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To Fight AIDS, Tuberculosis and Malaria

grant closure R4 7/13

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CP/SWA/106-2010/DM/dp

2 August 2010

Mr. Karma Tshiteem  
Secretary  
Gross National Happiness Commission  
Royal Government of Bhutan  
P.O. Box 127  
Tashichhodzong, Thimphu  
Bhutan

**Subject:** Program Grant Agreement Number BTN-405-G02-T  
Principal Recipient: Gross National Happiness Commission, Royal  
Government of Bhutan  
Implementation Letter Number 8<sup>1</sup>  
Approval of Grant Closure Plan

#### UNOFFICIAL SUMMARY

This letter approves the Grant Closure Plan, subject to the exceptions and conditions described below. It also sets out the terms and conditions governing the Grant's closure, and the use of Grant funds by the Principal Recipient and its Sub-recipients.

Dear Mr. Tshiteem,

Thank you for submitting your Grant Closure Plan on 30 March 2010. We have reviewed it and would like to inform you that it is approved, subject to the exceptions and conditions described in the table below.

The Grant Closure Date for the Round 4 tuberculosis grant is 31 December 2010. This letter sets out the terms and conditions governing the closure of the grant, and the use of Grant funds by the Principal Recipient and its Sub-recipients.

We approve the following parts of the Grant Closure Plan:

	Approved Parts of the Grant Closure Plan	Exceptions/Special Conditions
1.	Grant Closure Activities (as specified in Attachment 1 to this letter)	SDA 3.1.3 "Annual laboratory review meeting" has been found to be also budgeted

<sup>1</sup> This Grant Agreement was changed before by letters dated 9 May 2005, 17 May 2005, 3 October 2006, 10 October 2007, 16 April 2008, 7 July 2009 and 12 March 2010; as well as a Phase 2 amendment dated 10 July 2007.

		<p>under round 6 TB grant. Therefore this meeting will not be eligible under round 4 grant close out.</p> <p>SDA 3.3.1 "Training of Medical Officer in Chest Medicine" does not constitute an activity eligible for funding during close out because the candidate was not qualified for continuing the course. The funding will be made available to cover the cost for the period January - March 2010.</p>
2.	Grant Closure Budget (as specified in Attachment 1 to this letter)	<p>SDA 3.1.3 "Annual laboratory review meeting": The amount of USD 4,320 that was budgeted in the close out plan has not been approved.</p> <p>SDA 3.1.6 "Lab assessment visits by supranational reference laboratory". The amount of USD 3,000 that was budgeted in the close out plan has not been approved.</p> <p>SDA 3.3.1 "Training of Medical Officer in Chest Medicine": funding originally allocated in year 3 (covering one year of studies) and equivalent to USD 8,721.33 has been approved. The remaining budget has not been approved.</p>
3.	The plan for the use, transfer and/or disposal of all of the items specified in the List of Health Products and List of Non-Cash Assets (as included in Attachment 1 to this letter)	<p>Since all the laboratory equipment of Round 4 has been purchased for the Public Health Laboratory (PHL) at Jigme Dorji Wangchuck National Referral Hospital (JDWNRH), the equipment will continue to remain with PHL. We have been informed that no</p>



		government agencies are authorized to dispose of any assets that have been acquired through project fund or government budget account.
4.	Progress Update and Disbursement Request (PUDR)	The Principal Recipient shall submit a final PUDR and may request funding only for the agreed upon close out activities. Please note that the final PUDR should take into account the cash balance at grant closure (LFA verified to be USD 8,608), and any savings (LFA verified USD 1,563 as per 31 March 2010) resulting from activities listed in the close out plan.

By signing this letter, the Global Fund and the Principal Recipient agree as follows:

1. Gross National Happiness Commission shall implement the activities described in the Grant Closure Plan, in accordance with the Grant Closure Budget, by 31 December 2010.
2. No Grant funds are to be spent or committed for expenditure after 31 December 2010.
3. The Principal Recipient shall refund to the Global Fund all Grant funds remaining after the completion of the activities described in the Grant Closure Plan (as described in paragraph 8 below).
4. The Principal Recipient shall ensure that all of the items provided in the List of Health Products and List of Non-Cash Assets (as included in the Grant Closure Plan) are used, transferred and/or disposed of in accordance with the Grant Closure Plan by 31 December 2010.
5. The Principal Recipient shall submit a Final Cash Statement for the Program to the Global Fund by 31 March 2011. The Final Cash Statement must include all Program revenues and expenditures for the period from 1 January 2010 to 31 December 2010. All revenue generated from grant funds (including but not limited to interest, foreign exchange gains, tax refund(s) and revenue from any social marketing activities) must be treated and accounted for as income in the Final Cash Statement.
6. The Principal Recipient has submitted to the Global Fund the final Periodic Progress Report for the final period of the Program up to 31 March 2010. In addition, by 31 March 2011, the Principal Recipient shall submit to the Global Fund the Final Grant Report for the period of 31 March 2010 to 31 December 2010.

7. By 30 June 2011, the Principal Recipient shall submit to the Global Fund a Final Audited Financial Report for the period from 31 March 2010 to 31 December 2010.
8. The Principal Recipient shall refund any Grant funds that have not been spent in accordance with the Grant Agreement and the terms of this letter by 31 December 2010, as verified by the Local Fund Agent. The refund will be due within thirty days of receiving a request for a refund from the Global Fund. It should be paid into the following account:

Beneficiary: The World Bank  
Account Name: IBRD "T" Account  
Account Number: 2000192003489  
Bank Name: Wachovia Bank  
Bank Address: 11 Penn Plaza, 4<sup>th</sup> Floor, New York, NY 10038  
SWIFT Code: PNBPU3NNYC

This does not limit the Global Fund's right to request a further refund under Article 27 of the Standard Terms and Conditions of the Grant Agreement.

For the avoidance of any doubt, Grant funds include any relevant interest and revenues referred to in Article 11 of the Standard Terms and Conditions of the Grant Agreement.

9. If there is any inconsistency between what is in this letter and what is in the Grant Agreement, the contents of this letter override.
10. Block 4A of the face sheet of the Grant Agreement is updated as follows:

Block 4A:                      Modification Number: 9 (Implementation Letter 8, dated 3 August 2010)

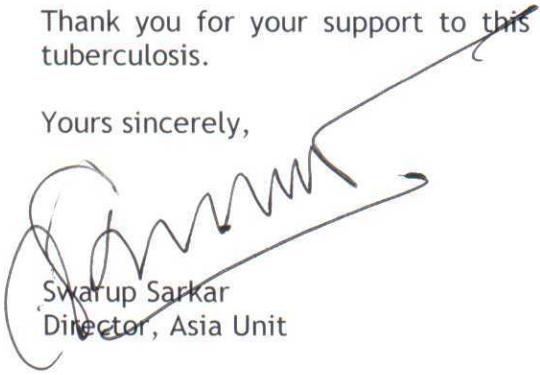
We remind you that you are required to maintain Program Books and Records for at least three years from the date of the last disbursement. You must ensure that the Global Fund has access to such Program Books and Records.

All other terms and conditions of the Grant Agreement remain the same.

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


Thank you for your support to this Program and your efforts in the global fight against tuberculosis.

Yours sincerely,



Swarup Sarkar  
Director, Asia Unit

For: GROSS NATIONAL HAPPINESS COMMISSION

  
Authorized Representative: Mr. Karma Tshiteem, Secretary

Date: 18<sup>th</sup> August, 2010

Enclosed Documents: Face sheet of the Grant Agreement, as amended  
Attachment 1: Approved Grant Closure Activities, Grant Closure Budget and Approved Plan for Use/Transfer/Disposal of Health Products and Non-Cash Assets.

Cc: Dr. Dasho Gado Tshering, CCM Chair  
Dr. Herbert S. B. Tennakoon, WR, WHO Bhutan  
Mr. Yeshey Dorji, Local Fund Agent  
Mr. Tandin Dorji, Program Manager TB/HIV, MoH  
Ms. Jambay Zangmo, Program Officer, GNHC, Bhutan  
Mr. Kinley Dorji, PCM Coordinator