February 13, 2013

Honourable Don Pomb Polye, MP
Minister for Treasury and Finance
Department of Treasury
Vulupindi Haus 4th floor
P.O. Box 542
Waigani, 131 NCD
Papua New Guinea

Multi-Donor Trust Fund Number TF013790

Excellency:

I am writing on behalf of the International Bank for Reconstruction and Development and the International Development Association (collectively, the “World Bank”) to indicate the World Bank’s agreement, as administrator of grant funds provided by various donors under the Integrated Bio-Behavioral Survey ("IBBS") Multi-Donor Trust Fund ("Trust Fund"), to make a grant in an amount not exceeding two million three hundred forty-seven thousand three hundred eighty three United States Dollars (US$2,347,383.00) (the Grant) to the Independent State of Papua New Guinea (PNG) (the “Recipient”).

The Grant is made in response to the Recipient’s request for financial assistance and for the purposes and on the terms and conditions set forth in the Annex to this Letter Agreement. The Recipient hereby confirms its request that the World Bank carry out the activities described in paragraph 1 of the Annex to this Letter Agreement, and represents that it is authorized to contract the Grant for the said purposes and on the said terms and conditions.

Please note that it is the World Bank’s policy to make publicly available this Letter Agreement and any information related thereto, after this Letter Agreement has become effective and the Recipient has given its consent to such disclosure. The Recipient, by countersigning this Letter Agreement, confirms its consent to such disclosure.
Please confirm your agreement with the foregoing, on behalf of the Recipient, by signing, dating, and returning to us the enclosed copy of this Letter Agreement. Upon receipt by the World Bank of the copy of this Letter Agreement countersigned by you, this Letter Agreement will become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT and INTERNATIONAL DEVELOPMENT ASSOCIATION

Franz R. Drees-Gross
Country Director
Papua New Guinea, Timor-Leste
and Pacific Islands Operations
East Asia and Pacific Region

AGREED:

INDEPENDENT STATE OF PAPUA NEW GUINEA

By

Name: Honourable Polye
Title: Mr. Pascoe Kase
Date: 21/3/13

CC:
Mr. Pascoe Kase, Secretary, Department of Health
ANNEX

Purposes, Terms and Conditions of the Grant

1. (a) The purpose of the Grant is to support the development and implementation of HIV/AIDS population-based bio-behavioral survey in PNG.

   (b) The activities (the Activities) for which the Grant is given are as follows:

   Development and implementation of a population-based bio-behavioral survey which includes the preparation of survey manuals, final questionnaire and field test reports, final counseling guidelines and field implementation plans, with the aim to (i) provide a population-based estimate of HIV prevalence in PNG, (ii) use the population-based HIV prevalence data to calibrate antenatal HIV estimates in PNG, (iii) enhance understanding of the geographic, age, gender and economic distribution of HIV infection in PNG, (iv) gain greater insight into major HIV risk factors and transmission dynamics in PNG, (v) assess the coverage of existing HIV prevention, care, support and treatment services in PNG, and (vi) provide bio-behavioral data to inform intervention development in PNG.

2. The Grant shall be used to finance consultant fees, contractual services, extended term consultants (excluding indirect costs) required for the Activities.

3. The World Bank shall carry out the Activities on behalf of the Recipient. The Recipient shall cooperate with the World Bank to the extent necessary to permit the World Bank to carry out the Activities promptly and effectively, and to evaluate the results of the Activities. The Recipient shall indemnify the World Bank against any costs or liabilities incurred by the World Bank as a result of claims against the World Bank in connection with the Activities, except those resulting from the gross negligence or willful misconduct of its staff or external consultants.

4. The World Bank shall carry out the Activities pursuant to this Letter Agreement only to the extent that the Grant funds required for such Activities are available to the World Bank from the multi-donors of the Trust Fund.

5. The Activities shall be completed by not later than May 31, 2014, or such later date as the World Bank may establish by notice to the Recipient (the Closing Date). After the Closing Date, the World Bank may at any time cancel the remaining balance of the Grant.

6. The engagement and supervision of the consultants (the Consultants) required to assist in the carrying out of the Activities shall be the responsibility solely of the World Bank and shall be done according to the World Bank's applicable procedures. The consultants' contract shall include provisions on environmentally acceptable waste disposal procedures as stated in the Appendix to this Letter Agreement in the carrying out of Activities.

7. The Recipient may at any time request the World Bank in writing to terminate the Activities. Whether or not the Recipient has made such a request, the World Bank may at any time suspend or, after consultation with the Recipient, terminate the right of the Recipient to receive Grant funds for the Activities if any of the following events has occurred and is continuing: (a) the Recipient has failed to perform any of its obligations under this Letter Agreement; or (b) the right of the Recipient, or any other entity to which the World Bank has made a loan with the guarantee of the Recipient, to make withdrawals under any loan agreement with the World Bank or any development credit, grant or financing agreement with the International Development Association has been suspended.
8. The World Bank is not an agent of, or trustee for, the Recipient and shall not have any fiduciary relationship with the Recipient. The Recipient shall have no right to any portion of the Grant that is not expended by the World Bank pursuant to this Letter Agreement.
WASTE DISPOSAL

Biohazard and sharp waste will be generated from the testing of consumables. It is essential that this biohazard waste be treated appropriately to mitigate the risk of infection and injury to the IBBS team, the communities in which testing is carried out and also to protect the Recipient's environment from contamination. All consumables that came into contact with blood or body fluids will be disposed of in sharps/biohazard leak proof containers with special labels such as "HAZARDOUS WASTE" or "CONTAMINATED WASTE".

Biohazard containers will be disposed using one of the three following methodologies in a manner that is consistent with Bank policies and internationally acceptable standards:

1. sterilization in a steam autoclave designated for waste; and/or
2. incineration in a controlled-air, multi-chambered incinerator that provides complete combustion, and/or
3. buried in a seven (7) feet deep pit at least 30 feet away from any water source or in a pit latrine.

Biohazard boxes containers will be transported safely in plastic containers (i.e., double barrier method). The biohazard boxes will be disposed at the provincial hospitals for autoclave or incineration in a manner consistent with Bank policies and internationally acceptable standards. Agreements will have to be made with the hospitals and provincial health authorities prior to commencement of the IBBS. If incineration is neither available at the provincial level nor in the region, waste containers will be transported by air to Port Moresby General Hospital. Waste will be transported using appropriate biohazard containment and labeling according to International Air Transport Association (IATA) regulations.

Sampling

The samples selected for the survey will be nationally representative. Ethnicity will not be a factor used in sample selection.