



Accountable Grant Arrangement

Between

The Government of the United Kingdom of Great Britain and Northern Ireland acting
through the Department of Health ("DH")

and

The World Organisation for Animal Health ("The Partner")
together called "the Participants"

Aligning activities to combat antimicrobial resistance ("AMR") at the global level

2016/003c OIE

1. We are pleased to be able to award you the following grant. This grant has been awarded to fund the proposal provided to align activities to combat AMR at the global level. I am writing on behalf of the Secretary of State for Health to offer the World Organisation for Animal Health (OIE), hereafter referred to as the Partner, a grant up to a maximum of £2,395,018 (the "Contribution"). The Contribution shall be paid in three instalments.
2. A grant of up to £596,760 is offered to the Partner for the financial year ending March 2017 (the "Year 1 Contribution"). Indicative grant award figures up to a maximum of £868,633 in 2017-18 and up to a maximum of £929,625 in 2018-19 are provided based the agreed profile of the amounts requested for future years in your revised application. The funding amount is subject to revision and will depend on the fulfilment of the provisions of this arrangement, any revisions to budgets, actual expenditure and need and the continuing availability of resources to DH and its priorities. The Partner should therefore ensure that it fully consider this when making any financial commitments relating to the grant award.

2016-17 Year 1	£596,760
2017-18 Year 2 (Provisional)	£868,633
2018-19 Year 3 (Provisional)	£929,625
TOTAL	£2,395,018



3. This award is being made available to the Partner under the provisions of the International Development Act 2002 which requires DH to have regard to the desirability of providing development assistance that is likely to contribute to reducing poverty in a way which is likely to contribute to reducing inequality between persons of different genders.
4. The grant is for aligning activities to combat AMR at the global level. The grant should be identified in your accounts as restricted funds.
5. The arrangements and the purpose for which the grant will be used are set out in this accountable grant arrangement and its annexes and the corresponding **Proposal from OIE {June 2016}** collectively referred to as this "Arrangement" (at Annex 1).
6. The services outlined in Annex 1 (the "Project") will start on **12 August 2016** (the "Commencement Date"). The Project is expected to end on **March 31 2019**. This Arrangement will still be considered valid for 6 months, subsequent to project completion, for final payments and completion of any evaluations.
7. DH will arrange for the Year 1 Contribution to be paid to the Partner as soon as possible after the Commencement Date. Subsequent payments will be made in accordance with Annex 2.
8. The Contribution will be administered and used in accordance with the regulations, rules, administrative issuances, policies and procedures of DH, which shall include but not be limited to, those laid out below.

Disbursement and Reporting

9. The Partner will provide DH with quarterly progress reports, including updates against budget and planned spend, on the execution of the projects, programmes and activities that describe performance against indicators contained in **Annex 1 - Proposal from OIE {June 2016}**. Reports shall be submitted within four weeks of the end of the relevant quarter.



10. The Partner will also submit, within 3 months of completion of the Project, a final narrative report enumerating in detail the results achieved by the Project through its life span.
11. The Partner shall also provide detailed annual reports including audited financial statements that set out actual expenditure to date, against the approved project budgets. These are to be provided on completion of Years 1, 2, and 3 of this project, by 30 June of 2017, 2018 and 2019.
12. In addition, on an annual basis, the partner will provide an updated project proposal. The reporting schedule is as follows:

Date	Requirement
End Sept	Quarterly progress report
End Dec	Quarterly progress report Updated project proposal for activities for following year [from April]
End March	Quarterly progress report
End June	Annual progress report on activities up to end March with audited financial statement

13. In line with UK Government financial regulations, DH will not pay in advance of operational need and justification will be required for any DH payment prior to disbursement to the Partner. Where a payment in advance is approved and the Partner is holding DH funds, prior to disbursement, funds should be held in a minimum risk interest bearing account. Any interest accruing from these investments will be re-invested within the Project.
14. The Partner must complete the form laid out at **Annex 7** and return by post to the policy lead contact listed at **Annex 6** (the "Department of Health Policy Team Contact").
15. If you have not received a DH grant before, or you have not been paid a DH grant within the last 6 months, you must also send in Bank Account details by post on headed paper to your Department of Health Policy Team Contact. It is the Partner's



responsibility to ensure that its bank details remain accurate and the Partner should inform the Department of Health Policy Team Contact if there are any changes to bank account details.

16. Payment will be made to the bank account details provided. The Department of Health Policy Team Contact will advise the Partner when payment has been made.

17. The Partner must complete the form laid out at **Annex 7** and return the form with the signed award letter.

Due Diligence

18. In utilising the Contribution, the Partner will exercise the same care in the discharge of its functions under this Arrangement as it exercises with respect to the administration and management of its own resources and affairs. The Partner shall co-operate fully with any due diligence assessment by DH or its agents, of the Partner's own internal controls and system prior to or during the implementation of the Project and take appropriate action on any recommendations arising. Due Diligence assessments will last for 3 years, unless there is a significant change to the Partner's procedures and controls or operating environment.

19. Additionally the Partner shall take the necessary steps at the commencement of the Project and at regular intervals throughout the implementation to assess the internal controls and systems of any implementing partners ("Implementing Partners"). These assessments will be shared with DH, upon request and should determine, relative to programme risk, the:

- Reliability and integrity of the Implementing Partners financial controls, systems and processes
- Effectiveness and efficiency of their project operations
- Procedures for safeguarding project assets
- Compliance with national legislation, regulation, rules, policies and procedures



On-going Audit and Assurance

20. The Partner will within 6 months of the end of its financial year provide DH with independent assurance the Contribution and any other DH funds have been used for the intended purposes. The Partner will provide annual accounts audited by an independent and appropriately qualified auditor where DH project funding is clearly segregated from other funds.
21. Appropriate and satisfactory audited accounts will generally be accepted as suitable audit discharge. DH or its agents do however reserve the ability to conduct additional audits or ascertain additional information where DH considers it necessary. DH or its agents will also be granted access, as required, to all project sites. Information and access rights should be explicitly included within all arrangements with downstream partners.
22. The Partner will ensure that all goods and services financed from the Contribution will continue to be used for the purpose set out within this Arrangement. In the event of such goods or services being used for other purposes, the Partner must notify DH in writing and DH may seek to recover from the Partner the value of the goods and services concerned.

Accountability

23. DH will not be responsible for the activities of any person, organisation or company engaged by the Partner or its agencies as a result of this Arrangement, nor will DH be responsible for any costs incurred by the Partner or its agencies in terminating the engagement of the aforementioned persons, organisations or companies.
24. Although accountable to DH for the appropriate use of funding and delivery of project objectives, the Partner will retain ultimate responsibility for the use of funding and will as such be solely responsible for any adverse effects of grant expenditure that have an undesired or unexpected result upon recipients.



Procurement

25. The Partner should ensure that any procurement using grant funds adheres to international best practice and that it is transparent, fair and open and is in line with current Partner procurement policies.
26. The Partner will establish and maintain an inventory of all items purchased above the value of £1,000. An up to date inventory must be submitted to DH on at least an annual basis, alongside the annual accounts and in the format of the inventory template in **Annex 8**.
27. The Partner will be accountable to DH for the appropriate use and control of this inventory in line with project objectives. Ultimate ownership of this inventory will remain with DH and any ownership transfer, after project completion, will be decided in writing by all participants.
28. All invoices, receipts, accounting records and any other relevant documents relating to the expenditure of the money should be kept, for a period of at least six years after the completion of the project.

Communication and Branding

29. The Partner must acknowledge the funding provided by the UK Government in all materials and at all times, including (but not limited to) press, marketing and communications materials, whether issued or produced verbally or in writing, unless otherwise agreed in advance.
30. The Partner must use the 'Funded by UK Government' logo appropriately on all published material including printed and online material. Information about the correct use of this logo will be sent to the Partner by the Department of Health Policy Team Contact.
31. The Partner agrees to collaborate with DH to build support for development and raise awareness of the UK Government's funding for development activity. Both DH and the Partner will proactively look for ways to raise such awareness.



32. If the Partner arranges or facilitates launch, milestone or completion events (an 'Event') in relation to the project to which members of the press and/or public are invited, the Partner shall make DH aware of the Event, in advance, and agree to allow a representative of DH to attend the event if they so wish. The Partner must collaborate with DH on any other awareness raising activities at DH's reasonable request.

Intellectual Property

33. Intellectual property developed in all material (including, but not limited to, reports, data and designs, whether or not electronically stored) produced by the Partner or its personnel, members or representatives in the course of this project ("the Material") will be the property of the Partner.
34. In signing this arrangement the Partner hereby grants to DH a worldwide, non-exclusive, irrevocable and royalty-free licence to use all the Material (with the exception of any Global Antimicrobial Agents Database), where "use" shall mean, without limitation, the reproduction, publication and sub-licence of all the Material and the intellectual property therein, including the reproduction and sale of the Material and products incorporating the same, for use by any person or for sale or other dealing anywhere in the world.

For the sake of clarity, the foregoing licence does not include the right to use any Global Animal Agents Database and DH acknowledges that the Partner will retain all intellectual property in and to any Global Animal Agents Database.

For purposes of this clause, "Global Antimicrobial Agents Database" means any database developed, partly or wholly, by the Partner or its personnel, agents and/or member countries on the use of antimicrobial agents in animals.

Confidentiality

35. Subject to clauses 37, neither of the Participants nor its personnel shall communicate to any other person or entity any confidential information made known to it by the other



Participant in the course of the implementation of this Arrangement.

36. DH may disclose confidential information:

- a) on a confidential basis to any department, agency or office of the UK government for any proper purpose of DH or of the relevant department, agency or office;
- b) to the UK Parliament and UK Parliamentary Committees or if required by any Parliamentary reporting requirement;
- c) to the extent that DH (acting reasonably) deems disclosure necessary or appropriate in the course of its public functions;
- d) on a confidential basis to a professional adviser, consultant supplier or other person engaged by any department, agency or office of the UK government for any purpose relating or connected to this Arrangement; or
- e) on a confidential basis to a proposed successor to DH in connection with any assignment, novation or disposal of any of its rights obligations or liabilities under this Arrangement.

37. Clauses 35 and 36 shall survive the termination or expiry of this Arrangement.

Fraud and Corruption

38. DH and the Partner will immediately and without undue delay inform the other Participant of any event which interferes or threatens to materially interfere with the successful implementation of the Project, whether financed in full or in part by DH, including credible suspicion of or actual fraud, bribery, corruption or any other financial irregularity or impropriety.

39. DH and the Partner have a zero tolerance approach towards fraud and fraudulent behaviour that may lead to the misuse of funds and will fully co-operate with investigation into such events, whether led by DH or the Partner. DH, may, at any time during the term of this arrangement and up to five years after the end of the programme, arrange for additional audits, on-the spot checks and / or inspections to be carried out. These may be carried out by DH, or any of its duly authorised



representatives. DH reserves the ability to recover funds that have been subject to fraud. Where fraudulent or unethical activity is alleged, DH reserves the right to suspend or terminate funding with immediate effect, in preference to the standard notice period and irrespective of any contractual requirements.

40. In respect of such amounts that have not been recovered, the Partner recognizes the importance to DH that such funds be recovered and, when it has been reasonably established that the Partner's personnel or suppliers have engaged in fraudulent or corrupt practices, the Partner shall cooperate with national authorities on a case-by-case basis, in accordance with generally accepted principles of law, with a view to ensuring recovery of such amounts. The Partner further agrees to consult with DH, with a view to determining a mutually agreeable solution, including the return of such funds when a loss is attributable to a failure in the Partner's internal control mechanisms, and shall discuss such issues on a case-by-case basis.
41. Consistent with numerous United Nations Security Council resolutions including S/RES/1269 (1999), S/RES/1368 (2001) and S/RES/1373 (2001), both DH and the Partner are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of DH to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, the Partner undertakes to use reasonable efforts to ensure that none of the DH funds provided under this arrangement are used to provide support to individuals or entities associated with terrorism.

Dispute Resolution

42. Any dispute between DH and the Partner in relation to this Arrangement will be settled amicably through consultation and negotiation. Any differences that may not be so settled within 30 days will be brought to the attention of the Director for Public Health Protection and Emergency Response of DH and the Director-General of the Partner for final resolution.



General Termination

43. If DH become concerned that the provisions of this arrangement have not been fulfilled by the Partner, or if any activities occur which will significantly impair the development value of the project, the Participants will at first negotiate in an attempt to resolve any issues. Changes may then be made to the project or disbursement schedule or where required, this Arrangement may be terminated.
44. Subject to clause 45, this Arrangement can be terminated by DH on three months' written notice. All remaining funds other than those irrevocably committed in good faith before the date of termination, in line with project objectives and approved between the Participants as being required to finalise activities, will be returned to DH.
45. If however any of the following events occur, DH reserves the right to terminate this arrangement, with immediate effect, and at its discretion will be entitled to a refund of all or part of the funds paid under this Arrangement. These events include, but or not limited to:
- a) The Partner or any Implementing Partner repeatedly fails to comply with any of the terms of this Arrangement or is in material breach of the terms and conditions of this Arrangement or of the terms and conditions of a previous other DH grant arrangement relating to AMR
 - b) DH believes that fraud or serious mismanagement has occurred;
 - c) The Partner at any time during the performance of the project goes into liquidation administration or other similar process, is dissolved or enters into any arrangements with its creditors
 - d) The Partner assigns or transfers, or purports to assign or transfer, or causes to be assigned or transferred, any interest in this Arrangement or any part, share or interest therein;
 - e) There is a change in identity or character of your organisation (such assessment to be made at DH's sole discretion) or that of any partner concerned including, but not



limited to, through the take-over, merger, change of ownership or control;

- f) In the event that the Project ceases to be pursued for any reason other than by way of successful completion; or
- g) The Partner uses the funds provided under this or any DH grant Arrangement for any purpose other than the purpose provided for.

46. Any unspent funds remaining at the scheduled end of the project must be returned to DH unless specifically decided between both Participants, in writing. At any time when returning funds, the Partner should contact the Department of Health Policy Team Contact first.

Additional Provisions

- 47. DH funds must be separately accounted for by the Partner and therefore readily identifiable at all times unless explicitly agreed otherwise by DH. The Partner also gives consent for this Arrangement (and any subsequent amendments) and associated funding to be published on a UK Government website.
- 48. The Partner will work towards applying transparency standards in line with the UK aid Transparency Guarantee and the International Aid Transparency Initiative (IATI), to the funds received from DH. In line with this guarantee and DH's transparency commitment, the Partner will make substantive efforts to publish information about DH funded projects, in line with relevant categories of the IATI standard, on their own website.
- 49. The Partner will conduct a post-evaluation of the activities financed from the Contribution that will focus on the results achieved, efficiency, effectiveness of implementation and quality of administration. This will be provided to DH within 6 months of project end date.
- 50. The Contribution will not, unless approved by DH in writing, be used to meet the cost of any import, customs duties or any other taxes or similar charges, applied directly or indirectly, by local Governments or by any local public authority on the goods / services provided.



51. If this Arrangement is acceptable to the Partner it will place on record the understanding of the Participants.
52. In the event of translation the English text of this document will prevail. Any amendments to the provisions contained within this arrangement will be set out in writing and approved by the authorised personal through DH's standard amendment letter or, where significant, a revised arrangement.
53. No aspect of the activity being funded by DH should be party political in intention, use or presentation.
54. This Arrangement and any document or activity relating thereto shall be governed by general principles of law, to the exclusion of any single national system of law.
55. The Contribution may not be used to finance fundraising efforts or to pay for organisational running costs apart from those indirect costs included in the agreed budget for the Contribution.
56. The Contribution is at a fixed cash level in pounds sterling and will not be adjusted to meet pay and price changes or differences in exchange rates.



Signed on behalf of DH:

[Redacted Signature]

Name: Helen Shirley-Quirk

Position: Director, Health Protection and Emergency Response, Public and International Health Directorate, Department of Health

Address/Contact Details: Richmond House, 79 Whitehall, SW1A 2NS, London, United Kingdom

[Redacted] Email [Redacted]

Date: 12/8/2011

With copies to:

Name [Redacted]

Position: Programme Manager, Global Health Security, Public and International Health Directorate, Department of Health

Address/Contact Details: Richmond House, 79 Whitehall, SW1A 2NS, London, United Kingdom

[Redacted]

Signed on behalf of the Partner:

[Redacted Signature]

Name: Monique Eloit

Position: Director General, World Organisation for Animal Health (OIE)

Address/Contact Details: 12 rue de Prony, 75017 Paris, France

[Redacted]

Date:



With copies to:

Name: [REDACTED]

Position: Director of Finance, World Organisation for Animal Health (OIE)

Address/Contact Details: 12 rue de Prony, 75017 Paris, France
[REDACTED]

Name: [REDACTED]

Position: Research Contract Manager, World Organisation for Animal Health (OIE)

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