



October 12, 2010

Neeraj Mistry
Managing Director, Global Network for Neglected Tropical Diseases
Sabin Vaccine Institute
2000 Pennsylvania Ave, NW Suite 7100
Washington, DC 20006

Re.: Administration Agreement between Albert B. Sabin Vaccine Institute, Inc. ("Sabin") and the Inter-American Development Bank (the "IDB") regarding Project RG-X1051, titled "Towards the Development of a Facility to Combat Neglected Tropical Diseases and other Infectious Diseases", dated November 10, 2009
- Amendment No. 01

Dear Dr. Mistry,

Reference is made to the Administration Agreement entered into between Sabin and the IDB concerning the project "Towards the Development of a Facility to Combat Neglected Tropical Diseases and other Infectious Diseases", IDB project No. (RG-X1051), dated November 10, 2009 (the "Project").

Following discussions held between representatives of Sabin and the IDB concerning the Project, Sabin and the IDB hereby agree to amend the Administration Agreement pursuant to its Section 21, as follows (throughout this Amendment No. 01, capitalized terms used but not defined herein shall have the meanings ascribed to them under the Administration Agreement):

1. The first WHEREAS clause is hereby superseded, which shall now read as follows:

"WHEREAS, the Bank has designed Project RG-X1051, titled "Towards the Development of a Facility to Combat Neglected Tropical Diseases and other Infectious Diseases" (the "Project"), as described in the Project Document attached as Annex A and as amended by Annex B (the "Project Document"). For the avoidance of doubt, in the event of a conflict between Annex A and Annex B, the terms of Annex B shall control;"

2. A new Section 26 is included as follows:

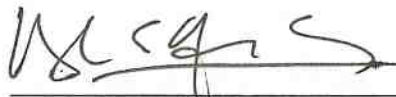
“Upon the no objection of Sabin, the execution of the Project will be carried out, in part, by one or more executing agencies other than the Bank (the “Executing Agency” or “Executing Agencies”) that will obligated to act in accordance with the Bank’s policies and procedures. Sabin acknowledges that such Executing Agency or Executing Agencies are separate and independent entities from the Bank, whose relationship with the Bank for this Project will be subject to an arrangement to be signed between the respective Executing Agency and the Bank, and to the applicable Bank policies and procedures for execution of technical cooperation projects through executing agencies. The Bank will provide Sabin an annual report summarizing any reports received from the Executing Agency or Executing Agencies regarding the utilization of the resources of the Contribution, such annual report including a copy of the audited financial statements of the Project.”

For the avoidance of doubt, all other terms and provisions of the Agreement not expressly modified herein shall remain in full force and effect. Further, this letter agreement shall enter into force on the date of its signature by both Sabin and the IDB and shall constitute an amendment to, and form an integral part of, the Administration Agreement.

If you agree to the foregoing, please indicate so by signing in the space provided below and returning one of the originals of this letter agreement to me.

On behalf of the IDB, I would like to extend the IDB’s gratitude for Sabin’s continued cooperation and support.

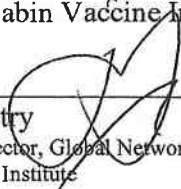
Yours sincerely,



Bernardo Guillamon

Advisor, Office of Outreach and Partnerships

Acknowledged and Agreed:
Albert B. Sabin Vaccine Institute, Inc.



Neeraj Mistry
Managing Director, Global Network for Neglected Tropical Diseases
Sabin Vaccine Institute

October 12, 2010




MEMORANDUM

Classification:

Date: August 11, 2010

To: Ferdinando Regalia
Division Chief, Social Protection and Health (SCL/SPH)

From: Ignez Tristao
Team Leader of COFAB RG-X1051 

Topic: Modification to Grant Co-financing Contribution Administered by the Bank (COFAB) "Towards the Development of a Facility to Combat Neglected Tropical Diseases and Other Infectious Diseases" (RG-X1051/ AT-1466) and Amendment of the corresponding Administration Agreement with the donor.

On September 2, 2009, the Board of Executive Directors of the Bank approved the COFAB RG-X1051 "Towards the Development of a Facility to Combat Neglected Tropical Diseases and other Infectious Diseases" (the "Project"). The Bank and Albert B. Sabin Vaccine Institute, Inc. ("Sabin") entered into an Administration Agreement (the "Administration Agreement") regarding the Project on November 10, 2009.

This memorandum is to document the modifications to the Project and to the Administration Agreement as initially agreed between the Bank and Sabin on May 3rd, 2010.

Change 1: Additional Neglected Tropical Diseases (NTD) projects. The Bank approved Project Plan of Operations (Project Document), under Activity 1.3 of Component 1 (paragraph 1.14 d.), states that the cost estimates for the two demonstration grant projects as included therein were preliminary and subject to change, and that savings will be sought in both project budgets in order to finance additional small-scale projects. Savings were indeed attained in both initially included projects; therefore, modification is proposed for the Bank to be allowed to use such savings to finance additional NTD projects under the Project, which Sabin will also consider as being demonstration grant projects.

Change 2: The financing of Bank staff travel expenses. Activity 1.3 of Component 1 of the Project referred to financing the above-referred two demonstration grant projects that are intended to provide proof of concept to the Facility to Combat NTDs and other infectious diseases. The resources dedicated to these demonstrations projects were initially planned to support the following activities (paragraph 1.14 d. of the Project Document): baseline surveillance, monitoring, a household-level follow up evaluation survey, laboratory work, drugs

for MDA treatment, technical assistance and supervision, training for health workers and community mobilization. The Project will be modified to permit that any travel expenses incurred by Bank staff during the preparation, execution and supervision for the demonstration projects, as well as for other additional NTD projects referred to in Change 1 described above, financed by this Project, will be covered by the Project funds sub-granted by Sabin to the Bank. The funds used to cover these expenses will not be supplementing the budget of the SPH Division for routine or customary activities but they will be used to cover exclusively expenses incurred by Bank staff during the preparation, execution and supervision of NTD projects.

Adjustments to the activities within the budget are required as consequence of Changes 1 and 2 described above. The dollar amounts per component do not change, as reflected in the following Summary Budget table:

Table : Summary Budget (US\$)

PREVIOUS ACTIVITIES	ACTIVITIES AFTER MEMORANDUM	TOTAL COST (USD)
Component 1	Component 1	
Coordination (core group)	Coordination (core group) and Consulting Services (Salaries, travel, communication, and other administrative expenses of Trust Fund appointee, individual consulting services)	\$465,600
Experts and working groups	Additional NTD projects, studies, and expenses related to working groups, and workshops (IDB Staff travel expenses, studies, work)	\$648,000
Demonstration projects	Demonstration projects	\$1,057,027
Component 1 Total	Component 1 Total	\$2,170,627
Component 2	Component 2	
Develop marketing materials and advocacy	Develop marketing materials and advocacy	\$60,000
Travel & per diem for int'l fundraising (6 int'l trips @ \$2,000/trip)	Travel & per diem for int'l fundraising (6 int'l trips @ \$2,000/trip)	\$12,000
Travel & per diem for domestic fundraising (5 trips @ \$1,200/trip)	Travel & per diem for domestic fundraising (5 trips @ \$1,200/trip)	\$6,000
Component 2 Total	Component 2 Total	\$78,000
Administrative fee to IDB (5%)	Administrative fee to IDB (5%)	\$125,000
Contingencies (5.75%)	Contingencies (5.75%)	\$126,373
Grand Total (rounded)	Grand Total (rounded)	\$2,500,000

Change 3: Change of Executing Agency for the demonstration projects as well as for any additional NTD projects. The Project Document states that the Bank's Division of Social Protection and Health (SCL/SPH) will be the Executing Agency. Sabin agreed that for the demonstration projects, as well as any other additional NTD project, state and national level entities, both governmental and non-governmental, could be considered to act as Executing Agencies of the relevant demonstration project or additional NTD project, if so recommended by the Division of Social Protection and Health (SCL/SPH). This agreement with Sabin, as well as

the other changes described herein, will be documented in the amendment to the Administration Agreement. The Bank will notify the proposed new executing agencies at due moment for Sabin's no objection.

For the demonstration project of Chiapas-Mexico under Component 1 of the Project, the executing agency will be changed to *Instituto de Salud del Estado de Chiapas (ISEC)* given its long experience in executing NTD programs in the region. The project team has carried out an institutional, legal, financial, and administrative analysis of ISEC and it has concluded that ISEC has the capacity to act as the executing agency for such demonstration NTD project. The amount financed by the COFAB for this demonstration project is \$USD312,459.84. ISEC currently is involved on the operation of several vertical programs on NTDs (Onchocerciasis, Trachoma, Leishmaniasis, Chagas and Rabies), and it has extensive experience in working under the challenging conditions in the state of Chiapas (large number of very small communities very dispersed in the territory and high concentration of indigenous populations). In addition, ISEC has experience working with international agencies like the Pan-American Health Organization (PAHO) and the Onchocerciasis Elimination Program for the Americas (OEPA). In both cases, ISEC has acted as executing agency.

Change 4: Periods of execution and disbursement. It is proposed to extend the Project's period of execution from 18 months to 36 months and the period of disbursement from 24 months to 48 months.


The team leader has analyzed the proposed modifications described above and has determined that they do not fundamentally or substantially change the structure, costs, objective and beneficiaries of the Project; and recommends they are approved. Thus, according to the Bank manual OA-421 (III.A.2, III.B., II.A.4 & II.A.5), the Sector Division Chief has the authority to approve these changes.

Approved:


Ferdinando Regalia

Division Chief, Social Protection and Health (SCL/SPH)

Vo.Bo.:

 (8/11/10)
Hyun Jung Lee
Attorney (LEG/SGO)

Tristao, Ignez M.

From: Irene Thuo [ithuo@sabin.org]
Sent: Thursday, May 20, 2010 7:51 AM
To: Garcia Rincon, Maria Fernanda
Cc: Karen Palacio; Tristao, Ignez M.; Patrick Lammie
Subject: RE: Amendment to NTD COFAB

Morning Mafe,
Confirming that these changes are fine. We shall wait for the amendment.

Best,
Gechi

From: Garcia Rincon, Maria Fernanda [mailto:MFGARCIA@ladb.org]
Sent: Wednesday, May 19, 2010 7:05 AM
To: Irene Thuo
Cc: Karen Palacio; Tristao, Ignez M.
Subject: Amendment to NTD COFAB

Dear Irene.

Please find below a note requesting the changes in the COFAB, which have been previously discussed by Ignez with Sabin. We will be making the change internally and will send the amendment for Sabin's review as soon as possible. If there is any objection to the changes cited below please let us know at your earliest convenience.

Best
Mafe

The Administration Agreement (the "Administration Agreement") entered into between Albert B. Sabin Vaccine Institute, Inc. ("Sabin"), and the Inter-American Development Bank (the "Bank"), on 11/10/09, regarding the COFAB RG-X1051 titled "Towards the Development of a Facility to Combat Neglected Tropical Diseases and other Infectious Diseases" (the "COFAB"), which was approved by the Board of Executive Directors of the Bank on September 2, 2009, paragraph 25 establishes that the same agreement and the Bank Project Document (COFAB Plan of Operations) thereto as an integral part of the Administration Agreement form the entire agreement between the Bank and Sabin. The Administration Agreement, paragraph 21 establishes that the Parties may amend any provision of the same Agreement in writing. Therefore, the Parties hereby agree to introduce the following modifications to the Administration Agreement and the Project Document:

Change 1: Additional Neglected Tropical Diseases (NTD) projects. The Project Document, under Activity 1.3 of Component 1 (paragraph 1.14 d.), states that the cost estimates for the two demonstration grant projects as included therein were preliminary and subject to change, and that savings will be sought in both project budgets in order to finance additional small-scale projects. Savings were indeed attained in both initially included projects; therefore, Sabin hereby agrees for the use of such savings by the Bank to finance additional NTD projects under the COFAB, which Sabin will also consider as being demonstration grant projects.

Change 2: The financing of Bank staff travel expenses. Activity 1.3 of Component 1 of the COFAB referred to above finances two demonstration grant projects that are intended to provide proof of concept to the Facility

to Combat NTDs and other infectious diseases. The resources dedicated to these demonstration projects were initially planned to support the following activities (paragraph 1.14 d. of the Project Document): baseline surveillance, monitoring, a household-level follow up evaluation survey, laboratory work, drugs for MDA treatment, technical assistance and supervision, training for health workers and community mobilization. Sabin hereby agrees that any travel expenses incurred by Bank staff during the preparation, execution and supervision for the demonstration projects, as well as for other additional NTD projects referred to in Change 1 above, financed by this COFAB will be covered by the COFAB funds sub-granted by Sabin to the Bank.

The budget adjustment required as consequence of Changes 1 and 2 above are reflected in the following Summary Budget table:

Table I-2
Summary Budget (US\$)

ACTIVITY	TOTAL COST (US\$)
Component 1	
Coordination (core group) and Consulting Services (Salaries, travel, communication, and other administrative expenses of consultants working under the COFAB)	\$465,600
Additional NTD projects, studies, and expenses related to working groups, and workshops (Bank staff travel expenses, studies, work)	\$648,000
Demonstration projects	\$1,057,027
Component 1 Total	\$2,170,627
Component 2	
Develop marketing materials and advocacy	\$60,000
Travel & per diem for int'l fundraising (6 int'l trips @ \$2,000/trip)	\$12,000
Travel & per diem for domestic fundraising (5 trips @ \$1,200/trip)	\$6,000
Component 2 Total	\$78,000
Administrative fee to IDB (5%)	\$125,000
Contingencies (5.75%)	\$126,373
Grand Total (rounded)	\$2,500,000

Change 3: Different executing agency for the demonstration projects as well as for any additional NTD projects. The COFAB Project Document states that the Bank's Division of Social Protection and Health (SCL/SPH) will be the executing agency of the COFAB. Sabin hereby agrees that for the demonstration projects, as well as any other additional NTD project, state and national level entities, both governmental and non-governmental, would be allowed to act as executing agencies, if so recommended by the Division of Social Protection and Health (SCL/SPH).

Change 4: Period of execution and disbursement of the COFAB funds. Sabin agrees to extend the COFAB's period of execution to 36 months and the period of disbursement to 48 months.

Tristao, Ignez M.

From: Karen Palacio [karen.palacio@sabin.org]
Sent: Monday, May 03, 2010 11:54 AM
To: Tristao, Ignez M.
Cc: pjl1@CDC.GOV
Subject: Re: Chiapas travel

Hi Ignez,

Thanks again for meeting at Sabin today. As discussed, Sabin is in agreement for the use of year 1 funds subgranted to the bank toward the development of NTD components. We appreciate the opportunity to leverage the bank's health specialists and systems, understanding these components will allow the partnership to leverage funds for the projects.

Please let me know if you want to discuss further.

Thanks again,

Karen

-----Original Message-----

From: Ignez M. Tristao
To: Patrick J. Lammie
To: Karen Palacio
Subject: RE: Chiapas travel
Sent: Apr 28, 2010 6:05 PM

Hi Pat,

I am glad to hear. I really think this can be "IT" for the first year. Although, there will be no guarantees that funding will come through to pay for the NTD components themselves (it may, the Government of Manaus decided to do it), engaging the government in preparing with us NTD integrated projects, with defined budget and clear implementation mechanisms, will give us a lot more material to leverage funds. By using our local health specialists instead of hiring several consultants with international travelling costs, we can significantly reduce costs, and move things faster. We wouldn't have to pay for human resources, just travel if necessary, and mostly local travel costs. Plus the components may be better integrated into the Bank systems.

Plus the horizon of these projects are 5 years.... So it really solidifies the Bank's involvement regardless of the Trust Fund.....

I will try to have an estimation of this for our meeting.

Cheers,

Ignez

From: Lammie, Patrick J. (CDC/OID/NCZVED) [mailto:pjl1@cdc.gov]
Sent: Wednesday, April 28, 2010 5:30 PM
To: Tristao, Ignez M.; Karen Palacio
Subject: RE: Chiapas travel

Thanks Ignez. This sounds very good. As I'm sure Karen mentioned, I think we need to be strategic in the way that we approach

NTD projects in the region. We have to develop regional momentum in the most cost effective way possible and I think it makes a great deal of sense to add NTD components to planned IDB projects.

From: Tristao, Ignez M. [<mailto:IGNEZT@iadb.org>]
Sent: Wednesday, April 28, 2010 2:45 PM
To: Karen Palacio
Cc: Lammie, Patrick J. (CDC/OID/NCZVED)
Subject: RE: Chiapas travel

Hi Karen,

Thank you for providing a confirmation on my travel to Chiapas.

Also, thank you for adding to the list of Monday's discussion, the 12 potential projects, combining NTD with WSA. I am afraid we need to make a decision on that quite quickly, to avoid losing the current interest and level of commitment from our supervisors.

The 11 countries for those projects are: Brazil (Belem, Manaus), Dominican Republic, Guyana, Guatemala, Haiti, Honduras, Mexico, Peru, Panama, Suriname, and Venezuela. A NTD component has being designed for a minority of them but without the proper implementation and supervision the execution for even those projects may not go forward. As I mentioned to you on the phone, in any NTD component we design, we include a baseline (mapping) where no recent baseline is available.

I will try to provide an estimate of the gap on implementation and supervision costs (just travel if necessary, and only for 7 of these projects) because the specialist's time for the designed and supervision would be provided by IDB.

Cheers,

Ignez

From: Karen Palacio [<mailto:karen.palacio@sabin.org>]
Sent: Wednesday, April 28, 2010 2:10 PM
To: Tristao, Ignez M.
Cc: Lammie, Patrick J. (CDC/OID/NCZVED)
Subject: Chiapas travel

Hi Ignez,

Pat and I spoke and we are both in agreement that your travel to Chiapas as part of the supervision and management of the demonstration project is covered by sub-grant funds.

In regards to the opportunity to scale-up IDB's WASH activities related to NTDs in 12 countries, both Pat and I would like to explore this further on Monday. We appreciate the opportunity to leverage the time and expertise of IDB health specialists as offered by your boss, as well as your efforts to save grant funds. We recognize the opportunity to collaborate with the WASH team on developing these components, and see the value of using this to spark donor interest for proof of concept while we operationalize the fund. I'll be sure to add this to the agenda for Monday and will share a draft with you and Mafe by end of week. If there's anything you would like us to review prior to Monday's meeting related to components, let me know.

I'll be in touch tomorrow.

Cheers,

Karen

Karen Palacio

Senior Program Officer, Global Network for Neglected Tropical Diseases

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