

No. 16318

**UNITED STATES OF AMERICA
and
WORLD HEALTH ORGANIZATION**

**Grant Agreement relating to smallpox eradication in
Ethiopia (with attachment). Signed at Washington on
26 April 1976**

**First Amendment to the above-mentioned Agreement. Signed
at Geneva on 6 August 1976**

Authentic texts: English.

Registered by the United States of America on 27 January 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
ORGANISATION MONDIALE DE LA SANTÉ**

**Accord de don relatif à l'éradication de la variole en Éthiopie
(avec pièce jointe). Signé à Washington le 26 avril 1976**

**Premier Amendement à l'Accord susmentionné. Signé à
Genève le 6 août 1976**

Textes authentiques : anglais.

Enregistrés par les États-Unis d'Amérique le 27 janvier 1978.

GRANT¹ BY THE UNITED STATES OF AMERICA TO THE WORLD HEALTH ORGANIZATION

This Grant Agreement is made and entered into on the 26th day of April, 1976, by the United States of America, acting through the Agency for International Development (hereinafter referred to as “A.I.D.”), and the World Health Organization (hereinafter referred to as “WHO” or the “Grantee”).

WHEREAS, the WHO worldwide smallpox eradication program is entering its final phase;

WHEREAS, the program has residually eliminated smallpox throughout the world except for some areas of Ethiopia;

WHEREAS, the smallpox eradication program in Ethiopia (hereinafter the “Program”) has achieved sufficient success since 1971 to permit planning to eradicate smallpox in Ethiopia by 1977;

WHEREAS, WHO has called for international support for the final phase of the worldwide eradication and surveillance program, and in particular has requested support from the United States for the Program in Ethiopia;

WHEREAS, the elimination of smallpox will benefit other countries in Africa which must maintain vaccination and surveillance programs as long as the disease continues in Ethiopia;

WHEREAS, A.I.D. has agreed to provide to WHO funds to be used to assist the Program;

NOW THEREFORE, in order to assist WHO to meet the cost of the Program, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended (the “Act”), hereby makes a Grant to WHO for the purposes and under the terms and conditions of this Agreement.

Article I. THE GRANT

Section 1.01. PURPOSE OF THE GRANT. The purpose of this Grant is to provide funds to assist the WHO in financing the cost of goods and services required for the WHO Smallpox Eradication Program in Ethiopia.

Section 1.02. AMOUNT OF GRANT. A.I.D. intends to provide a total of \$2 million for the purposes set forth in Section 1.01. The amount of the Grant provided herewith is \$800,000. Subject to the availability of funds, A.I.D. will make an additional grant in the amount of \$1,200,000 to further assist in carrying out the Program.

Article II. CONDITION PRECEDENT TO DISBURSEMENT

Section 2.01. FIRST DISBURSEMENT. Prior to the first disbursement, or to the issuance of the first Letter of Commitment, under the Grant, WHO will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

¹ Came into force on 26 April 1976 by signature.

- (a) evidence of the source and availability of the funds, in addition to this Grant, required for the Program;
- (b) a statement of the names of the persons holding or acting in the office of the Grantee specified in Section 5.13, and a specimen signature of each person specified in such statement.

Section 2.02. NOTIFICATION. When A.I.D. has determined that the conditions precedent specified in Section 2.01 have been met, A.I.D. will promptly satisfy the Grantee.

Section 2.03. TERMINAL DATES FOR CONDITIONS PRECEDENT. If all of the conditions specified in Section 2.01 have not been met within ninety days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D. at its option, may terminate this Agreement by written notice to the Grantee.

Article III. DISBURSEMENTS

Section 3.01. THE ADVANCE. Pursuant to the procedures outlined in the Attachment hereto, entitled "Disbursement of Funds", A.I.D. shall open in a United States Federal Reserve a letter of credit in the amount of \$800,000 in favor of the Grantee. The procedure governing the establishment of the letter of credit and the drawdown of funds made available under the letter of credit is outlined in the Attachment, which is made a part of this Grant Agreement.

Section 3.02. OTHER FORMS OF DISBURSEMENT. A.I.D. may also make disbursements upon such other terms and conditions as may be mutually agreed upon in writing by A.I.D. and the Grantee.

Section 3.03. INTEREST ON GRANT FUNDS. Any interest or other earnings on Grant funds disbursed by A.I.D. to the Grantee under this Agreement prior to the authorized use of such funds for the Program will be returned to A.I.D. in dollars by the Grantee.

Section 3.04. TERMINAL DISBURSEMENT DATE. No portion of the funds granted by A.I.D. under this Agreement shall be disbursed after three (3) years from the effective date of this Agreement, unless such date is extended by A.I.D. in writing, and any funds granted hereunder by A.I.D. which remain undisbursed on that date shall revert to A.I.D.

Article IV. PROCUREMENT

Section 4.01. SOURCE AND ORIGIN. Except as otherwise agreed by A.I.D. in writing, goods and services required for the Program and procured under this Grant shall have their source and origin in Ethiopia or in countries included in Code 935 of the *A.I.D. Geographic Code Book* as in effect at the time orders are placed or contracts are entered into for such goods and services.

Section 4.02. SPECIAL RULES. (a) Any financing by A.I.D. of motor vehicles hereunder will be subject to Section 636(i) of the Act; and (b) any financing of drug and pharmaceutical products hereunder will be subject to Section 606(c) of the Act.

Section 4.03. UTILIZATION OF GOODS AND SERVICES. Except as A.I.D. may otherwise agree in writing, any goods and services furnished pursuant to this Grant shall be devoted to the Program and thereafter shall be used so as to further the

objectives of the Program. If at any time A.I.D. concludes that goods or services procured under this Grant are not procured or used in accordance with the terms of this Agreement, A.I.D., after consultation with the Grantee, may cease further disbursements other than those required for the liquidation of outstanding legally binding commitments entered into under this Agreement except as A.I.D. may otherwise agree in writing.

Article V. SPECIAL COVENANTS

Section 5.01. ADDITIONAL RESOURCES FOR THE PROGRAM. The Grantee agrees to provide or cause to be provided for the Program all funds, in addition to the Grant, and all other resources required to carry out the Program effectively and in a timely manner.

Section 5.02. AMENDMENTS. This Agreement may be revised only by the written mutual consent of the parties hereto.

Section 5.03. CONSULTATION AND COORDINATION. The Grantee and A.I.D. shall consult with each other, and with the Government of Ethiopia, at the request of either party to this Agreement concerning the operation of the Program and of this Agreement.

Section 5.04. FINANCIAL RECORDS. Financial records, including documentation to support entries on accounting records and to substantiate charges to this Grant shall be kept in accordance with Grantee's usual accounting procedures, which shall follow generally accepted accounting principles. All such financial records shall be maintained, and be required to be maintained, for at least three years after final disbursement of funds under this Grant. The Grantee semi-annually shall submit a report on the expenditures incurred under the Grant to the authorized representative of A.I.D. or to the Comptroller General of the United States.

Section 5.05. PROGRAM REPORTS. The Grantee shall submit semi-annual reports to A.I.D. describing the operation of the Program and the goods and services financed under this Grant.

Section 5.06. DELEGATE TO CONGRESS AND RESIDENT COMMISSIONER. No member or delegate to the Congress or resident commissioner shall be admitted to any share or part of the Grant or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this Grant if made with a corporation for its general benefit.

Section 5.07. ASSIGNMENT OF CLAIM. The Grantee agrees to execute an assignment to A.I.D., upon request, of any cause of action that may accrue to the Grantee in connection with or arising out of a contractor's performance or breach of performance of any contract financed in whole or in part out of funds provided by A.I.D. under this Agreement.

Section 5.08. TERMINATION. Either party may terminate this Agreement by giving the other party thirty (30) days written notice of intention to terminate it. Termination of this Agreement shall terminate any obligations to make contributions pursuant to this Agreement, except for payments either party is committed to make pursuant to non-cancellable commitments entered into with third parties prior to termination of the Agreement. It is expressly understood that all other obligations under this Agreement shall remain in force after such termination.

Section 5.09. REFUND. If any A.I.D. funds disbursed under this Agreement are not used, applied or accounted for in accordance with the terms of this Agreement, Grantee agrees to refund to A.I.D. within thirty (30) days after receipt of a request therefor, the amount thereof, provided that A.I.D.'s request is made not later than five (5) years after final disbursement under this Grant.

Section 5.10. LAWS AND REGULATIONS OF THE UNITED STATES. A.I.D. shall expend funds and carry on operations under this Agreement only in accordance with the applicable laws and regulations of the United States Government.

Section 5.11. IMPLEMENTATION LETTERS. From time to time, for the information and guidance of both parties, A.I.D. may issue Implementation Letters that will describe the procedures applicable to the implementation of this Agreement.

Section 5.12. COMMUNICATIONS. Any notice, request, document or other communication submitted by either party to the other under this Agreement will be in writing or by telegram, cable or radiogram, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address:

To A.I.D.

Mail Address: Office of Regional Affairs
Bureau for Africa
Agency for International Development
Washington, D.C. 20523

All such communications shall be in English, unless the parties hereto otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice. The Grantee, in addition, will provide the USAID Mission in Ethiopia with a copy of each communication sent to A.I.D.

Section 5.13. REPRESENTATIVES. For all purposes relevant to this Agreement, the Grantee shall be represented by the person holding or acting in the Smallpox Eradication Unit and A.I.D. will be represented by the person holding or acting in the Office of Africa Regional Affairs, each of whom may designate additional representatives for all purposes under this Agreement. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

For the World Health Organization:

By: [Signed]

THOMAS A. LAMBO, M.D.

Title: Deputy Director General

Date: April 26, 1976

For the United States of America:

By: [Signed]

DANIEL PARKER

Title: Administrator, Agency
for International Development

Date: April 26, 1976

Appropriation: 72-11 x 1024
Allotment: 424-61-698-00-69-61
Obligation: 616 7115

ATTACHMENT

DISBURSEMENT OF FUNDS

A. A.I.D. shall open a Federal Reserve Letter of Credit in the amount of this grant against which the Grantee may present payment vouchers. Funds drawn by the Grantee against the Federal Reserve Letter of Credit shall be only in such amounts as may be needed to meet current programme expenditures under the grant, and such drawdowns shall be made as close to the day of actual expenditure as is administratively feasible. Within the foregoing ceiling amount, the amount of any payment voucher shall not in any event be less than \$100,000 nor more than \$300,000.

B. In no event shall the accumulated total of all such payment vouchers exceed the amount of the Federal Reserve Letter of Credit.

C. Procedure for Grantee:

1. After arranging with a commercial bank of its choice for operation under this Letter of Credit and obtaining the name and address of the Federal Reserve Bank or branch serving the commercial bank, the Grantee shall deliver to the A.I.D. Office of Financial Management (SER/FM/FSD) three originals of Standard Form 1194, "Authorized Signature Card for Payment Vouchers on Letters of Credit" signed by those official(s) authorized to sign payment vouchers against the Federal Reserve Letter of Credit and by an official of the Grantee who has authorized them to sign.
2. Upon execution of the grant, the Grantee shall receive one certified copy of the Federal Reserve Letter of Credit.
3. The Grantee shall confirm with its commercial bank that the Federal Reserve Letter of Credit has been opened and is available if funds are needed.
4. To receive payment, the Grantee shall:
 - (a) periodically, although normally not during the last five days of the month, prepare payment vouchers (Form TUS-5401) in an original and three copies;
 - (b) have the original and two copies of the voucher signed by the authorized official(s) whose signature(s) appear on the Standard Form 1194;
 - (c) present the original, duplicate and triplicate copy of the Form TUS-5401 to its commercial bank;
 - (d) retain the quadruplicate copy of the voucher.
5. After the first payment voucher (Form TUS-5401) has been processed, succeeding payment vouchers shall not be presented until the existing balance of previous payments has been expended or is insufficient to meet current needs. Each drawdown should be initiated at approximately the same time that checks are issued by the Grantee in payment of program liabilities and in an amount approximately equal to the United States share of such payments.
6. In preparing the payment voucher, the Grantee shall assign a voucher number in numerical sequence beginning with 1 and continuing in sequence on all subsequent payment vouchers submitted under the Federal Reserve Letter of Credit. The current status of the pertinent

Federal Reserve Letter of Credit funds shall be presented on the reverse side of the last two copies of the Form TUS-5401 in the following format:

Cash on hand prior to preceding advance	\$
Plus amount of last advance on TUS-5401 No.	\$
Less total payments subsequent to last advance	\$
Equals cash on hand prior to receiving current advance on TUS-5401 No.	\$

7. A report of expenditures shall be prepared and submitted semi-annually to A.I.D. Office of Financial Management (SER/FM/FSD). This Report, submitted on Standard Form 1034, "Public Voucher for Purchases and Services other than Personal", shall be supported by certification, listing of expenditures against withdrawals and documentations as required.
8. Simultaneously with the submission of the report of expenditures the Grantee shall submit to SER/FM/FSD a report on the status of the Federal Reserve Letter of Credit as of the close of the periods covered by the report of expenditures. The report is prepared in the following format:

Status of Funding Report
Federal Reserve Letter of Credit (FRLC)
No.

Period from through

A. Letter of Credit Position:

1. Current amount of FRLC (including amendments) through reporting period \$
2. Payment Vouchers on Letter of Credit presented (Form TUS-5401):
 - a. Credited prior to reporting period \$
 - b. Credited during reporting period via TUS-5401 Voucher Nos. through inclusive \$
 - c. Presented but not credited during report via TUS-5401's numbered through inclusive \$
3. Total of all Payment Vouchers against FRLC credited or presented . . . \$
4. Balance of FRLC not drawn or requested this reporting period \$

B. Cash Position:

1. Cash on hand at beginning of period \$
2. Plus: cash drawn during period \$
3. Plus: refunds, rebates or other amounts received, to the extent allocable to disbursements charged against this FRLC \$
4. Total cash available (sum of 1, 2, and 3) \$
5. Less: disbursements during period \$
6. Balance of cash on hand at close of reporting period \$
7. Estimated number of days' requirements covered by balance on hand (Item 6 above)
Days:
8. Advances to contractors (included in B, 6, above)

FIRST AMENDMENT¹ TO GRANT AGREEMENT (*SMALLPOX ERADICATION IN ETHIOPIA*) BETWEEN THE WORLD HEALTH ORGANIZATION AND THE UNITED STATES OF AMERICA

The Grant Agreement between the World Health Organization (“WHO”) and the United States of America, acting through the Agency for International Development (“A.I.D.”) dated April 26, 1976,² is hereby amended as follows:

1. Section 1.02 is deleted in its entirety and the following is substituted in its place:

“Section 1.02. AMOUNT OF GRANT. The amount of the Grant provided herewith is DOLS 2,000,000.”

This Amendment shall be effective upon execution.

Except as specifically modified and amended hereby, the Grant Agreement dated April 26, 1976, shall remain in full force and effect. All references in said Agreement to the words “Grant Agreement” or “this Agreement” shall be deemed to mean the Grant Agreement as amended.

IN WITNESS WHEREOF, the United States of America and WHO, each acting through its duly authorized representative, have caused this First Amendment to be signed and delivered.

For the World Health Organization:

By: [*Signed*]

HALFDAN MAHLER, M.D.

Title: Director-General

Date: 6 August 1976

For the United States of America:

By: [*Signed*]

HENRY E. CATTO, Jr.

Title: Ambassador

Date: 6 August 1976

Appropriation: 72-11x1024
 Allotment: 424-61-698-00-69-51
 Obligation: 6117250

¹ Came into force on 6 August 1976 by signature, in accordance with its provisions.

² See p. 100 of this volume.