
Project No. 570627

Cooperation Agreement

between

INTERNATIONAL COUNCIL FOR SMALL BUSINESS (ICSB)

and

INTERNATIONAL FINANCE CORPORATION

Dated October 22, 2009

This draft document is not a contract or an offer to enter into a contract. Only the document as executed by IFC and the Client will contain the terms that bind them.

COOPERATION AGREEMENT

AGREEMENT dated October 22, 2009 between:

- (1) THE INTERNATIONAL COUNCIL FOR SMALL BUSINESS (ICSB), a non-profit company organized and existing under the laws of the State of California in the United States of America (the "Client"); and
- (2) INTERNATIONAL FINANCE CORPORATION, an international organization established by Articles of Agreement among its member countries, including the United States of America and those 11 countries where the Client has country-based or regional affiliates with members from over 70 countries ("IFC").

WHEREAS

- (A) IFC, a member of The World Bank Group, is an international organization whose mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives. IFC supports the participation of women in business, as well as men, as an important part of its mission. Recognizing that aspiring businesswomen are often prevented from realizing their economic potential because of gender inequity, IFC is committed to creating opportunities for women in business.
- (B) The Client was the first international membership organization to promote the growth and development of small businesses worldwide. The organization brings together educators, researchers, policy makers and practitioners from around the world to share knowledge and expertise in their respective fields.
- (C) The Client and IFC consider cooperating in the development of women-owned and women-managed small and medium enterprises globally (the "Project").
- (D) The purpose of this Agreement is to set out the main terms and conditions of that cooperation.

NOW, THEREFORE, the parties hereto hereby agree as follows:

I. Project Objectives, Minimum Targets and Proposed Timing

(a) The main Project objectives, the minimum targets and the proposed time schedule are set out in Annex A hereto.

(b) The parties undertake to cooperate in good faith with each other and do in a timely manner all things necessary to complete the Project as contemplated hereunder.

II. IFC's Responsibilities

- Exchange articles and information on women's entrepreneurship for newsletters and other forms of organisational communication;
- Explore co-delivery of women's entrepreneurship development initiatives and events;
- Include reciprocal links to the Client's women entrepreneurship programs in newsletters, etc.
- Inform, when appropriate, the Client of IFC events on women's entrepreneurship and welcome the Client's participation (at Client's own cost);
- Invite the Client to hold a seat on IFC women entrepreneurship related advisory groups, when appropriate.

III. Client's Responsibilities

- Exchange articles and information on women's entrepreneurship for newsletters and other forms of organisational communication;
- Explore co-delivery of women's entrepreneurship development initiatives and events;
- Include reciprocal links to IFC's Gender Program in newsletters, etc.;
- Invite IFC's Gender Program designate to act as a member of the ICSB Best Paper Award for Women's Entrepreneurship review panel;
- Invite IFC's Gender Program designate to participate as a member of the ICSB Women's Entrepreneurship Committee;
- Encourage IFC relationship with Client Affiliate and Chapter leaders at the country and regional levels;
- Promote IFC's Gender Program involvement in country and regional Client events, when appropriate;
- Invite IFC's Gender Program to participate in conferences and events, e.g. Client's ICSB Pre-World Conference Policy Forums, ICSB World Conference. Participation may be in the form of delivery of a workshop, presentation, etc. (at IFC's costs).

IV. Budget, Cost Sharing and Payments

(a) The parties estimate that the Project budget and the sharing of costs between them will be as follows:

In-Kind Cost Sharing FY10 (until June 30, 2010)

	IFC	Client
Coordination	1,000	1,000
Communication	500	500
Research	500	500
Participation in Workshops	2,000	
Total	4,000	2,000

(b) The parties undertake to consult with each other, on a quarterly basis, with respect to the status of Project implementation, proposed changes in budget projections and actual budget spending.

V. Impact Measurement and Scorecard

The Client acknowledges that, in accordance with IFC's internal procedures, the Project's performance should be assessed using the development and other performance indicators set out in Annex B. To that effect, the Client undertakes to provide IFC, promptly upon the completion of the Project, with an evaluation report detailing the information in the form set out in Annex B.

VI. Termination

(a) Subject to the provisions of paragraph (b) below, either party shall have the right to terminate this Agreement, without cause, by giving the other party written notice at least thirty (30) days prior to the effective date of termination

(b) Nothing herein shall be construed as a waiver of any remedy which may be available pursuant to applicable laws.

(d) Notwithstanding anything herein or elsewhere to the contrary, the provisions of Sections IX, X and XIII shall survive the termination of this Agreement.

VII. Authorizations

The Client shall cause to obtain and maintain in effect all governmental, administrative, corporate and other authorizations necessary for the full implementation of this Agreement.

VIII. Reports and Documents. Use of IFC's Name

(a) All reports and documents prepared by, or with the assistance of IFC, may be distributed by the Client as needed among its employees and officers, but may only be distributed to third parties with the written consent of IFC and with the insertion of IFC's usual disclaimers.

(b) The Client agrees that it shall not represent, or permit the representation of, IFC's views without the prior consent of IFC and that it shall not use, or permit the use of IFC's name, in any advertisements, promotional literature or information without the prior written consent of IFC.

IX. Disclaimers

(a) IFC makes no express or implied representation or warranty as to the accuracy, completeness or sufficiency of any reports, analyses or memoranda prepared by, or with the assistance of, IFC.

(b) IFC shall not be liable for any loss, damage or liability that the Client or any other third party may suffer or incur as a result of (i) any document prepared by, or with the assistance of, IFC, or (ii) any advice or recommendation given or made by IFC, unless a court of competent jurisdiction determines by final judgment that such loss, damage or liability was the result of gross negligence or willful misconduct on the part of IFC.

X. No Partnership or Investment Commitment

(a) The parties acknowledge and agree that it is not the purpose of this Agreement to create a partnership or similar arrangement whereby the parties could be held jointly liable vis a vis third parties.

(b) Nothing herein shall constitute a commitment by IFC to provide financing to the Client in respect of the Project or otherwise.

XI. Additional Requirements Regarding Conducting Business with Shell Banks, Compliance with United Nations Security Council Resolutions, and Sanctionable Practices.

(a) Shell Banks. For the purposes of this subsection, the term "Shell Bank" shall mean a bank incorporated in a jurisdiction in which it has no physical presence and which is not in any way affiliated with a regulated bank or financial group. The Client agrees that it shall not conduct business with, or enter into any transaction with, or transmit funds through, a Shell Bank.

(b) UN Security Council Resolutions. The Client agrees that it shall not enter into any transaction, or engage in any activity, prohibited by the United Nations Security Council or its Committees pursuant to any resolution under Chapter VII of the United Nations Charter.

(c) Sanctionable Practices. For the purposes of this subsection, the term "Sanctionable Practice" refers to any of the practices described in the "*Anti-Corruption Guidelines for IFC Transactions*" attached to this Agreement as

Annex __. The Client agrees that it shall not engage in (or authorize or permit any entity or person affiliated in any way with the Client through common ownership or control and acting on its behalf to engage in) any Sanctionable Practice with respect to the Project or any transaction contemplated by this Agreement. The Client further covenants that should IFC notify the Client of its concerns that there has been a violation of the provisions of this subsection of this Agreement, the Client shall cooperate in good faith with IFC and its representatives in determining whether such a violation has occurred, shall respond promptly and in reasonable detail to any notice from IFC, and shall furnish documentary support for such response upon IFC's request.

XII. Applicable Law and Jurisdiction

(a) This Agreement is governed by, and shall be construed in accordance with, the laws of the State of New York.

(b) The parties hereto will endeavor in good faith to resolve any differences and disputes arising under, or in connection with, this Agreement by amicable settlement. Absent that amicable settlement, this Agreement may, at the option of IFC, be enforced against the Client in the courts of the United States of America located in the Southern District of New York or in the courts of the State of New York located in the Borough of Manhattan, or in any other court having jurisdiction.

(c) To the extent that the Client may be entitled in any jurisdiction to claim immunity for itself or its assets in respect of its obligations under this Agreement from any suit, execution, attachment (whether provisional or final, in aid of execution, before judgment or otherwise) or other legal process or to the extent that in any jurisdiction that immunity (whether or not claimed) may be attributed to it or its assets, the Client irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted now or in the future by the laws of such jurisdiction.

XIII. Amendments

Any amendment or waiver of, or any consent given under, any provision of this Agreement shall be in writing and, in the case of an amendment, signed by the parties.

XIV. Successors and Assignees

This Agreement binds and benefits the respective successors and assignees of the parties, provided that neither of them may assign this Agreement in whole or in part without the prior consent of the other.

XV. Entire Agreement and Counterparts

(a) This Agreement, together with all its Annexes, constitutes the entire agreement among the parties hereto and supersedes any and all prior agreements,

understandings and arrangements, oral or written, between the parties with respect to the subject matter hereof.

(b) This Agreement may be executed in several counterparts, each of which is an original, but all of which constitute the same agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed in their respective names as of the date first above written.

INTERNATIONAL COUNCIL FOR SMALL BUSINESS (ICSB)

By : Annette St-Onge

Name: Annette St-Onge

Title : President

INTERNATIONAL FINANCE CORPORATION

By : Zouera Youssoufou

Name: Zouera Youssoufou

Title : Head, CESGM

ANNEX A

Main Objectives – Minimum Targets – Proposed Timing

October 2009

- Signing of Cooperation Agreement

November 2009

- ICSB to invite IFC to participate as a member of the ICSB Women's Entrepreneurship Committee

December 2009

- IFC to include ICSB in Quarterly Newsletter

March 2010

- IFC to include ICSB in Quarterly Newsletter

April/May 2010

- IFC to identify a designate to act as a member of the ICSB Best Paper Award for Women's Entrepreneurship review panel;

June 2010

- ICSB to invite IFC to participate in/present at ICSB's Annual World Conference (Ohio) at IFC's own costs

ANNEX B

Form of Evaluation Report

Activity	Output Indicators	Outcome Indicators
Capacity Building	Workshops/Seminars: Target: 1 Baseline: 0 Participants in Workshops/Seminars: Target: 20 Baseline: 0 Participants Satisfied/very Satisfied: (Target: 80%; Baseline: 0)	Follow-up Regional IFC-ICSB Cooperation: Target: 1 Baseline: 0
Research	Participation in Best Paper Award Panel Target: 1 Baseline: 0	
Communications	Newsletter/Issue Brief: (Target: 2, Baseline: 0) Blogs: (Target: 1; Baseline: 0)	

ANNEX __

ANTI-CORRUPTION GUIDELINES FOR IFC TRANSACTIONS

The purpose of these Guidelines is to clarify the meaning of the terms "Corrupt Practices", "Fraudulent Practices", "Coercive Practices," "Collusive Practices" and "Obstructive Practices" in the context of IFC operations.

1. CORRUPT PRACTICES

A "Corrupt Practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

INTERPRETATION

- A. Corrupt practices are understood as kickbacks and bribery. The conduct in question must involve the use of improper means (such as bribery) to violate or derogate a duty owed by the recipient in order for the payor to obtain an undue advantage or to avoid an obligation. Antitrust, securities and other violations of law that are not of this nature are excluded from the definition of corrupt practices.
- B. It is acknowledged that foreign investment agreements, concessions and other types of contracts commonly require investors to make contributions for bona fide social development purposes or to provide funding for infrastructure unrelated to the project. Similarly, investors are often required or expected to make contributions to bona fide local charities. These practices are not viewed as Corrupt Practices for purposes of these definitions, so long as they are permitted under local law and fully disclosed in the payor's books and records. Similarly, an investor will not be held liable for corrupt or fraudulent practices committed by entities that administer bona fide social development funds or charitable contributions.
- C. In the context of conduct between private parties, the offering, giving, receiving or soliciting of corporate hospitality and gifts that are customary by internationally-accepted industry standards shall not constitute corrupt practices unless the action violates applicable law.
- D. Payment by private sector persons of the reasonable travel and entertainment expenses of public officials that are consistent with existing practice under relevant law and international conventions will not be viewed as Corrupt Practices.
- E. The World Bank Group does not condone facilitation payments. For the purposes of implementation, the interpretation of "Corrupt Practices"

relating to facilitation payments will take into account relevant law and international conventions pertaining to corruption.

2. FRAUDULENT PRACTICES

A "Fraudulent Practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.

INTERPRETATION

- A. An action, omission, or misrepresentation will be regarded as made recklessly if it is made with reckless indifference as to whether it is true or false. Mere inaccuracy in such information, committed through simple negligence, is not enough to constitute a "Fraudulent Practice" for purposes of World Bank Group sanctions.
- B. Fraudulent Practices are intended to cover actions or omissions that are directed to or against a World Bank Group entity. It also covers Fraudulent Practices directed to or against a World Bank Group member country in connection with the award or implementation of a government contract or concession in a project financed by the World Bank Group. Frauds on other third parties are not condoned but are not specifically sanctioned in IFC, MIGA, or PRG operations. Similarly, other illegal behavior is not condoned, but will not be sanctioned as a Fraudulent Practice under the World Bank sanctions program as applicable to IFC, MIGA and PRG operations.

3. COERCIVE PRACTICES

A "Coercive Practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

INTERPRETATION

- A. Coercive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.
- B. Coercive Practices are threatened or actual illegal actions such as personal injury or abduction, damage to property, or injury to legally recognizable interests, in order to obtain an undue advantage or to avoid an obligation. It is not intended to cover hard bargaining, the exercise of legal or contractual remedies or litigation.

4. COLLUSIVE PRACTICES

A "Collusive Practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party.

INTERPRETATION

Collusive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.

5. OBSTRUCTIVE PRACTICES

An "Obstructive Practice" is (i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making of false statements to investigators, in order to materially impede a World Bank Group investigation into allegations of a corrupt, fraudulent, coercive or collusive practice, and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) acts intended to materially impede the exercise of IFC's access to contractually required information in connection with a World Bank Group investigation into allegations of a corrupt, fraudulent, coercive or collusive practice.

INTERPRETATION

Any action legally or otherwise properly taken by a party to maintain or preserve its regulatory, legal or constitutional rights such as the attorney-client privilege, regardless of whether such action had the effect of impeding an investigation, does not constitute an Obstructive Practice.

GENERAL INTERPRETATION

A person should not be liable for actions taken by unrelated third parties unless the first party participated in the prohibited act in question.