



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs FDEA  
**State Secretariat for Economic Affairs SECO**  
Economic Cooperation and Development  
Private Sector Development

Multiconsult Trustees Ltd  
C/o Cim Trustees (Mauritius) Ltd  
5th Floor, Les Cascades Building  
Edith Cavell Street  
Port-Louis  
Mauritius

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S.G. Hambros Trust Company Limited  
5th Floor  
8 St. James's Square  
London  
SW1Y 4JU

22 November 2017

**ARRANGEMENT BETWEEN**  
**THE GOVERNMENT OF THE SWISS CONFEDERATION**  
**REPRESENTED BY THE STATE SECRETARIAT FOR ECONOMIC AFFAIRS ("SECO")**  
**AND**  
**THE PRIVATE INFRASTRUCTURE DEVELOPMENT GROUP TRUST**  
**FOR**

**SUPPORT FOR THE ACTIVITIES OF THE PRIVATE INFRASTRUCTURE DEVELOPMENT**  
**GROUP TRUST FOR THE PERIOD 22 NOVEMBER 2017- 31 DECEMBER 2021**

1. This Letter of Arrangement dated 22 November 2017 ("Letter of Arrangement") is made between the Government of the Swiss Confederation represented by the State Secretariat for Economic Affairs ("SECO") and the trustees of the Private Infrastructure Development Group Trust (the "PIDG Trust") to make available funds to the PIDG Trust for the support of its activities, including but not limited to further support of the activities of The Emerging Africa Infrastructure Fund Ltd ("EAIF"), GuarantCo Limited ("GuarantCo"), InfraCo Africa Ltd. ("InfraCo Africa"), InfraCo Asia Development Pte. Ltd. ("InfraCo Asia"), the PIDG Trust's Technical Assistance Facility ("TAF") and general administration costs of the Private Infrastructure Development Group ("PIDG").
2. This Letter of Arrangement records that SECO will make available to the PIDG Trust a grant not exceeding USD 46,500,000 (forty-six million five hundred thousand United States Dollars) in support of the activities of the PIDG Trust as set out in this Letter of Arrangement (the "Grant"). The Grant is additional to USD 106,333,300 of funding already provided by SECO to the PIDG Trust under previous funding instruments entered into by SECO and the PIDG Trust between 14 March 2003 and 5 December 2012.

3. The Grant will be drawn down by the PIDG Trust during the period 22 November 2017- 31 December 2021 for PIDG activities as set out in paragraph 5 of this Letter of Arrangement.
4. The Grant will be administered and applied by the PIDG Trust for the purposes specified in paragraph 5 of this Letter of Arrangement. The PIDG Trust will make every effort to ensure the timely and full use of the Grant.
5. Subject to paragraphs 6 – 14 of this Letter of Arrangement, SECO will make annual disbursements from the Grant to the PIDG Trust according to the payment schedule set out below subject to:
  - (i) proof of need as defined in the relevant funders' agreements for disbursements for EAIF, GuarantCo, InfraCo Asia and InfraCo Africa,
  - (ii) proof of need in a form to be agreed with SECO for disbursements for TAF,
  - (iii) proof of need in a form to be agreed with SECO and appropriate sharing of the general administration costs between the Members of the PIDG for disbursements for the general administration costs of PIDG, and
  - (iv) proof of need in a form to be agreed with SECO for disbursements from "Contingency".

#### **Payment Schedule**

PIDG Activity	22 November 2017 – December 2017 Year 1	01 January 2018 – 31 December 2018 Year 2	01 January 2019 – 31 December 2019 Year 3	01 January 2020 – 31 December 2020 Year 4	TOTAL
EAIF	0	0	0	0	0
GuarantCo	4,750,000	2,750,000	3,750,000	3,750,000	15,000,000
InfraCo Asia	4,000,000	3,000,000	2,000,000	1,000,000	10,000,000
InfraCo Africa	4,000,000	3,000,000	2,000,000	1,000,000	10,000,000
TAF	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000
General Administration	650,000	650,000	650,000	650,000	2,600,000
Contingency	225,000	225,000	225,000	225,000	900,000
<b>Total</b>	<b>15,625,000</b>	<b>11,625,000</b>	<b>10,625,000</b>	<b>8,625,000</b>	<b>46,500,000</b>

6. The PIDG Trust shall request disbursements using an electronic invoice which shall be submitted through SECO's E-Billing system in accordance with paragraphs 7-10. Information about E-Billing within the Swiss Federal administration can be found on the following website:  
<http://www.erechnung.admin.ch/index.php>.
7. A copy of the electronic invoice shall be sent to the following address: State Secretariat for Economic Affairs (SECO), c/o DLZ FI EFD, CH-3003 Bern.

8. All electronic invoices must include an order number, which will be provided by SECO to the PIDG Trust after signature of this agreement.
9. SECO is entitled to refuse to make disbursements to the PIDG Trust if any of the information set out in paragraph 17 is outstanding, if the PIDG Trust is in breach of the terms and conditions of this Letter of Arrangement or if SECO considers that there has been unsatisfactory performance by any or all of the provider of central management office services to the PIDG Trust, EAIF, GuarantCo, InfraCo Africa, InfraCo Asia or the TAF.
10. The annual authorization of the annual disbursements by the Federal Parliament of the Swiss Confederation is reserved.
11. The PIDG Trust or SECO may submit a request to the other party for an amendment to the payment schedule set in paragraph 5 if it becomes apparent during the draw down period set out in paragraph 3 of this Letter of Arrangement that a disbursement is required earlier or later than set out in the payment schedule. Any amendment to the payment schedule will require the prior written consent of SECO.
12. The amount of the Grant for InfraCo Asia is provided by SECO on the basis that it will be spent by InfraCo Asia as follows:
  - (i) USD 4,000,000 for projects in Vietnam,
  - (ii) USD 4,000,000 for projects in Indonesia,
  - (iii) USD 2,000,000 for projects in any country that InfraCo Asia may operate in.

The PIDG Trust will require InfraCo Asia to agree in writing that it will use any funding received from the PIDG Trust as a consequence of this Letter of Arrangement in accordance with this paragraph 12 before any disbursement of funding by the PIDG Trust to InfraCo Asia.

Should InfraCo Asia's project pipelines in Vietnam and Indonesia not materialize as expected, SECO may agree that the amount of the Grant for InfraCo Asia can be spent on InfraCo Asia projects in other countries subject to proof of need in accordance with paragraph 5 and SECO's agreement in writing.

13. The amount of the Grant for TAF shall not be used for TAF grants for "Viability Gap Funding". Any exception would have to be agreed by SECO in writing.
14. Within 30 working days of receipt of the electronic invoice, SECO will disburse amounts from the Grant to the PIDG Trust's bank account referred to below:

**ACCOUNT DETAILS:**

Account Name: SG Hambros Trust Company Limited - Trust 1759  
 Swift Code: HAMB GB2L  
 IBAN: GB64 HAMB 4048 5802 0141 20  
 Account Number: 02014120

**PAYMENTS TO BE SENT THROUGH CORRESPONDENCE BANK:**

Correspondence Bank: Societe Generale - New York  
 Swift Code: SOGE US 33  
 Account Name: SG Kleinwort Hambros Bank Limited  
 Account Number: 190063

Please note all the details above are required for any payment and to ensure that the funds reach the PIDG Trust's bank account successfully.

15. The arrangements for the transfer of disbursements from the Grant by the PIDG Trust to each of EAIF, GuarantCo, InfraCo Africa and InfraCo Asia are or will be set out in funders' agreements entered into between the PIDG Trust and each of EAIF, GuarantCo, InfraCo Africa and InfraCo Asia as applicable.
16. The PIDG Trust will exercise the same care in the discharge of its functions under this Letter of Arrangement as it exercises with respect to its own affairs.
17. The PIDG Trust will, in accordance with the provisions of the amended and restated declaration of trust dated 14 March 2003 entered into between the Trustees ("**Amended and Restated Declaration of Trust**") as amended from time to time, maintain separate records and ledger accounts in respect of the Grant and disbursement thereof.
18. The PIDG Trust will prepare, or arrange to be prepared, and submit to SECO:
  - a) within thirty days of each 30 June (covering the period 1 January to 30 June) and 31 December (covering the period 1 July to 31 December), an unaudited financial statement for the PIDG Trust relating to disbursements from the Grant for each such six month period;
  - b) within thirty days of the end of each quarter (31 March, 30 June, 30 September, 31 December) progress reports on the status of the activities of the PIDG Trust including any special reports relating to investments of the PIDG Trust in such form and detail as SECO may reasonably require;
  - c) by 31 December each year a copy of the PIDG Trust's audited financial accounts for the preceding year, which shall include a breakdown of investments supported by SECO for such year, prepared in accordance with International Financial Reporting Standards adopted by the International Accounting Standards Board together with an audit report thereon signed by the PIDG Trust;
  - d) the audited financial statements of each of EAIF, GuarantCo, InfraCo Africa and InfraCo Asia (the "Audited PIDG Entities") within one hundred and twenty (120) days after the end of each financial year of each of the Audited PIDG Entities, prepared in accordance with International Financial Reporting Standards adopted by the International Accounting Standards Board together with the corresponding audit report signed by each of the Audited PIDG Entity's auditors.
19. Any proceeds (proceeds shall include dividends, interest, loan repayment or other monies) received by the PIDG Trust from the activities funded by the Grant shall be applied as follows:
  - a) first, to be paid pro rata and pari passu to each member of the PIDG ("PIDG Member") that has funded the activities from which the proceeds are derived (at the option of each PIDG Member) in repayment of the amount of each such PIDG Member's contribution to the PIDG Trust for such activities plus such amount of any surplus proceeds pro rata to the amount of each such PIDG Member's aggregate contribution to the PIDG Trust for such activities. For the avoidance of doubt the distribution of proceeds to any PIDG Member who holds a participatory note issued by the PIDG Trust may constitute a redemption in whole or in part of the participatory note;
  - b) second, to the extent that any PIDG Member has elected not to be repaid from the relevant proceeds under a) above to be recycled in the PIDG Trust; and

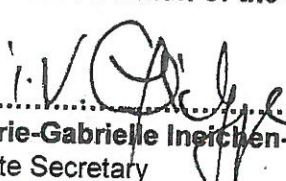
- c) third, to the extent that any proceeds referred to in b) above have not been re-committed by the Trustees (in accordance with the provisions of the Amended and Restated Declaration of Trust) to the activities of the PIDG Trust within 2 years from the date on which they were received by the PIDG Trust to be paid pro rata and pari passu to each relevant PIDG Member (or as such PIDG Member shall otherwise direct) in repayment of the amount of each such PIDG Member's contribution to such activities to the extent not already repaid.


20. The arrangement set out in this Letter of Arrangement will terminate:
- (i) on 31 December 2021 unless such termination date is extended by written agreement of the parties; or
  - (ii) on termination of the PIDG Trust in accordance with the provisions of the Amended and Restated Declaration of Trust; or
  - (iii) on SECO giving three months' prior notice in writing to the PIDG Trust.

On termination of the Letter of Arrangement in accordance with this paragraph 20, any disbursement from the Grant that has not been applied for the purpose set out in this Letter of Arrangement will, at SECO's request, be returned to SECO.

21. SECO will not be responsible for the activities of any person or third party engaged by the PIDG Trust as a result of this Letter of Arrangement, nor will SECO be liable for any costs incurred by the PIDG Trust in terminating the engagement of any such person.
22. This Letter of Arrangement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Letter of Arrangement.

**For and on behalf of the State Secretariat for Economic Affairs (SECO)**

  
.....  
**Marie-Gabrielle Ineichen-Fleisch**  
State Secretary  
SECO Director

  
.....  
**Raymund Furrer**  
Ambassador  
Delegate of the Swiss Government for Trade  
Agreements

**For and on behalf of the Private Infrastructure Development Group Trust**

.....  
**S.G. Hambros Trust Company Limited**

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**S.G. Hambros Trust Company Limited**

- c) third, to the extent that any proceeds referred to in b) above have not been re-committed by the Trustees (in accordance with the provisions of the Amended and Restated Declaration of Trust) to the activities of the PIDG Trust within 2 years from the date on which they were received by the PIDG Trust to be paid pro rata and pari passu to each relevant PIDG Member (or as such PIDG Member shall otherwise direct) in repayment of the amount of each such PIDG Member's contribution to such activities to the extent not already repaid.

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State Secretary  
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**For and on behalf of the Private Infrastructure Development Group Trust**

  
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