Grant No. TF019226

Project Agreement

(Serbia Research, Innovation and Technology Transfer Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

INNOVATION FUND OF THE REPUBLIC OF SERBIA

Dated 27.5.2015
PROJECT AGREEMENT

Agreement dated 27.5.2015, entered into between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“World Bank”) and the INNOVATION FUND OF THE REPUBLIC OF SERBIA (“IF” or “Project Implementing Entity”) (“Project Agreement”) in connection with the Grant Agreement (“Grant Agreement”) dated 27.5.2015, between the Republic of Serbia (“Recipient”) and the World Bank for the Serbia Research, Innovation and Technology Transfer Project (“SRITTP”).

The World Bank and the IF hereby agree as follows:

ARTICLE I
STANDARD CONDITIONS; DEFINITIONS

1.01. The Standard Conditions (as defined in the Grant Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Grant Agreement or the Standard Conditions.

ARTICLE II
PROJECT

2.01. The IF declares its commitment to the objectives of SRITTP Part A (“Project”). To this end, the IF shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

2.02. The IF represents, by entering into this Agreement, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

2.03. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the World Bank and the IF shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Agreement.

2.04. The Project Agreement will become effective as stipulated in Article IV of the Grant Agreement.

2.05. The Project Operations Manual has been prepared by the IF, approved by the World Bank, and adopted by the IF by September 30, 2015.

ARTICLE III
REPRESENTATIVE; ADDRESSES

3.01. The IF’s Representative is its Managing Director.

3.02. The World Bank’s Address is:

International Bank for Reconstruction and Development
1818 H Street, NW
Washington, DC 20433
United States of America

Cable: INTBAFRAD
Telex: 248423(MCI) or 64145(MCI)
Mobile: 1-202-477-6391

3.03. The IF’s address is:

Nemanjina 22-26 Street
11 000 Belgrade
Republic of Serbia

AGREED at Belgrade, Republic of Serbia, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:

Authorized Representative

Name: Antonius Verheijen
Title: Country Manager, Serbia Country Office

INNOVATION FUND OF THE REPUBLIC OF SERBIA

By:

Authorized Representative

Name: Marko Zeh Atanasovski
Title: Interim Managing Director
SCHEDULE
Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

(a) Once established, the TTF will work with existing TTOs to build their transactional capacity for technology transfer. The TTF will deploy relevant services in order to elicit disclosures from inventors, conduct prior art analysis (screening of the disclosure), intellectual property (IP) landscape analysis, market analysis, scout for potential licenses, determine the most promising commercialization route (e.g. contract research, licensing, spin-off creation, etc.), and negotiate deals with industry or investors. As applicable, the TTF will also support selected interested TTOs to develop functions of an Office of Contract Research (OCR) including exploring in-licensing of technologies from abroad or managing research contracts with industry partners. Additionally, the TTF will provide support function to the Ministry of Education and Science and Technological Development (MoESTD) to promote the utilization of EU Horizon 2020 program resources among innovative enterprises.

(b) The Project Implementing Entity, the Innovation Fund (IF), will carry out the Project. The IF will maintain, at all times during the Project implementation, competent staff responsible for procurement, disbursement, financial management, and monitoring activities in accordance with the procedures set forth in the Project Operations Manual, with terms of reference satisfactory to the World Bank.

(c) The IF will implement the Project in accordance with the Project Operations Manual to be prepared by the IF, approved by the World Bank and adopted by the IF by September 30, 2015. The IF shall not, amend or waive any provision of the Project Operations Manual without the World Bank’s prior written approval. In case of any conflict between the terms of the Project Operations Manual and this Agreement, the terms of this Agreement shall prevail.

(d) The IF will maintain a Committee – consisting of TTF staff, experts and TTO management – which is expected to guide the selection and monitoring process of projects selected for support, as detailed in the Project Operations Manual.

(e) The IF will ensure adequate participation in the Project Steering Committee meetings. The Project Steering Committee shall be established with representation from MoESTD, Ministry of Economy, the National Council on Science and Technology Development, the EU Delegation and other stakeholders to coordinate and share operational progress and information regarding the Project. The World Bank shall take the lead in coordinating these meetings on a quarterly basis and the Recipient will ensure adequate participation from the MoESTD and the IF.

(f) Annually, the IF will take necessary steps, in accordance with budgetary procedures, to submit a request to MoESTD for securing operational expenses for the forthcoming year, based on the projected costs and plan prepared by the IF, in order to maintain appropriate, timely and satisfactory implementation at all times throughout the implementation of the Project from the Recipient’s budget.
The IF shall promptly inform the World Bank of any condition which interferes or threatens to interfere with the progress of implementation of the Project, the accomplishment of the purposes of the Project, or the performance by the IF of its obligations under this Agreement.

B. Anti-Corruption

1. The IF shall ensure that the Project is carried out in accordance with the provisions of the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Grants and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 ("Anti-Corruption Guidelines").

C. Donor Visibility and Visit

1. The IF shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor’s support for the Project.

2. For the purpose of Section 2.09 of the Standard Conditions, the IF shall, upon the World Bank’s request, take all measures required in its part to enable the representatives of the Donor to visit any part of the Recipient’s territory for purposes related to the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The IF shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

2. The IF shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The IF shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The IF shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering each quarter, in form and substance satisfactory to the World Bank.

3. The IF shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the IF. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.
Section III. **Procurement**

All goods, non-consulting services, consultants’ services, and Training and Workshops required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Sections 2.07 of the Grant Agreement.¹

¹ Non-consulting services in the Grant Agreement and Project Agreement are the same as Contractual Services mentioned in the Recipient Executed activities of the Administration Agreement.