

The Minister of Public Health and Population  
Ministry of Public Health and Population  
The Republic of Yemen

October 27, 2021

***Gavi support for implementation of Health Systems Strengthening Programme in Yemen  
HSS 3 – Second Partial Approval To Include FMRA funding***

Your Excellency,

I am writing in relation to provision of Gavi support for the implementation of Health Systems Strengthening programme (the “**HSS 3 Programme**”) in Yemen.

I am pleased to inform you that Gavi has **approved** Financial Management and Risk Assurance (FMRA) funds for program years 1 & 2 of support for implementation of the HSS3 Programme subject to terms, conditions and requirements as specified in the Appendices to this letter.

Kindly note that this is a partial approval of the HSS3 funding for a five-year’s programme and alongside the first partial approval related to the country joint investment share for the CCEOP programme, communicated to you in our letter as of 08 April 2020, it represents full budget for the first two years of HSS3 programme implementation.

<b>Funding decision</b>	<b>Amount approved</b>
First partial approval (CCEOP country joint investment)	USD 1,149,231.78
Second partial approval (Budget for Year 1 and 2)	USD 12,958,718.22
FMRA budget approval for program years 1 &2	USD 989,983
<b>Total approved</b>	<b>USD 15,097,933</b>

As per the Grant Management Requirements (GMRs) all funds will continue to be channeled through UNICEF and WHO. We kindly draw your attention to Section 10 of the Decision Letter indicating conditions around the disbursement of the approved funds.

The following Appendices make integral part of the Decision Letter:

- Appendix A: Financial and Programmatic information – HSS 3 Programme
- Appendix B: Gavi Terms and Conditions
- Appendix C: FMRA Budget Year 1 and 2

Please do not hesitate to contact Senior Country Manager Dr Rehan Hafiz at [rhafiz@gavi.org](mailto:rhafiz@gavi.org) if you have any questions or concerns.

Yours sincerely,

Amy LaTrielle  
Director, Fragile & Conflict countries, Gavi, the Vaccine Alliance

## Decision Letter

### Yemen

### Health Systems Strengthening Programme

This Decision Letter sets out the Programme Terms of the Programme:

**1. Country:** Yemen

**2. Grant Number:** YEM-HSS-3

**3. Date of Decision Letter:** 27 October 2021

**4. Date of the Partnership Framework Agreement (the "PFA"):** Not applicable

#### 5. Programme: Health Systems Strengthening (HSS)

For further information about the Programme please refer to:

- Gavi HSS guidelines and HSS application form available by contacting your Gavi Senior Country Manager (SCM);
- Country's approved grant proposal together with any responses to the HSS independent review process request for clarifications;
- The workplan and budget document circulated by email describing the expected Programme Activities and Programme Budget as at the Date of the Decision Letter.

#### 6. Gavi performance-based funding (PBF):

The Programme is subject to Gavi's performance-based funding (PBF) for 2020 performance only (up to the end of the current Gavi strategy period): the Country will have the opportunity to receive one single payment beyond the programme budget amount, for optimal performance on immunisation outcome indicators achieved in 2020.

Should the Country wish to request further details, please contact your Gavi Senior Country Manager.

**7. Program duration** 2021-2022

#### 8. Programme Budget:

This is the amount of an estimated multi-year budget endorsed by Gavi under the Programme.

Note that with PBF, annual disbursements may be more or less than these endorsed amounts after the first year.

Programme Year	2020	2021	2022	2023	2024	2025	2026	TOTAL
HSS Programme Budget (US\$)	-	14.107.950		-	-	-	-	14.107.950
PSC and Risk Assurance funds (US\$)	-	989.983			-	-	-	989.983

Total (US\$)	-	15.097.933	-	-	-	-	-	15.097.933
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## 9. Annual Amounts:

This is the estimated annual amount Gavi has approved to be disbursed under the Programme. The Country acknowledges that: (a) a proportion of the Annual Amount may be disbursed directly to an agreed implementing agency, such as WHO and UNICEF, rather than to the Country; and

(b) each Annual Amount may be disbursed in a number of tranches at quarterly or six-monthly intervals.

Programme Year	2020	2021	2022	TOTAL
HSS Programme Budget (US\$)	-	7,526,705	6,581,244	14.107.950
PSC and Risk Assurance costs (US\$)	-	519,877	470,106	989.983
Total (US\$)	-	8,046,582	7,051,350	15.097.933

## 10. Outstanding comments/clarifications:

The country shall provide the following clarifications to GAVI<sup>1</sup>:

Disbursement of full 2021 and 2022 budget is conditional to:

A. Provision by the Country of the Human Resources Support Plan covering all positions and at all levels through this HSS3 funding.

Deadline: 31 December 2021

B. Reprogramming of USD 989,983 initially budgeted as PSCs of UNICEF and WHO to HSS 3 activities. De adline: end of Quarter 1, 2022

Failure to provide the comments/clarifications requested may result in Gavi withholding further disbursements

## 11. Documents to be delivered:

- Human Resources Support Plan

## 12. Other conditions: The following terms and conditions shall apply to the Programme.

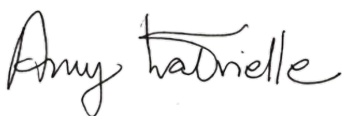
Any requested adjustments to the Annual Amounts will be subject to Gavi approval. It is essential that Country's Health Sector Coordination Committee (or its equivalent) be involved with this process both in its technical process function and its support during implementation and monitoring of the Programme. Utilisation of Gavi support stated in this letter will be subject to performance monitoring.

If the bank account information most recently provided to Gavi has changed or changes prior to disbursement, the country will need to complete a bank account information form. Please contact your Senior Country Manager for the form.

Appendix B: Gavi Terms and Conditions will fully apply.

**For Gavi**

Signed by



Amy LaTrielle  
Director, Fragile & Conflict countries  
26 October 2021

## Appendix B

### **Gavi Terms and Conditions**

The following terms and conditions apply to all support being provided to the Government for the implementation of the HSS 3 Programme in Yemen as detailed in the Decision Letter dated 22/10/2021.

#### ***FUNDING USED SOLELY FOR APPROVED PROGRAMMES***

The country (the “**Country**”) confirms that all funding provided by Gavi for this application will be used and applied for the sole purpose of fulfilling the HSS 3 Programme. Any significant change from the approved HSS 3 must be reviewed and approved in advance by Gavi. All funding decisions for this application are made at the discretion of the Gavi Board and are subject to IRC processes and the availability of funds.

#### ***RETURN OF FUNDS***

The Country agrees to reimburse to Gavi all funding amounts that are not used for the HSS 3 Programme unless agreed to otherwise by Gavi. The Country’s reimbursement must be in US dollars and be provided, unless otherwise decided by Gavi, within sixty (60) days after the Country receives Gavi’s request for a reimbursement and be paid to the account or accounts as directed by Gavi.

#### ***SUSPENSION/ TERMINATION***

Gavi may suspend all or part of its funding to the Country if it has reason to suspect that funds have been used for purpose other than for the HSS 3 Programme, or any Gavi-approved amendment to this application. Gavi retains the right to terminate its support to the Country for the HSS 3 Programme if a misuse of Gavi funds is confirmed.

#### ***NO LIABILITY***

The Country shall be solely responsible for any liability that may arise in connection with: (i) the implementation of the HSS 3 Programme. Gavi will not be responsible for providing any additional funding to replace any vaccines and related supplies that are, or became, defective or disqualified for whatever reason.

#### ***INSURANCE***

Unless otherwise agreed with Gavi, the Country shall maintain, where available at a reasonable cost, all risk property insurance on the HSS 3 Programme assets and comprehensive general liability insurance with financially sound and reputable insurance companies. The insurance coverage will be consistent with that held by similar entities engaged in comparable activities.

#### ***ANTICORRUPTION***

The Country confirms that funds provided by Gavi shall not be offered by the Country to any third person, nor will the Country seek in connection with this application any gift, payment or benefit directly or indirectly that could be construed as an illegal or corrupt practice.

#### ***ANTI-TERRORISM AND MONEY LAUNDERING***

The Country confirms that funds provided by Gavi shall not be used to support or promote violence, war or the suppression of the general populace of any country, aid terrorists or their activities, conduct money laundering or fund organisations or individuals associated with terrorism or that are involved in money-laundering activities; or to pay or import goods, if such payment or import, to the Country’s knowledge or belief, is prohibited by the United Nations Security Council.

### **AUDITS AND RECORDS**

The Country will conduct annual financial audits and share these with Gavi as requested. Gavi reserves the right, on its own or through an agent, to perform audits or other financial management assessment to ensure the accountability of funds disbursed to the Country.

The Country will maintain accurate accounting records documenting how Gavi funds are used. The Country will maintain its accounting records in accordance with its government-approved accounting standards for at least three years after the date of last disbursement of Gavi funds. If there is any claim of misuse of funds, Country will maintain such records until the audit findings are final. The Country agrees not to assert any documentary privilege against Gavi in connection with any audit.

### **CONFIRMATION OF LEGAL VALIDITY**

The Country and the signatories for the government confirm that this application is accurate and correct and forms a legally binding obligation on the Country, under the Country's law, to perform the programs described in this application.

### **COMPLIANCE WITH GAVI POLICIES**

The Country confirms that it is familiar with all Gavi policies, guidelines and processes relevant to the HSS 3 Programme, including without limitation the Transparency and Accountability Policy (TAP) and complies with the requirements therein. All programme-related policies, guidelines and processes are available on Gavi's official website and/or sent to the Country.

### **ARBITRATION**

Any dispute between the Country and Gavi arising out of or relating to this application that is not settled amicably within a reasonable period of time, will be submitted to arbitration at the request of either Gavi or the Country. The arbitration will be conducted in accordance with the then-current UNCITRAL Arbitration Rules. The parties agree to be bound by the arbitration award, as the final adjudication of any such dispute. The place of arbitration will be Geneva, Switzerland. The language of the arbitration will be English.

For any dispute for which the amount at issue is US\$ 100,000 or less, there will be one arbitrator appointed by Gavi. For any dispute for which the amount at issue is greater than US \$100,000 there will be three arbitrators appointed as follows: Gavi and the Country will each appoint one arbitrator, and the two arbitrators so appointed will jointly appoint a third arbitrator who shall be the chairperson. Gavi will not be liable to the country for any claim or loss relating to the programmes described in this application, including without limitation, any financial loss, reliance claims, any harm to property, or personal injury or death. Country is solely responsible for all aspects of managing and implementing the programmes described in this application.

### **USE OF COMMERCIAL BANK ACCOUNTS**

The eligible Country government is responsible for undertaking the necessary due diligence on all commercial banks used to manage Gavi cash-based support, including HSS, ISS, CSO and vaccine introduction grants. The undersigned representative of the government confirms that the government will take all responsibility for replenishing Gavi cash support lost due to bank insolvency, fraud or any other unforeseen event.

### Appendix C

*Note: For YEM-HSS-3 activities budget for Year 1 and 2 for the total of USD 14,107,950 – please refer to Decision Letter as of September 28, 2021*

#### Financial Management and Risk Assurance budget – Year1 and 2

Project Support costs- WHO (7% of direct costs) Year 1	USD 144,683
Project Support costs- WHO (7% of direct costs) Year 2	USD 131,493
Project Support costs- UNICEF (8% of direct costs) Year 1	USD 375,194
Project Support costs- UNICEF (8% of direct costs) Year 2	USD 338,613
<b>Total</b>	<b>USD 989,983</b>