



Ref: WA/TD/DJ/NP/AS/2013/26

4 February 2013

Mr Jose Salema  
UNDP Resident Representative/Resident Coordinator  
United Nations Development Programme  
BP 109 Sao Tome  
Sao Tome and Principe

**Subject: Program Grant Agreement: STP-809-G04-T**  
**Principal Recipient: United Nations Development Programme**  
**Implementation Letter: 3<sup>1</sup>**  
**Postponement of the Date for Fulfillment of Condition Precedent**  
**2a and 2b of Annex A**

**UNOFFICIAL SUMMARY:**

This letter postpones the date for the fulfillment of Condition Precedent 2a and 2b of Annex A. An updated Face Sheet and an amended and restated Annex A are enclosed.

Dear Mr Salema

We are writing this letter to inform you that the date for the fulfillment of Condition Precedent 2a and b, reflected in Block 6B on the Face Sheet to the Round 8 tuberculosis Grant Agreement, was postponed to 31 May 2013.

As a result, Condition Precedent 2a and b of Annex A is hereby deleted in its entirety and is replaced to read as follows:

**2. Conditions Precedent to the Disbursement or Use of Grant Funds for Q3 and Q4 of year 4 and for year 5 of the Program (Terminal Date as stated in block 6B of the Face Sheet)**

*The disbursement of Grant funds by the Global Fund to the Principal Recipient for activities to be conducted in Q3 and Q4 of year 4 or in year 5 of the Program, the use of Grant funds by the Principal Recipient in Q3 and Q4 of year 4 or in year 5 of the Program, and the conduct of any activities in Q3 and Q4 of year 4 or in year 5 of the Program are subject to the delivery by the Principal Recipient to the Global Fund of the following documents, each of which shall be in form and substance satisfactory to the Global Fund:*

- a. *A new or revised national tuberculosis strategy (the "New Strategy"), reflecting the Principal Recipient's evaluation of the current national tuberculosis strategy (the "Evaluation"). The evaluation shall be undertaken with long-term technical*

<sup>1</sup> This Grant Agreement was changed before by letters dated 27 May 2011 and 12 December 2011 and a Phase 2 Amendment effective as of 30 November 2011

*assistance in order to assess the effectiveness, impact, bottlenecks, and lessons learned during the implementation of the Program to date and to ensure the alignment of the New Strategy with international standards and best practices; and*

- b. A plan for the implementation of the New Strategy (the "Implementation Plan"). The Principal Recipient agrees and acknowledges that each of the New Strategy and the Implementation Plan shall address the December 2010 findings of the WHO/GLC mission.*

In accordance with Section 12 and 20 of the Standard Terms and Conditions of the Grant Agreement, we are modifying the Grant Agreement to reflect the changes described above by updating the following blocks on the Face Sheet:

Block 3A: Modification Number and Date: 4 (Implementation Letter 3, dated 4 February 2013)

Block 6B: Condition Precedent Terminal Date: 31 May 2013

Annex A is also amended. The revised Face Sheet and an amended and restated Annex A of the Grant Agreement are enclosed.

Other than as set forth in this letter, all terms and conditions of the Grant Agreement remain the same.

The above changes take effect after you sign this letter. Please confirm your agreement to these amendments by signing the enclosed copies of this letter and returning one copy to us.

Thank you for your important efforts in the global fight against tuberculosis. We look forward to the successful implementation of the Program.

Yours sincerely

~~Lelio Marmora~~  
Department Head  
Africa and the Middle East

Agreed and signed:

For: UNITED NATIONS DEVELOPMENT PROGRAMME

By: \_\_\_\_\_  
Authorized Representative: ~~Mr Jose Salema~~, UNDP Resident  
Representative/Resident Coordinator

Date: 18.02.2013

- encl.: Revised Face Sheet of the Grant Agreement  
Amended and Restated Annex A
- cc: Dr Leonel Pontes, Ministry of Health and Social Affairs, CCM Chair  
All CCM members  
Ms Heike Albrecht, Local Fund Agent, Swiss Tropical and Public Health  
Institute

**PROGRAM GRANT AGREEMENT  
BETWEEN  
THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA  
("Global Fund")  
AND THE UNITED NATIONS DEVELOPMENT PROGRAMME  
("Principal Recipient")**

1. Country: The Democratic Republic of Sao Tome and Principe		
2. Program Title: Reinforcement of the National Response to the Tuberculosis Epidemic		
3. Grant Number: STP-809-G04-T		3A. Modification Number and Date: 4 (Implementation Letter 3, dated 4 February 2013)
4. Program Starting Date: 1 December 2009	5. Program Ending Date: 30 November 2014	6. Proposal Completion Date: 30 November 2014
6A. Condition Precedent Terminal Date: 14 February 2013	6B. Condition Precedent Terminal Date: 31 May 2013	6C. Condition Precedent Terminal Date: N/A
7. Grant Funds: Up to the amount of US\$ 1,717,439 (One Million, Seven Hundred and Seventeen Thousand, Four Hundred and Thirty-Nine United States Dollars).  Grant Funds as indicated above will be committed by the Global Fund to the Principal Recipient in staggered terms as described in Section H of Annex A of this Agreement, involving a First Commitment of US\$ 963,217 (Nine Hundred and Sixty-Three Thousand, Two Hundred and Seventeen United States Dollars), a Second Commitment of US\$ 383,483 (Three Hundred and Eighty-Three Thousand, Four Hundred and Eighty-Three United States Dollars), and a Third Commitment of US\$ 370,739 (Three Hundred and Seventy Thousand, Seven Hundred and Thirty-Nine United States Dollars).		
8. Program Coverage: Tuberculosis		
9. Information for Principal Recipient Bank Account into Which Grant Funds Will Be Disbursed: Beneficiary: Account name: Account number: Bank name: Bank address: Bank SWIFT Code: Bank Code: ABA Number: Routing instructions for disbursements:		
10. The fiscal year of the Principal Recipient runs from 1 January to 31 December.		
11 LFA: Swiss Tropical and Public Health Institute Address: Socinstrasse 57 CH-4002 Basel, Switzerland Tel. + 41 61 284 82 64 Fax: + 41 61 284 81 03 Attention: Heike Albrecht E-mail: <a href="mailto:heike.albrecht@unibas.ch">heike.albrecht@unibas.ch</a>		
12. Principal Recipient Additional Representative:  Mr Jose Salema UNDP Resident Representative/Resident Coordinator United Nations Development Programme BP 109 Sao Tome Sao Tome and Principe Tel.: +239 22 11 22/23 Fax: +239 22 21 98 E-mail: <a href="mailto:jose.salema@one.un.org">jose.salema@one.un.org</a>		13. Global Fund Additional Representative:  Name: Mark Eldon-Edington Title: Division Head, Grant Management Chemin de Blandonnet 8 1214 Vernier-Geneva, Switzerland Tel.: +41 58 791 1700 Fax: +41 58 791 1701

**This Agreement consists of the two pages of this face sheet and the following:  
Amendment to the Program Grant Agreement; Standard Terms and Conditions; and Annex  
A – Program Implementation Abstract (including the Performance Framework and  
Summary Budget attached thereto)**

## AMENDED AND RESTATED ANNEX A to the PROGRAM GRANT AGREEMENT

### Program Implementation Abstract

<b>Country:</b>	<b>The Democratic Republic of Sao Tome and Principe</b>
<b>Program Title:</b>	<b>Reinforcement of the National Response to the Tuberculosis Epidemic</b>
<b>Grant Number:</b>	<b>STP-809-G04-T</b>
<b>Disease:</b>	<b>Tuberculosis</b>
<b>Principal Recipient:</b>	<b>United Nations Development Programme (UNDP)</b>

#### **A. PROGRAM DESCRIPTION**

##### **1. Background and Summary:**

Sao Tome and Principe's National Tuberculosis Program (NTBP) was established in 1993. Each year, it notified an average of 150 cases of all forms of tuberculosis (TB). In 2006, the WHO estimated the incidence and prevalence of cases of all forms to be 103 and 252 per 100,000 population respectively, and the incidence of smear-positive (S+) cases at 46 per 100,000. For the same year, 153 cases of all forms of TB were notified including 36 S+ cases for an S+ PTB detection rate of 50%. For the 2005 cohort of S+ pulmonary TB cases (49 cases), the recovery rate was 98% (1 death notified, representing 2%). First cases of HIV/AIDS in the country were notified in 1989. HIV prevalence is estimated at 1.5% (source: 2005 National AIDS Program study on prevalence of HIV among pregnant women). HIV prevalence among TB patients increased rapidly from 1.9% in 2006 to 8.6% in 2007 (source: National AIDS and TB Programs). Since 2006, multi-drug resistant TB cases (MDR-TB) have been registered based on clinical diagnosis. Currently four MDR-TB patients have been identified of which three are under treatment.

In 2006, the government developed a National Anti-TB Policy and a Strategic Plan for 2007-2011 based on the new Stop TB Partnership's Global Plan (2006-2015). However, the DOTS strategy is so far not fully implemented in the country. Indeed, treatment of TB patients is currently centralized in a single diagnostic and treatment center at the national hospital in the capital city of São Tomé. In 2007, the NTBP's coordination unit, which until now has only one doctor (the head of the Program) and no adequate infrastructure, was integrated into the National Center for Endemic Diseases (CNE).

The Program aims to reduce tuberculosis morbidity and mortality in Sao Tome and Principe by improving and expanding effective DOTS strategy implementation, fighting TB/HIV co-infection and MDR-TB, and by giving persons suffering from TB and their communities the ability to take action. It will contribute to establish in Sao Tome and Principe a functional NTBP capable of implementing the DOTS strategy as stated in the country's National Anti-TB Policy and Strategic Plan for 2007-2011. The Strategic Plan is currently being evaluated and a new Strategy will be adopted by October 2012.

**2. Goal:** To contribute to the reduction of tuberculosis morbidity and mortality in Sao Tome and Principe in order to meet the Millennium Development Goals (MDGs) and the objectives of the Stop TB Partnership.

**3. Target Group/Beneficiaries:**

- General population;
- Youth; and
- People living with HIV/AIDS.

**4. Strategies:**

- Implementation and decentralization of DOTS strategy, including corresponding health system strengthening;
- Improvement of quality control for microscopy;
- Establishment of an efficient TB-related procurement and supply management;
- Management of MDR-TB cases;
- Management of TB/HIV co-infection;
- Development of participative approach in the fight against TB;
- Monitoring and evaluation and impact measurement; and
- Operational Research.

**5. Planned Activities:**

- Improving diagnosis and extending the network of diagnostic centers;
- Performing quality control for TB diagnosis;
- Managing the procurement chain for drugs (MDR-TB drugs and pediatric first-line drugs) and equipment, including forecasting, purchasing, storage, distribution and monitoring
- Training of health service providers;
- Strengthening the National TB Program and health districts;
- Treating MDR-TB patients;
- Developing adequate mechanisms to manage TB/HIV co-infection;
- Implementing information, education and communication activities;
- Monitoring and evaluation of program activities; and
- Implementing Operational Research.

**B. CONDITIONS PRECEDENT TO DISBURSEMENT**

**1. Conditions Precedent to Second Disbursement (Terminal Date as stated in block 6A of the Face Sheet)**

The second disbursement of Grant funds by the Global Fund to the Principal Recipient under this Amended Program Grant Agreement is subject to the satisfaction of each of the following conditions:

- a. The delivery by the Principal Recipient to the Global Fund of confirmation that the Principal Recipient has appointed an appropriately qualified individual to serve as the HIV/AIDS and tuberculosis program Manager, based on terms of reference mutually agreed to between the Global Fund and the Principal Recipient; and
- b. The delivery by the Principal Recipient to the Global Fund of a plan to build capacity of the Centro Nacional de Endemias (the "CNE"), in form and substance satisfactory to the Global Fund, which includes, without limitation, the following minimal components:

- i. A description of the capacity building activities that the Principal Recipient will implement during each year of the Program, including clear objectives and targets;
- ii. A timeline for the implementation of those capacity building activities; and
- iii. An agreement between the Principal Recipient and the CNE on the capacity building plan.

**2. Conditions Precedent to the Disbursement or Use of Grant Funds for Q3 and Q4 of Year 4 and for Year 5 of the Program (Terminal Date as stated in block 6B of the Face Sheet)**

*The disbursement of Grant funds by the Global Fund to the Principal Recipient for activities to be conducted in Q3 and Q4 of Year 4 or in year 5 of the Program, the use of Grant funds by the Principal Recipient in Q3 and Q4 of Year 4 or in year 5 of the Program, and the conduct of any activities in Q3 and Q4 of Year 4 or in year 5 of the Program are subject to the delivery by the Principal Recipient to the Global Fund of the following documents, each of which shall be in form and substance satisfactory to the Global Fund:*

- a. *A new or revised national tuberculosis strategy (the "New Strategy"), reflecting the Principal Recipient's evaluation of the current national tuberculosis strategy (the "Evaluation"). The Evaluation shall be undertaken with long-term technical assistance in order to assess the effectiveness, impact, bottlenecks, and lessons learned during the implementation of the Program to date and to ensure the alignment of the New Strategy with international standards and best practices; and*
- b. *A plan for the implementation of the New Strategy (the "Implementation Plan"). The Principal Recipient agrees and acknowledges that each of the New Strategy and the Implementation Plan shall address the December 2010 findings of the WHO/GLC mission.*

**3. Conditions Precedent to the Disbursement of Grant Funds to Finance Training Activities**

The disbursement of Grant funds by the Global Fund to the Principal Recipient to finance training activities under the Program is subject to the satisfaction of each of the following conditions:

- a. The delivery by the Principal Recipient to the Global Fund, in form and substance satisfactory to the Global Fund, of a detailed training plan and budget covering all trainings that are proposed to be conducted under the Program (the "Detailed Training Plan and Budget"); and
- b. The written approval by the Global Fund of the detailed training plan and budget.

**4. Conditions Precedent to Disbursement of Grant Funds to Finance the Procurement of Second-Line Anti-Tuberculosis Drugs**

Prior to the disbursement by the Global Fund to the Principal Recipient of Grant funds to finance the procurement of second-line anti-tuberculosis drugs, the Principal Recipient shall make available to the Global Fund, in form and substance satisfactory to the Global Fund, the following:



- a. A current detailed multi-drug resistant tuberculosis (“MDR-TB”) expansion plan (including the number of MDR-TB patients to be treated and the list and quantifications of the medicines to be procured for the MDR-TB program reflecting the Principal Recipient’s finalized forecast for the grant implementation period covered by the Grant Agreement) and the national guidelines for programmatic management of MDR-TB, both of which have been developed in collaboration with appropriate stakeholders; and
- b. For each Disbursement Request that includes funds for the procurement of MDR-TB medicines the Principal Recipient shall deliver to the Global Fund written confirmation of the price estimate and quantities of the second-line anti-tuberculosis drugs that will be procured from the Green Light Committee / Global Drug Facility procurement agent by the Principal Recipient in accordance with the approval by the Green Light Committee referred to in Special Condition 3 of this Annex A.

**C. SPECIAL TERMS AND CONDITIONS FOR THIS AGREEMENT**

1. The use by the Principal Recipient of Grant funds to finance the procurement of Health Products (as defined in Article 18 of the Standard Terms and Conditions of this Agreement), is subject to each of the following:
  - a. The delivery by the Principal Recipient to the Global Fund, in form and substance satisfactory to the Global Fund, of the revised procurement plan for the procurement, use and supply management of the Health Products for the Program as described in subsection (b) of Article 18 of the Standard Terms and Conditions of this Amendment (the “PSM Plan”). The PSM Plan shall include a finalized forecast of the Health Products to be procured under the Grant which is consistent with the workplan and budget and with all assumptions used to determine the quantities clearly documented, including, where applicable, the link to the targets in the Performance Framework; and
  - b. The delivery by the Principal Recipient to the Global Fund of the final report of the WHO/GLC mission to Sao Tome and Principe in April 2012.
2. The Principal Recipient acknowledges and understands that the Global Fund has entered into this Agreement in reliance on the representation by the Country Coordinating Mechanism of Sao Tome and Principe that the funds provided under this Agreement do not constitute more than 80% of the funds for the national TB program in Sao Tome and Principe. If the Principal Recipient becomes aware that the funds provided under this agreement are in fact or are anticipated to be materially higher than this amount, the Principal Recipient shall promptly notify the Global Fund.
3. The Principal Recipient shall cooperate with the relevant office of the Green Light Committee (the “GLC”) in the GLC’s efforts to provide support to the Principal Recipient with respect to the implementation, management and monitoring of the MDR-TB-related services provided in-country and any needed scale-up of such services. Accordingly, the Principal Recipient shall budget and authorize the Global Fund to disburse up to a maximum of US\$ 50,000, or a lower amount as agreed with GLC and the Global Fund, each year to pay for GLC services.
4. No later than 14 February 2013, the Principal Recipient shall provide confirmation to the Global Fund, in form and substance satisfactory to the Global Fund, that the Principal Recipient has appointed a technical assistance position at the National Tuberculosis Program to contribute to the fulfilment of the Conditions Precedent to

Disbursement and Special Terms and Conditions for this Amended Program Grant Agreement.

**D. FORMS APPLICABLE TO THIS AGREEMENT**

For purposes of Article 13b(1) of the Standard Terms and Conditions of this Agreement entitled "Quarterly Reports," the Principal Recipient shall use the "On-going Progress Update and Disbursement Request", available from the Global Fund upon request.

**E. ANTICIPATED DISBURSEMENT SCHEDULE**

For the purposes of Article 6a. of the Standard Terms and Conditions of this Agreement, the anticipated disbursement schedule indicated in the Performance Framework attached to this Annex A.

**F. PROGRAM BUDGET**

The Summary Budget(s) attached to this Annex A set forth anticipated expenditures for the Program term.

**G. PERFORMANCE FRAMEWORK**

The Performance Framework(s) attached to this Annex A set forth the main objectives of the Program, key indicators, intended results, targets and reporting periods of the Program.

**H. GLOBAL FUND STAGGERED FUNDING COMMITMENT POLICY**

At the time of signing this Agreement, the Global Fund shall set aside ("commit") funds up to the amount of the First Commitment indicated in block 7 of the face sheet, subject to terms and conditions of this Agreement. Second and Third Commitments of Grant funds, up to the amounts indicated in block 7 of the face sheet, may be committed by the Global Fund under this Agreement in one-year increments (or, if the period of the Program covered by the Commitment is less than one year, the duration of that period). Any Second or Third Commitment shall be undertaken in a manner consistent with the Global Fund's discretion and authority as described in Article 6 of this Agreement, taking into account, among other things, the availability of Global Fund funding and the reasonable cash flow needs of the Principal Recipient. If a Second or Third Commitment is made, it will be communicated to the Principal Recipient through written notice from the Global Fund. The Principal Recipient acknowledges and understands that a Second or Third Commitment may not be released in full or part by the Global Fund in the event of non-compliance by the Principal Recipient with the terms of this Agreement, based on the sole judgment of the Global Fund.