The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
1818 H Street N.W.
Washington, D.C. 20433
U.S.A.
(202) 477-1234
Cable Address: INTBAFRA
Cable Address: INDEVAS

September 28, 2011

Dr. Steve Maharey
Vice-Chancellor
Massey University
University House, Tennent Drive
Palmerston North 4474, New Zealand

Re: European Commission Avian and Human Influenza Trust Fund for the Regional Training in Animal and Human Health Epidemiology in South Asia: Phase 2
Grant No. TF098536

Dear Sir,

I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association (collectively, the "World Bank"), acting as administrator of grant funds provided by the European Commission (the "Donor") under the Avian and Human Influenza Trust Fund, proposes to extend to Massey University ("Massey University"), for the benefit of the Islamic Republic of Afghanistan, Kingdom of Bhutan, Nepal, India, Democratic Socialist Republic of Sri Lanka, People’s Republic of Bangladesh and Islamic Republic of Pakistan (the "Beneficiary Countries or each a "Member Country"), a grant in an amount not to exceed three million eight hundred sixty five thousand nine hundred ten United States Dollars (US$3,865,910) (the "Grant") on the terms and conditions set forth or referred to in this letter agreement (the "Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex (the "Project"). The World Bank is extending the funds to Massey University in the form of a grant. This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), Massey University may withdraw the Grant proceeds subject to the availability of such funds.

Massey University represents, by confirming its agreement below, 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.

Please confirm Massey University’s agreement to the foregoing by having an authorized official of Massey University sign and date the enclosed original of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned original, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not
received the countersigned original of this Agreement within thirty (30) days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT
ASSOCIATION

By /s/: Salman Zaheer

Mr. Salman Zaheer
Program Director for Regional Integration
South Asia Region

AGREED:
MASSEY UNIVERSITY

By /s/: Steve Maharey
Authorized Representative

Name: Steve Maharey
Title: Vice-Chancellor
Date: Massey University

Enclosures:


(2) Disbursement Letter dated, of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
ANNEX

Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds dated July 31, 2010 ("Standard Conditions"), with the modifications set forth in the Appendix to this Agreement, constitute an integral part of this Agreement.

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement as follows:

   (a) "One Health" refers to a worldwide strategy for expanding interdisciplinary collaborations and communications in all aspects of health care for humans, animals and the environment or an initiative that unites human and veterinary medicine.

   (b) "Project Operations Manual" means the manual to be prepared by Massey University in accordance with Section 2.02(b) of the Annex to this Agreement, setting forth the procedures for the implementation of the technical aspects of the Project, financial management, procurement and Project management and monitoring.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to strengthen institutional capacities in epidemiology and biosecurity by introducing and operationalizing the One Health concept in selected national institutions of the Beneficiary Countries, which are directly or indirectly responsible for diagnosis, preparedness, response, prevention and control of Highly Pathogenic Avian Influenza (HPAI) and other zoonoses in domestic poultry and other animals.

The Project consists of the following parts and activities (the "Activities"):

**Part A. Regional Knowledge Sharing and Centers of Excellence Hub Development Workshops**

(i) Provide regional platforms for communication, collaboration and further practical training to selected individuals who graduated with a Masters-level degree in Epidemiology under Phase 1 of the Project but must be directly involved in the implementation of One Health hubs, as well as training and workshops to other relevant in-region professional and scientific personnel, who would be directly involved in establishing and managing One Health hubs.

(ii) Operationalize the One Health concept in the Beneficiary Countries by stimulating and effective operational implementation of biosecurity and disease control activities across the medical and veterinary interface.

(iii) Assist in building cooperation between countries in the region for control of infectious diseases, especially those for which transboundary spread is likely.
Part B. Development of Centers of Excellence or One Health Hubs in Epidemiology

Development of One Health hubs in the Beneficiary Countries by strengthening approximately fourteen (14) national institutions of said Countries to ensure long-term sustainability of the program, including: (i) enhancement of disease early warning and detection systems; (ii) strengthening of capacity for surveillance and response; (iii) identification and assessment of disease drivers in food and animal production, and natural resource management; (iv) strengthening of the capacity of public veterinary services in preparation, prevention and response to animal disease occurrence; (v) assessment of the social and economic impact of diseases; (vi) associating private sector stakeholders with public sector actions in livestock and wildlife health; and (vii) communicate risk at all levels.

2.02. Project Execution Generally. (a) Massey University declares its commitment to the objective of the Project. To this end, Massey University shall carry out the Project in accordance with the provisions of: (i) Article II of the Standard Conditions; (ii) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 (“Anti-Corruption Guidelines”); and (iii) this Article II.

(b) Massey University shall prepare and submit to the World Bank, the Project Operations Manual three (3) months after the effectiveness of this Agreement. This Project Operations Manual must be satisfactory and acceptable to the World Bank.

2.03. Donor Visibility and Visit. (a) Massey University 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.

(b) For the purposes of Section 2.09 of the Standard Conditions, Massey University shall, upon the World Bank’s request, take all reasonable measures to facilitate the representatives of the Donor to visit any part of each Member Country’s territory for purposes related to the Project.

2.04. Project Monitoring, Reporting and Evaluation. (a) Massey University 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 the indicators set forth below in paragraph (b) of this Section. Each Project Report shall cover the period of one (1) calendar semester (six months), and shall be furnished to the World Bank not later than one (1) month after the end of the period covered by such report.

(b) The performance indicators referred to above in paragraph (a) consist of the following:

(i) Regional workshop in epidemiology and biosecurity is organized; and

(ii) A network of centers of excellence / One Health hubs in epidemiology in the national institutions of the Beneficiary Countries is created and made fully functional.
(c) Massey University shall report to the World Bank the names of well-known institutions and experts it hires or intends to hire for the carrying out the Activities, so that the Beneficiary Countries fully benefit from world-wide expertise and have access to the best scientific knowledge and information available. Massey University shall provide such names of institutions and experts as part of the Project Reports mentioned in Section 2.04 above.

(d) Massey University shall undertake a needs assessment in each Beneficiary Country, mainly in relation to goods. Each such needs assessment shall include in-country consultations with relevant line ministries, including ministries of health and agriculture and other technical agencies involved in animal and human health. Massey University shall provide the World Bank with such needs assessment reports in accordance with a reporting period(s) specified in the Project Operations Manual, satisfactory to the World Bank.

(e) Massey University shall provide the World Bank with letters from each Beneficiary Country’s relevant line ministries, such as ministries of health and agriculture or other technical agencies involved in animal and human health, agreeing with the selection of institutions and One Health hubs, and indicating such ministries’ or agencies’ commitments to sustain the One Health hubs after the Closing Date of the Project.

(f) Massey University 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.

2.05. Financial Management. (a) Massey University shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

(b) Massey University 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 the quarter, in form and substance satisfactory to the World Bank.

(c) Massey University shall have its Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one (1) fiscal year of Massey University. 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.

2.06. Procurement

(a) General. All goods, non-consulting services and consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

   (i) Section 1 of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”), in the case of goods and non-consulting services;
(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

(iii) The provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by Massey University for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

(b) Definitions. The capitalized terms used in the following paragraphs of this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

(c) Particular Methods of Procurement of Goods and Non-consulting Services

(i) Except as otherwise provided in sub-paragraph (ii) below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding; and

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan which the World Bank agrees meet the requirements set forth in the Procurement Guidelines for their use: Established Private or Commercial Practices which have been found acceptable to the World Bank.

(d) Particular Methods of Procurement of Consultants’ Services

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan which the World Bank agrees meet the requirements set forth in the Consultant Guidelines for their use: Established Private or Commercial Practices which have been found acceptable to the World Bank.

(e) Review by the World Bank of Procurement Decisions. The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

Article III
Withdrawal of Grant Proceeds

3.01. Eligible Expenditures. Massey University may withdraw the proceeds of the Grant in accordance with the provisions of: (a) the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to Massey University (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies the
categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>641,400</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Consultants’ services and Non-consulting Services</td>
<td>1,150,200</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Training and Workshops</td>
<td>1,821,400</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Incremental Operating Costs</td>
<td>252,910</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>3,865,910</strong></td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of Section 3.01, (i) the term “Training and Workshops” means the costs associated with training and workshop participation of personnel who are directly involved in the implementation of the One Health hubs (Phase 2) Project, including room and board, travel and subsistence costs for training participants, costs associated with securing the services of trainers, preparation and reproduction of training materials, and other costs directly related to training courses and implementation; and (ii) the term “Incremental Operating Costs” means the overhead costs, including operating costs incurred on account of the implementation of the Project such as office supplies and consumables, utilities, communications, mass media and printing services, vehicle rental, operation and maintenance, charges for the opening and operation of bank accounts required for the Project.

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by Massey University.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2013.
Article IV
Massey University's Representative; Addresses

4.01. *Massey University's Representative.* Massey University's Representative referred to in Section 7.02 of the Standard Conditions is the Vice-Chancellor, Massey University.

4.02. *Massey University's Address.* Massey University's Address referred to in Section 7.01 of the Standard Conditions is:

Massey University
University House, Tennent Drive
Palmerston North 4474, New Zealand

Facsimile:

+64 6 350 5603

4.03. *World Bank's Address.* The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

International Bank for Reconstruction and Development/International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: Telex: Facsimile:
INTBAFRAD INDEVAS 248423 (MCI) or 1-202-477-6391
Washington, D.C. 64145 (MCI)
APPENDIX

Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Section 4.02(d) is modified to read as follows:

   "(d) Cross Suspension. IBRD or IDA has suspended in whole or in part the right of Massey University to make withdrawals under any agreement with IBRD or with IDA because of a failure by Massey University to perform any of its obligations under such agreement or any other agreement with IBRD or IDA."

2. The definitions of “Member Country” and “Recipient” in paragraph 17 and paragraph 20 of the Appendix, respectively, “Definitions,” are modified to read as follows:

   "17. ‘Member Country’ means the member of the World Bank in whose territory the Project is carried out or any of such member’s political or administrative subdivisions. If the Project is carried out in the territory of more than one member of the World Bank, ‘Member Country’ refers separately to each such member."

   "20. ‘Recipient’ means Massey University."