Dr. Bernard Vallat  
Director General  
World Organisation for Animal Health  
12 Rue de Prony  
F-75017 Paris, France

Re: EC-AHI Grant Nos. TF014628 & TF014631  
National Human and Animal Health Systems Assessment Tools  
and Bridges Project

Dear Dr. Vallat:

In response to the request for financial assistance made on behalf of the World Organisation for Animal Health ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as administrator of grant funds provided by the European Community, represented by the Commission of the European Communities ("Donor") under the European Commission Avian and Human Influenza Trust Fund, proposes to extend to the Recipient, on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, a grant from various sources in the following amounts, which in aggregate equal three million one hundred and twenty thousand United States Dollars (U.S.$3,120,000) ("Grant") to assist in the financing of the project described in the Annex ("Project"): (a) the amount of one million nine hundred sixty four thousand seven hundred and fifty United States Dollars (U.S.$1,964,750) (Portion A of the Grant (TF014628)); and (b) the amount of one million one hundred fifty five thousand two hundred and fifty United States Dollars (U.S.$1,155,250) (Portion B of the Grant (TF014631)).

This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donor. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the World Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donor under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

The Recipient 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 the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date specified by the World Bank in accordance with Section 5.03 of the Annex to this Agreement.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Juergen Voegele
Director
Agriculture and Environmental Services Department
Sustainable Development Network

AGREED:
World Organisation for Animal Health

By

[Signature]

Authorized Representative
Name

VAISSAT Bernard
Title

Director General

Date: 16 MAY 2013

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds dated February 15, 2012 ("Standard Conditions") 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.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to support the development and refinement of harmonized operational assessment tools and guide by leading international organizations on human and animal health. The Project consists of the following parts:


(a) Development of a WHO costing tool prototype.

(b) Readjustment of the WHO IHR assessment tool.

(c) Review and improvement of WHO laboratory-related activities, including a review of: (i) the WHO Laboratory Assessment Tool; (ii) the antimicrobial resistance laboratory based surveillance; and (iii) the laboratory quality management system.

(d) Carrying out of workshops and trainings for WHO experts.

(e) Participation of WHO experts in OIE PVS Pathway missions.


(a) Refinement of, *inter alia*, the OIE PVS tool to evaluate the level of compliance of veterinary services with OIE international standards and of the PVS Gap Analysis Tool.

(b) Refinement of the specific pilot PVS One Health Tool and integration of such tool into the Manual for PVS Assessors.

(c) Development and testing of the OIE PVS Gap Analysis tool on Veterinary Laboratories.
(d) Training of PVS Pathway experts and staff from OIE and WHO on PVS Pathway tools.

(e) Carrying out of missions to countries requesting support in the implementation of the PVS Pathway.

(f) Participation of OIE experts in WHO IHR missions.

(g) Conduct of a workshop with the World Bank to explore how to improve the use of PVS Pathway mission outputs for World Bank operations.

Part 3. Development of an Operational Guide for Countries on Good Governance of Human and Animal Health Services

Preparation of an operational guide for countries, focusing on ways to improve national veterinary and public health services governance and identifying bridges between them, including the organization of national workshops in at least three (3) pilot countries in two (2) regions (Eastern Europe and South and East Asia), and the organization of a final workshop to explain and disseminate Project outputs.

Part 4. Project Management, Coordination, Monitoring and Evaluation

Project management, including the carrying out of planning, monitoring, coordination, communication and reporting activities and the conduct of an independent external audit of the Project.

2.02. Project Execution Generally. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall: (a) carry out Part 2 and the Recipient’s portion of Parts 3 and 4 of the Project; and (b) cause Part 1 and the World Health Organization’s portion of Parts 3 and 4 of the Project to be carried out by the World Health Organization (“Project Implementing Agency”) in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) 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 (c) this Article II.

2.03. Subsidiary Agreement

(a) To facilitate the carrying out of activities under the Project by the Project Implementing Agency, the Recipient shall make part of the proceeds of the Grant allocated from time to time to category (1) of the table set forth in Section 3.01 of this Annex (“Sub-grant”) available to the Project Implementing Agency under a subsidiary agreement (“Subsidiary Agreement”) between the Recipient and the Project Implementing Agency, under terms and conditions approved by the World Bank, which shall include the following:

(i) The Recipient may, by written notice to the Project Implementing Agency, terminate the right of the Project Implementing Agency to use the proceeds of the Sub-grant upon the Project Implementing Agency’s failure to perform any of its obligations under the Subsidiary Agreement; and
(ii) The Project Implementing Agency shall:

(A) carry out Part 1 and the Project Implementing Agency’s portion of Parts 3 and 4 of the Project ("Project Implementing Agency’s Respective Part of the Project") with due diligence and efficiency and in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient;

(B) provide, promptly as needed, the resources required for the purpose;

(C) except as the World Bank shall otherwise agree, procure the services to be financed out of the Sub-grant in accordance with the provisions of this Agreement with respect to Procurement by the Project Implementing Agency;

(D) (1) maintain a financial management system, including records and accounts, adequate to reflect the transactions related to the Project Implementing Agency’s Respective Part of the Project, in accordance with the requirements of the Financial Regulations and Rules of the World Health Organization ("Financial Regulations");

(2) maintain in a separate account in its records a complete, true and faithful record of all advances from the proceeds of the Sub-grant and of all the expenditures paid from such advances;

(3) prepare, on a calendar semester basis, interim unaudited financial reports, in accordance with accounting standards established pursuant to the Financial Regulations and in the format agreed with the World Bank, adequate to reflect the operations, resources and expenditures related to the Project Implementing Agency’s Respective Part of the Project;

(4) ensure that the audit of the Project Implementing Agency’s Respective Part of the Project is governed by: (1) Regulation XIV, paragraph 14.1 of the Financial Regulations and (2) the Financial Management Framework Agreement; and

(E) prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the Bank shall reasonably request relating to the foregoing.

(b) The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

2.04. Donor Visibility and Visit. (a) The Recipient 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, the Recipient shall, upon the World Bank’s request, take all measures required on its part to enable the representatives of the Donor to visit any part of the Member Country’s territory for purposes related to the Project.
2.05. **Project Monitoring, Reporting and Evaluation.** (a) The Recipient 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, 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) improved harmonization of WHO and OIE tools and common guide;

(ii) better coordination and collaboration of human and animal health sectors at national and institutional levels; and

(iii) better visibility and awareness of human and animal health systems importance and processes to support them

(c) The Recipient 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 two (2) months after the Closing Date.

2.06. **Financial Management.** (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

(b) The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank as part of the Project Report not later than one (1) month after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Such audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

2.07. **Procurement**

(a) **General.** Except as otherwise provided in paragraph (f) of this Section, all goods 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:

(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 the Recipient 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

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

(ii) The following method, other than International Competitive Bidding, may be used for procurement of goods for those contracts which are specified in the Procurement Plan: Shopping.

(d) Particular Methods of Procurement of Consultants’ Services

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

(ii) The following methods, other than Quality- and Cost-based Selection, may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Least Cost Selection; and (B) Selection of Individual Consultants.

(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.

(f) Procurement by the Project Implementing Agency

(i) All goods and consultants’ services required for the Project Implementing Agency’s Respective Part of the Project to be procured by the Project Implementing Agency and to be financed out of the proceeds of the Grant shall be procured in accordance with United Nations procurement procedures, provided, however, that: (A) records are maintained adequate to identify the goods and services financed out of the proceeds of the Grant; and (B) the representatives of the World Bank are able to examine all such records, and are provided all such information concerning such records as they may reasonably request to carry out procurement post-review.
(ii) Notwithstanding the foregoing, the provisions of the Procurement Guidelines and Consultant Guidelines with respect to eligibility shall be applicable to procurement by the Project Implementing Agency, and to this end, a firm or an individual sanctioned by the World Bank in accordance with the Procurement Guidelines and Consultant Guidelines shall be ineligible to be awarded a World Bank-financed contract, or to benefit from a World Bank-financed contract, financially or in any other manner, during such period of time as the World Bank shall determine.

Article III
Withdrawal of Grant Proceeds

3.01. Eligible Expenditures. The Recipient 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 the Recipient (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 Portion A of the Grant (TF014628) Allocated (expressed in USD)</th>
<th>Amount of Portion B of the Grant (TF014631) Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants’ services, Training and Operating Costs under Part 1 and the WHO portion of Parts 3 and 4 of the Project</td>
<td>1,363,750</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, consultants’ services, Training and Operating Costs under Part 2 and the OIE portion of Parts 3 and 4 of the Project</td>
<td>601,000</td>
<td>1,155,250</td>
<td>100%</td>
</tr>
</tbody>
</table>
For purposes of this Section:

(a) the term “Training” means expenditures (other than those for consultants’ services) to finance the reasonable cost of the services of trainers, meeting rooms, publications, workshops and seminars as agreed with the World Bank; and

(b) the term “Operating Costs” means the reasonable costs incurred on account of the implementation of the Project for local travel and subsistence allowance, office utilities, office supplies and stationeries, printing, workshops, or any other operational costs agreed with the World Bank.

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 the Recipient, except that withdrawals up to an aggregate amount not to exceed $150,000 equivalent on Portion A of the Grant (TF014628) and $150,000 equivalent on Portion B of the Grant (TF014631) may be made for payments made prior to this date but on or after January 7, 2013, for Eligible Expenditures.

3.03. Withdrawal Period. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is April 30, 2014.

Article IV

Additional Remedies

4.01. Additional Event of Suspension. The Additional Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following, namely, the World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient’s right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V

Effectiveness; Termination

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied.

(a) The Subsidiary Agreement referred to in Section 2.03 of this Annex has been executed on behalf of the Recipient and the Project Implementing Agency.

5.02. As part of the evidence to be furnished pursuant to Section 5.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Member Country, showing the following matters:
(a) the Subsidiary Agreement referred to in Section 2.03 of this Annex has been duly authorized or ratified by the Recipient and the Project Implementing Agency and is legally binding upon each such party in accordance with its terms.

5.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient's Representative; Addresses


6.02. Recipient's Address. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

World Organisation for Animal Health
12 Rue de Prony
F-75017 Paris, France

Telephone Facsimile:
+33 1 44 15 18 88 +33 1 42 67 09 87

6.03. 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:
INTBAFRA8D INDEVAS 248423 (MCI) or 1-202-477-6391
Washington, D.C. 64145 (MCI)