

**AGREEMENT ON THE SECRETARIAT OF THE NORTHERN DIMENSION
PARTNERSHIP FOR TRANSPORT AND LOGISTICS**

BETWEEN

**THE NORDIC INVESTMENT BANK, AN INTERNATIONAL FINANCIAL
INSTITUTION, ESTABLISHED BY A TREATY, HEREINAFTER
REFERRED TO AS 'THE BANK'**

AND

**THE MINISTRY OF TRANSPORT AND COMMUNICATIONS OF THE
KINGDOM OF NORWAY**

THE MINISTRY OF TRANSPORT OF THE RUSSIAN FEDERATION

THE MINISTRY OF TRANSPORT OF THE KINGDOM OF DENMARK

**THE MINISTRY OF ECONOMIC AFFAIRS AND COMMUNICATIONS OF
THE REPUBLIC OF ESTONIA**

**THE MINISTRY OF TRANSPORT AND COMMUNICATIONS OF THE
REPUBLIC OF FINLAND ON BEHALF OF THE GOVERNMENT OF THE
REPUBLIC OF FINLAND**

**THE FEDERAL MINISTRY OF TRANSPORT, BUILDING AND URBAN
DEVELOPMENT OF THE FEDERAL REPUBLIC OF GERMANY**

THE MINISTRY OF TRANSPORT OF THE REPUBLIC OF LATVIA

**THE MINISTRY OF TRANSPORT AND COMMUNICATIONS OF THE
REPUBLIC OF LITHUANIA**

THE MINISTRY OF INFRASTRUCTURE OF THE REPUBLIC OF POLAND

THE GOVERNMENT OF THE KINGDOM OF SWEDEN

**THE MINISTRY OF TRANSPORT AND COMMUNICATIONS OF THE
REPUBLIC OF BELARUS,**

**HEREINAFTER REFERRED TO AS 'THE PARTIES', AND SEVERALLY A
'PARTY'.**

Recalling the terms of the Memorandum of Understanding setting out the modalities of establishing the Northern Dimension Partnership for Transport and Logistics (hereinafter "Memorandum"), signed by the Ministries responsible for transport, infrastructure and logistics in Naples (Italy) on October 21, 2009;

Taking into account that the Bank is an international organisation under public international law, governed by its constituent documents and accorded certain immunities and privileges;

Noting that the Bank has offered to host a Secretariat of the Northern Dimension Partnership for Transport and Logistics (hereinafter "Secretariat") and to provide related administrative services;

the Parties and the Bank have agreed as follows;

ARTICLE 1 **Definitions**

The terms "Partnership", "Steering Committee", "High Level Meeting(s)", "Northern Dimension", "Action Plan" and "Secretariat" shall have the same meaning as conferred to them in the Memorandum.

ARTICLE 2 **Aims and order of establishment**

- (1) The Secretariat is a working body of the Partnership and shall be established to provide administrative and technical support to the work of the Partnership.
- (2) The Secretariat shall be set up by signing this Agreement at a High Level meeting. The Secretariat shall be located at the Bank's headquarters in Helsinki, Finland.
- (3) For the avoidance of doubt, the Secretariat shall not be considered as a separate legal entity but it shall function as a special unit within the Bank. Nevertheless, the Secretariat shall in performing its functions act under the instructions of the Steering Committee of the Partnership only.
- (4) The staff of the Secretariat shall be employed by the Bank based on terms of reference laid down by the Steering Committee. The staff of the Secretariat shall as individuals enjoy the same privileges and immunities and be subject to the same rules and obligations applicable to other corresponding staff of the Bank, but perform only activities assigned to the Secretariat by the Steering Committee.
- (5) The main working language of the Secretariat shall be English. The staff of the Secretariat may also conduct their work in the Russian language

whenever the operational logic and good management of the Secretariat so requires.

ARTICLE 3
Activities

To reach the aims as stated in Article 2.1 of this Agreement the tasks of the Secretariat shall be as follows:

- (1) to examine and review proposals and information material presented to the agenda, as well as other documents submitted by the participants, with the purpose of their further use at sessions of the Steering Committee and High Level Meetings;
- (2) to provide organisational and technical support to the sessions of the Steering Committee, High Level Meetings and Working Groups, by i.a. circulating announcements of the dates of the meetings, preparing and circulating preliminary agenda and draft documents for consideration at the above mentioned meetings;
- (3) to prepare draft minutes of the sessions of the Steering Committee and High Level Meetings;
- (4) to provide the Steering Committee members with documents related to the results of the meetings;
- (5) to request the participants of the Partnership, as well as other interested organisations for information and other materials necessary to support the work of the Steering Committee;
- (6) to create a database on issues related to the sphere of competence of the Steering Committee, and provide the parties of the Memorandum with this information;
- (7) to assist the High Level Meetings, Steering Committee and Working Groups in preparing and circulating information regarding preliminary assessment of project proposals and analytical materials in the sphere of competence of the Partnership, as well as information regarding project preparation and appraisal, best practices on i.a. bottlenecks, horizontal measures, financial engineering and public-private-partnerships for the consideration of the Steering Committee;
- (8) to propose criteria to monitor progress of the Partnership in achieving its aims and in implementing the Action Plan for the consideration of the Steering Committee;
- (9) to analyse the Parties' fulfillment of decisions made by the Steering Committee and the High Level Meetings and provide corresponding information and proposals to sessions of the Steering Committee;

- (10) to prepare and submit, once a year, a report about progress of the Partnership for the Steering Committee's approval;
- (11) to facilitate coordination and information exchange between NDPTL participants;
- (12) to establish and regularly update a NDPTL website and other dissemination material presenting the work and achievements of the Partnership;
- (13) to prepare information, analytical and reference materials concerning development of NDPTL projects and measures;
- (14) to facilitate coordination and information exchange with organisations and fora of interest for the Partnership; and
- (15) to carry out any other functions as requested by, and under the instructions of, the Steering Committee.

ARTICLE 4

Financing and administration of financial recourses

- (1) The Parties shall be responsible for covering all costs pertaining to the establishment and operation of the Secretariat.
- (2) The Parties shall provide the financial resources required for the Secretariat by means of annual contributions, as set out in further detail in Annex 1.
- (3) The Steering Committee shall annually in advance, at the latest by 31 March, approve the total amount of costs pertaining to the Secretariat for the subsequent calendar year after having consulted the Bank.
- (4) The Bank shall be the receiver of the contributions. The Parties shall provide their contributions to the Bank not later than March 31 each calendar year, by payment to such interest bearing bank account (hereinafter "Secretariat Account") as advised by the Bank in writing. In case a Party does not make available its contribution, the Bank shall advise the Steering Committee, indicating the effect on the approved annual total amount of Secretariat costs and the Secretariat services to be provided.
- (5) The Secretariat Account shall be kept separate from the Bank's own capital resources including reserves. Interest earned on the Secretariat contributions shall be added to the Secretariat Account. For the avoidance of doubt it is recognized that the funds pertaining to the Secretariat shall enjoy the same exemptions from taxes and duties as the Bank enjoys according to its constituent documents.
- (6) The Bank will maintain separate records and ledger accounts in respect of the funds in the Secretariat Account and payments made therefrom,

and shall cause such records and accounts to be audited and certified by the Bank's external auditors at the end of each financial year. A copy of the audited financial statement will be provided to the Steering Committee as soon as available after the end of each financial year. The audited financial statement shall be supported by a record of funds used in the preceding financial year and a bank reconciliation for the Secretariat Account.

- (7) The Director of the Secretariat shall be responsible for administering the Secretariat Account. The Secretariat Account shall be administered in accordance with this Agreement and with the same care as the Bank administers its own funds.
- (8) The financial resources of the Secretariat may also include voluntary contributions from Parties as well as grants or payments of any kind from international and national organisations of a public, semi-public or private nature, for the purpose of furthering the activities of the Secretariat.

ARTICLE 5

Management and organisation of the Secretariat

- (1) The Secretariat shall comprise a Director and such number of other staff as the successful performance of its tasks will require. The Steering Committee shall decide on the number of the staff, taking into account the financial resources made available to the Secretariat.
- (2) The Parties may second national experts to the Secretariat subject to the approval of the Steering Committee in each individual case. The seconding Party shall pay all costs related to the seconded staff. The Bank and the seconding party shall agree on further details applicable to the secondment.
- (3) The recruitment of the Director and of the other staff of the Secretariat shall be made in an impartial way, in accordance with the highest professional and ethical standards. The Steering Committee shall lay down terms of reference for the professional and personal qualifications and balanced geographical diversification of the Secretariat's staff, taking due care to ensure that at least one staff member is fluent in Russian to ensure the operational logic and good management of the Secretariat.
- (4) The Bank shall handle the recruitment of Secretariat staff, according to its normal recruitment procedures. As part of the recruitment procedures, the Bank shall publish vacancy notices, receive and assess applications against the terms of reference and give consultative opinions on the candidates to the Steering Committee. Should the Bank find a candidate as not eligible to be its staff member, then as part of the professional and ethical assessment performed on the candidates, it shall provide the Steering Committee with a reasoned opinion as to why that is the case.

The Bank shall be under no obligation to employ a person, which in its reasonable opinion is unfit to serve as a staff member. The same criteria for eligibility shall apply to seconded Secretariat staff.

- (5) The Steering Committee may interview the candidates and shall select the candidate it deems most suitable. With respect to the Director of the Secretariat he/she shall be proposed by the Steering Committee by consensus decision, approved by the High Level Meeting and appointed by the Bank. Other staff of the Secretariat shall be nominated by the Steering Committee by consensus decisions and appointed by the Bank.
- (6) In operation of their duties with respect to the Secretariat activities, the staff members shall be independent from the other structures of the Bank and shall not seek or receive instructions from the Bank
- (7) Each Party shall respect the status and integrity of the staff members of the Secretariat and shall not influence them in their performance of duties. In the performance of their duties the Director and other staff members shall not seek or receive instructions from any Party. They shall act impartially irrespective of their nationality in promoting the best interests of the Partnership. During the period of their work in the Secretariat, the staff members shall devote their working activities to the Secretariat only and not e.g. perform any commercial or other activities aiming for self-profit.

ARTICLE 6 **Indemnification**

- (1) The Parties agree to indemnify, defend and hold harmless the Bank from and against all claims, liability, loss or expense (including costs and reasonable attorney's fees) in connection with the activities of the Secretariat, relating to or resulting from the violation by such an indemnifying Party of any applicable law or administrative regulation or any final judicial, administrative or arbitration order, award or injunction.
- (2) The Bank agrees to indemnify, defend and hold harmless the Parties from and against all claims, liability, loss or expense (including costs and reasonable attorney's fees) in connection with the activities of the Secretariat, relating to or resulting from the violation by the Bank of any applicable law or administrative regulation or any final judicial, administrative or arbitration order, award or injunction.
- (3) The Secretariat shall act in its own name in relation to all third parties and neither the Bank, a Party nor any officer, employee or agent of any of these, shall through the performance of their functions in connection with the activities of the Secretariat under this Agreement assume any personal liability to any third party. Every obligation, contract, certificate or undertaking, and every other act executed in connection with the Secretariat, shall be presumed to have been executed or done by

the executors thereof only in their capacity as officers, employees or agents of the Bank.

ARTICLE 7
Dispute resolution

Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity hereof, shall be resolved by means of consultations and negotiations between the Parties involved and the Bank. In case of failure to achieve an amicable solution within 90 calendar days from initiating of negotiations or consultations, the dispute shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in force at the time of entry into force of this Agreement. There shall be one arbitrator and the appointing authority shall be the London Court of International Arbitration. The seat and place of arbitration shall be London, England and the English language shall be used throughout the arbitral proceedings.

ARTICLE 8
Entry into Force

This Agreement shall enter into force upon signature of the Bank and all Parties. Each signatory warrants that he/she has full power and authority to sign and commit the Party on whose behalf he/she is signing.

ARTICLE 9
Duration, Termination

- (1) This Agreement shall remain in force for an initial period of 3 years after the date of signing and will thereafter automatically be extended for one year at a time or such longer period as may be agreed, unless terminated in writing by the Bank or any of the Parties with twelve (12) months notification.
- (2) Should a situation arise where adequate financial resources for the operation of the Secretariat will not be contributed according to Article 4.4 above, and if an agreement, approved by the Steering Committee, cannot be reached on adjustments to the scope of activities of the Secretariat so as to make the available contributions suffice, this Agreement shall be terminated and the Secretariat dissolved.
- (3) If the termination is made by one or more of the other Parties, the Bank shall consult with the Parties and the Steering Committee to determine if sufficient financing for the Secretariat remains. If it is concluded that sufficient financing does not remain, the Secretariat shall be dissolved. If the termination is made by the Bank, the notification shall be sent to all Parties and the Secretariat shall be dissolved.
- (4) In case the Secretariat is to be dissolved:

(i) the Bank shall carry on to supply administrative services to the Secretariat only for the purpose of winding up its affairs, and all of the powers of the Bank under this Agreement shall continue until the affairs of the Secretariat shall have been wound up;

(ii) the Secretariat Account shall be terminated, and any unutilised amounts (after deducting any unpaid related costs or expenses of the Bank and paying or adequately providing for the payment of all liabilities, and upon receipt of such indemnities and refunding contracts as the Bank may deem necessary for its protection) shall be repaid to the Parties in proportion to their paid contributions.

ARTICLE 10
Amendments

The present Agreement may be amended on the basis a unanimous decision of the Parties and the Bank, further to a proposal by any Party or the Bank.

In witness whereof, the undersigned authorised representatives of the eleven Parties and the Bank have signed this Agreement in one original in the English language.

Done in Zaragoza on 8 June 2010

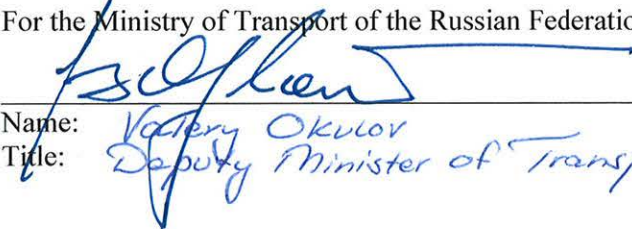
For the Ministry of Transport and Communications of the Kingdom of Norway



Name: Kjell Rosanoff
Title: Deputy Director General

Done in *Oslo* on *2 November* 2010

For the Ministry of Transport of the Russian Federation



Name: *Valery Okulov*
Title: *Deputy Minister of Transport*

Done in Zaragoza on 8 June 2010

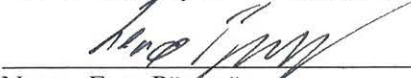
For the Ministry of Transport of the Kingdom of Denmark



Name: Rasmus Winckelmann Ottesen
Title: Head of Section

Done in Zaragoza on 8 June 2010

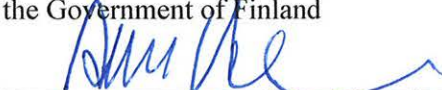
For the Ministry of Economic Affairs and Communications of the Republic of Estonia



Name: Eero Pärnmäe
Title: Deputy Secretary General

Done in *HELSINKI* on *26 OCTOBER* 2010

For the Ministry of Transport and Communications of the Republic of Finland on behalf of the Government of Finland



Name: *ANU VEHVILÄINEN*
Title: *MINISTER OF TRANSPORT*

Done in Zaragoza on 8 June 2010

For the Federal Ministry of Transport, Building and Urban Development of the Federal Republic of Germany



Name: Veit Steinle
Title: Director General


Done in *RIGA* on *15 June* 2010

For the Ministry of Transport of the Republic of Latvia


Name: *Kaspars Gerhards*
Title: *Minister of Transport*

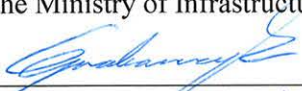
Done in Zaragoza on 8 June 2010

For the Ministry of Transport and Communications of the Republic of Lithuania


Name: *Arūnas Štaras*
Title: *Deputy Transport Minister*

Done in *Warszawa* on *21 October* 2010

For the Ministry of Infrastructure of the Republic of Poland


Name: *Cezary Grabarczyk*
Title: *Minister of Infrastructure*

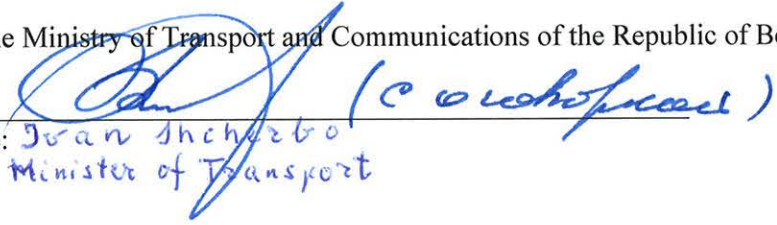
Done in Zaragoza on 8 June 2010

For the Government of the Kingdom of Sweden


Name: *Leif Zetterberg*
Title: *State Secretary*


Done in *Vilnius* on *10 December* 2010

For the Ministry of Transport and Communications of the Republic of Belarus,


Name: *Ivan Shestakov*
Title: *Minister of Transport*

Done in Zaragoza on 8 June 2010

For the Nordic Investment Bank


Name: *Harro Pitkänen*
Title: *Senior Director,
Deputy Head of Lending*


Name: *Christina Stenvall-Kekkonen*
Title: *Chief Counsel
Institutional and Administrative Affairs*

Annex 1

Financial annex to the NDPTL Secretariat Agreement as of [date] 2010

In the context of the negotiations for setting up a Secretariat of the Northern Dimension Partnership for Transport and Logistics (NDPTL), the following has been agreed on the financing required for the functioning of the Secretariat:

1. Temporary financial scheme for the year 2011 only:

(1) The following Parties will provide a contribution on a voluntary basis;

Denmark:	30 000 EUR
Finland:	95 000 EUR
Germany:	35 000 EUR
Norway:	45 000 EUR
Sweden:	70 000 EUR

(2) The voluntary contributions in aggregate should amount to at least EUR 250 000 in order to enable setting up a small size Secretariat;

(3) The size of the Secretariat should be limited to 1+1 (Director + technical staff);

(4) The contributions of the Parties may also take the form of technical support to the work of the Secretariat;

2. Final financial scheme

(1) All Parties agree to provide annual contributions as from 1 January 2012.

(2) The Parties shall no later than 31 October 2010 agree on the final financial scheme for the financing of the Secretariat. The provisions of the final financial scheme shall be recorded in a new Annex 1 that shall be signed by the Parties and the Bank by the latest on 31 March 2011 and enter into force as of 1 January 2012. As of the same date the new Annex 1 shall replace the present one.