covered by such statements;
  - (e) preparing the meetings of the Assembly of Donors and serving as secretariat of such meetings;
  - (f) presenting project proposals recommended by the Steering Committee for approval by the Assembly of Donors;
  - (g) submitting to the Assembly of Donors necessary reports and technical documentation, including an Annual Report;
  - (h) ensuring that appropriate visibility is given to the Fund and its Donors in the Fund Manager's publications (annual report, newsletters etc.) and in its communications with the recipient country and the media;
  - (i) carrying out such other functions as may be necessary for the efficient administration of the Fund.
- 8.2 The Fund Manager shall ensure proper reporting from the recipients of funds received from the NDPTL Fund.

## **Article 9 - Compensation for the Fund Manager**

- 9.1 For the administrative support of the Fund, the Fund Manager shall receive a fixed management fee in the amount of 3% of the total amount of Contributions paid into the Fund.
- 9.2 The Fund Manager shall be entitled to deduct and withdraw such management fee from the Contributions upon their receipt of instalments thereof.
- 9.3 The amount of the administrative fee, paid to the Fund Manager will, under no circumstances, be used to finance or subsidise activities of the Fund and/or to discharge losses or liabilities arising out of the operations or other activities of the Fund.

## **Article 10 - Commencement of operations of the Fund**

- 10.1 The Fund will commence its operations and the first regular meeting of the Assembly of Donors will be called by the Fund Manager, provided:
  - (a) a minimum number of any three national Donors or any two national Donors and the European Commission as one of the three Donors have entered into Contribution Agreements as referred to in Article 3.3., and
  - (b) at least one Contribution or any instalment thereof has been paid into the Fund Account.
- 10.2 Without prejudice to the provisions of this Article 10.2, the Fund Manager may receive Contribution from Donors in accordance with the terms of these Rules, and may invest the resources of such Contributions, prior to the commencement of operations of Fund, under conditions to be expressly set out in the Contribution Agreements. Income derived from such investments shall be credited to the resources, and used for the purposes, of the Fund.

## **Article 11 - Implementing Agencies**

- 11.1 In addition to NIB, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), members of the World Bank Group and any other financial institution, which has been expressly approved by the Assembly of Donors, may act as implementing agencies for projects funded with the resources of the Fund (each an "Implementing Agency", jointly "Implementing Agencies"). By approving that a certain financial institution may act as an Implementing Agency, the Assembly of Donors approves after due scrutinization, that the standards applied by the respective Implementing Agency with regard to accounting, audit, internal control, procurement, environmental and other policy and procedures of such Implementing Agency applicable or relevant in the

implementation of projects supported with the resources of the Fund, offer guarantees equivalent to international accepted standards.

- 11.2 The Assembly of Donors further recognises that the immunities, privileges and/or exemptions, if any, enjoyed by the Implementing Agencies may not be the same for all Implementing Agencies.
- 11.3 Other than NIB, each Implementing Agency for a project financed with the resources of the Fund will enter into a funding agreement (a “Funding Agreement”) with the Fund Manager. Such Funding Agreement will set out the terms and conditions under which resources of the Fund are being provided to support to a project, approved by the Assembly of Donors, and will expressly provide that NIB and/or the Assembly of Donors shall not
- (a) be responsible or accountable for the implementation of the project, the use of resources of the Fund and/or reporting (including the content, accuracy, suitability of reports) on the use of the resources of the Fund or the implementation of the project, to which it relates;
  - (b) be liable to any recipient of financial assistance from the resources of the Fund for the implementation of a project, approved by the Assembly of Donors or beneficiary (if different from the recipient of financial assistance) of such project, or third party, for any damage, loss or injury incurred as a result of, or in connection with, the implementation of the project, being supported, and the use of the resources of the Fund;

beyond what is expressly agreed and provided for in these Rules. The Funding Agreement shall also include provisions on the liability of the Implementing Agencies for the use of resources of the Fund.

- 11.4 Each Implementing Agency will prepare and enter into an agreement between itself as Implementing Agency and the recipient of financial assistance from the Fund for the implementation of a project approved by the Assembly of Donors and will monitor the implementation of the project and report to the Assembly of Donors through the Fund Manager.
- 11.5 In order to ensure consistency in the terms and structure of financial assistance, provided by the Fund, each Implementing Agency shall consult, to the extent possible, with the Fund Manager on the terms and conditions of the agreement between the respective Implementing Agency and the recipient of financial assistance from the Fund of the project.
- 11.6 For the avoidance of doubt, NIB shall when acting as an Implementing Agency, for a project receiving financing from the Fund, fulfil that role, in accordance with these Rules.

## **Article 12 - Eligibility and Approval of Activities for Financing**

- 12.1 Activities, which are determined by the Steering Committee to be eligible for support with resources from the Fund, based on the provisions of Article 1 to these Rules shall be submitted by the Steering Committee for the approval of the Assembly of Donors. In approving activities for support with the resources of the Fund, the Assembly of Donors will ensure that only support up to the value of the Contributions actually paid into the Fund Account and unallocated by the Fund Manager to any other NDPTL project, at the time of approval, will be approved.
- 12.2 The Assembly of Donors shall consider only the projects approved by the Steering Committee and which are in line with the Political Declaration on the Northern Dimension Policy and the Northern Dimension Policy Framework.

## **Article 13 - Investment**

- 13.1 Subject to separate approval by the Assembly of Donors, the Fund Manager is authorised to use the funds in the Fund Account for making deposits in prime banks.
- 13.2 The income derived by the Fund from such investments shall be added to the resources of the Fund and used for its purposes.

## **Article 14 - Valuation of Currencies**

- 14.1 Whenever it shall be necessary for purposes of preparation or presentation of financial statements to determine the value of any currency in terms of another currency or of the unit of account of the Manager, the valuation shall be made by the Fund Manager, using the same principles as the Fund Manager applies for its ordinary operations.

## **Article 15 - Accounts and Audit**

- 15.1 The Fund Manager shall open and maintain an interest-bearing bank account (the "Fund Account") to which all Contributions will be paid and any other income of the Fund will be credited. The Fund Account shall be denominated in EUR. The Fund Account shall be kept separate from the Fund Manager's own capital resources including reserves.
- 15.2 For the avoidance of doubt it is recognised that the funds pertaining to the Fund Account shall enjoy the same exemptions from taxes and duties as the Fund Manager enjoys according to its constituent documents.

- 15.3 The Fund Manager shall maintain the accounts of the Fund in accordance with the same care and diligence, which are followed in respect of its own resources.
- 15.4 The financial statements of the Fund shall be audited on an annual basis before the end of June of the following year by internal and external auditors of the Fund Manager in a manner consistent with that applied to the Fund Manager's ordinary capital resources. The fee for the audit shall be debited from the Fund.
- 15.5 In case Donors are subject to specific auditing requirements under their respective statutes, their Contributions may be subject to auditing requirements that, together with the manner in which such auditing requirements will be met, shall be agreed between the Fund Manager and the respective Donor and set out in the respective Contribution Agreement. All costs for the fulfilment of such requirement shall be covered by the respective Donor, in addition to the amount of the Contribution made.
- 15.6 The accounting year of the Fund shall be the calendar year. The first accounting year of the Fund shall end on 31 December 2013.
- 15.7 The Fund Account shall be accounted for annually in a Fund Account Report which shall be submitted to the Donors by the Fund Manager and which shall be supported by a record of funds used in the preceding period and a bank reconciliation for the Fund Account. During the lifetime of the Fund Account, the Donors shall be entitled to request information from the Fund Manager regarding disbursements made from and the balance of the Fund Account.
- 15.8 A Donor may request clarification of information received from the Fund Manager on the use of the resources of the Fund and a Donor's financial control shall be given access to pertinent information held by the Fund Manager relating to the use of the resources of the Fund. Such access shall be limited to verifying whether the proceeds of the resources of the Fund have been used in conformity with these Rules and shall not prejudice the inviolability of the Fund Manager's documents and archives (that the Fund Manager enjoys in accordance with its constituent documents), including the confidentiality of other information related to the Fund Manager's affairs or clients.

## **Article 16 – Procurement**

- 16.1 Procurement of goods, works and/or services, including consulting services, financed from the resources of the Fund shall be administered by the relevant Implementing Agency, following its own procurement guidelines.

- 16.2 Unless otherwise decided on a case by case basis by the Assembly of Donors, procurement shall be limited to goods, works and/or services produced in or supplied from the NDPTL partners.

### **Article 17 - Irregularities, fraud and corruption**

- 17.1 The relevant Implementing Agency shall take appropriate measures to prevent the occurrence of irregularities or fraud corruption or other Prohibited Practices as those are defined in the IFI Uniform Framework for Combatting Fraud and Corruption in its projects funded with the resources of the Fund.
- 17.2 The relevant Implementing Agency shall ensure that the provisions of this Article 17 also apply to and are included in all its respective contracts to be entered and funded with the resources of the Fund.
- 17.3 All cases of irregularity, or fraud, corruption or other Prohibited Practices shall be reported through the Fund Manager to the Assembly of Donors.
- 17.4 All costs and expenses incurred by the Fund Manager relative to any inquiry into possible acts of irregularity, fraud, corruption or Prohibited Practices with regard to the activities of the Fund, including the costs and expenses of an independent investigator, shall be compensated from the Fund.
- 17.5 In the event a case of irregularity, fraud or corruption is reported to the Assembly of Donors, the Assembly of Donors may decide to require that the respective Implementing Agency shall terminate any contract financed with the resources of the Fund where the recipient or any employee, contractor, sub-contractor or agent of the recipient is reasonably suspected or found to have committed the irregularity, fraud, corruption or other Prohibited Practices. In such event, and where possible, the Fund Manager and the Implementing Agency shall agree on the modus operandi to institute such procedures as are necessary or appropriate to seek the recovery of the resources of the Fund related to such behaviour or practice. The aforementioned recovery procedures shall be approved by the Assembly of Donors.
- 17.6 Any resources recovered shall be credited back to the Fund Account and shall be used for the purposes of the Fund. The cost of such recovery proceedings will be charged pro-rata to each Contribution to the Fund or in the event of insufficient amount of resources in the Fund, such cost will be covered separately by all Donors, again on a pro-rata basis depending on the size of their Contribution to the Fund.

## **IV. TERMINATION**

### **Article 18 - Termination**

- 18.1 The Fund shall remain active for the same term as the MOU is effective unless otherwise extended by a decision of the Assembly of Donors or is terminated in accordance with Articles 18.2 and 18.3 below.
- 18.2 Notwithstanding Article 18.1 above, the Fund may be terminated at any time by a decision of the Assembly of Donors taken with the unanimous consent of Donors.
- 18.3 This Fund shall terminate automatically, with immediate effect, upon termination by the Fund Manager of its operations pursuant to Section 18 of the Agreement concerning NIB.
- 18.4 The Fund Manager may cease to perform the functions conferred upon it pursuant to these Rules with a one (1) year's written notice to the Assembly of Donors and pursuant to a decision of the Board of Directors of NIB.
- 18.5 In case the Fund terminates the resources left are to be distributed to the Donors as set out in Article 19.

### **Article 19 - Disposal of Resources on Termination of the Fund**

- 19.1 Upon termination of the Fund, the following provisions shall apply with respect to the resources of the Fund:
  - (a) The Fund Manager shall forthwith cease all activities relating to such resources, except those incidentals 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 Fund Manager shall distribute the total net assets of the Fund (as shown on the books of the Fund as of the date of termination) to the Donors in proportion to the amounts made by each Donor to the Fund. Such distribution shall be effected at such times, in such currencies and in such types of assets as the Assembly of Donors Fund shall deem fair and equitable, preferably in the currency in which the respective Contributions were made. Distribution need not be uniform as to type of asset or as to currency.
  - (c) No distribution shall be made until all liabilities of the Fund (including payments due to the Fund Manager) shall have been discharged or provided for, and until the Assembly of Donors shall have decided that such distribution should be made. Any distribution to a Donor shall be subject to prior settlement of all

outstanding claims by the Fund Manager against such Donors in respect of its Contribution.

- (d) Until final distribution of the net assets of the Fund, all rights and obligations of the Fund Manager and of the Donors under these Rules and the relevant Contribution Agreement will continue unimpaired.

## **Article 20 - Amendments to the Rules**

- 20.1 These Rules may be amended only pursuant to a unanimous decision of the Assembly of Donors and agreement by the Fund Manager and after prior consultative dialogue with the Steering Committee and notification to the HLM.

## **Article 21 - Resolution of disputes**

- 21.1 Disputes between the Fund Manager and a Donor concerning any matter arising out of or in connection with the Contribution of the Donor and/or the operations of the Fund, shall be settled amicably. In the event that such dispute cannot be settled amicably the parties shall submit to arbitration in accordance with the UNCITRAL Arbitration Rules. The number of arbitrators shall be one (1). The place of Arbitration shall be London. The language to be used in the arbitral proceedings shall be English. The appointing authority shall be the Secretary General of the Permanent Court of Arbitration following a written request submitted by either party. The Arbitrator's decision shall be binding on the parties and there shall be no appeal. The provisions of the UNCITRAL Arbitration Rules notwithstanding, the arbitrator shall not be authorised to take any interim measures of protection or provide any pre-award relief against the Fund Manager and the Donor may not address to any judicial authority a request for any interim measures of protection or pre-award relief against the Fund Manager
- 21.2 Notwithstanding Article 21.1 above and recognising that certain Donors are contracting states (owners) of the Fund Manager, the Parties agree with respect to those contributors only, instead of Article 20.1 to refer to the Agreement between Estonia, Denmark, Finland, Iceland, Latvia, Lithuania, Norway and Sweden concerning the Nordic Investment Bank and to the Statutes of the Nordic Investment Bank as the governing document(s) with respect to the subject matter of Article 21.
- 21.3 Nothing in these Rules shall constitute or be construed as constituting a waiver of any of the immunities, privileges and exemptions enjoyed by NIB or any of the Implementing Agencies, their Governors, Directors, Alternates, officers and/or employees.

**ANNEX 1 - CONTRIBUTION AGREEMENT**

**CONTRIBUTION**

**AGREEMENT BETWEEN**

[.....]

**AND**

**NORDIC INVESTMENT BANK**

**IN RESPECT  
OF**

[.....] PARTICIPATION IN  
THE

**SUPPORT FUND  
FOR THE NORTHERN DIMENSION PARTNERSHIP  
ON TRANSPORT AND LOGISTICS**

**THIS CONTRIBUTION AGREEMENT** (the “**Contribution Agreement**”) is made between [.....] (the “**Donor**”) and the **NORDIC INVESTMENT BANK** ( “**NIB**”), jointly referred to hereinafter as the “Parties” and each a “Party”, in respect of the Donor’s commitment and contribution to the Support Fund for the Northern Dimension Partnership on Transport and Logistics (the “**Fund**”).

## **WHEREAS**

(A) NIB has established the Fund in accordance with the terms of the Rules of the Support Fund for the Northern Dimension Partnership on Transport and Logistics dated [.....] 2012 (the “Rules”);

(B) The Donor now wishes to make a contribution to the Fund, which shall be accepted, held, managed, administered, used, committed, expended or otherwise disposed of by NIB in accordance with the Rules and this Contribution Agreement;

(C) The Parties have agreed to conclude this Contribution Agreement, as required by Article 3 of the Rules;

**NOW THEREFORE** the Parties hereto agree as follows:

### **I. Contribution**

1. The Donor hereby contributes the amount of EURO [*amount*] (the “**Contribution**”) to the Fund Account.

2. The Contribution shall be paid in cash in [Euro][*other freely convertible currency*] [in one instalment upon receipt of an invoice from NIB] OR [*in [xx] instalments of [amount] each on [dates/period, e.g. quarterly on...]*] [upon receipt of an invoice/ confirmation of acceptance from NIB .

### **II. Purpose**

The Contribution shall be used solely for the purposes, as set out in Article 1, unless agreed otherwise in writing between the Parties.

### **III. Application of the Rules**

The Donor hereby:

- (i) acknowledges receipt of a copy of the Rules, as in force on the date of entry into force of this Contribution Agreement; and
- (ii) agrees that the Rules shall apply to this Contribution Agreement and the Contribution, as if incorporated herein in full.

### **IV. Notices**

All matters relating to the implementation of any Fund document shall be addressed to the following authorised representative of each Party:

(i) **for the Contributor**

Agency [•]  
Address [•]  
City, Country [•]  
Attention: [•]  
Name [•]  
Tel: [•]  
Fax: [•]  
Email: [•]

(ii) **for NIB**

**V. General**

(a) All capitalised terms used in this Contribution Agreement have the meaning attributed to them in the Rules, which shall take precedence over the Contribution Agreement.

(b) The Donor shall do and execute all such further acts, as are required to give full effect to the rights and obligation, as specified and the transactions contemplated by the Rules and this Contribution Agreement.

(c) This Contribution Agreement shall enter into force on the date when the last of the Parties signs it.

Signed in the English language, in two originals, one for each of the Parties,

[.....]

\_\_\_\_\_  
Name:  
Title:  
Date:

**Nordic Investment Bank**

\_\_\_\_\_  
Name:  
Title:  
Date:

\_\_\_\_\_  
Name:  
Title:  
Date: