

## **Fifth Call for Proposals for Participating Financial Institutions (PFIs) and Distributors under the Yemen Emergency Electricity Access Project**

**Reference number:** CFP/2021/YEEAP/01

**Objective:** Building a more inclusive and sustainable solar market in Yemen through targeted financing to the private sector to expand its reach to the poor and vulnerable, while improving the quality of off-grid energy access products and services based on international experience.

The project targets rural and peri-urban areas, which are defined for the purpose of this project at the district level. Rural and peri-urban districts are defined as all districts in Yemen excluding the urban districts of Yemen's major urban centers (Aden, Al Hudaydah, Sana'a, Dhamar, Al Mukalla, Ibb and Taizz). The full list of eligible districts is included in Annex 1.

Through this Call for Proposals, UNOPS will engage eligible Participating Financial Institutions (PFIs) and distributors<sup>1</sup>, some of whom operate either alone or in partnership with each other, and help them set up financing windows for high-quality, small-scale solar solutions for rural and peri-urban households and provide grants to beneficiaries to make systems affordable. Distributors interested in participating in the Call for Proposals are able to do so in partnership with a financial institution that meets eligibility criteria acting as lead applicant.

UNOPS will make available 2,986 high quality off-grid energy access products to PFIs and distributors to be distributed to eligible rural and peri-urban households, offering partial grants to the PFIs based on cash or credit terms of said products.

**Primary project/program title:** YEMEN EMERGENCY ELECTRICITY ACCESS PROJECT

### **1. General instructions for proposal submission**

- **How to submit?**  
Fill out this CFP form.
- **When to submit?**  
Deadline: 30 June 2021
- **Where to submit?**  
E-mail: [MR.AMM.Tender@unops.org](mailto:MR.AMM.Tender@unops.org)

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<sup>1</sup> Financial institutions include any microfinance bank, microfinance institution or other local entity providing micro-credits, which is registered as a financial institution, or non-governmental organization, or other association, pursuant to the laws of the Republic of Yemen, and approved by UNOPS to participate as a financier of solar products and small-scale solar systems. Distributors include any company, NGO or other local entity engaged, or seeking to engage in the sale of off-grid solar products. Any distributor is eligible to apply as long as the financial institution acting as lead applicant meets eligibility criteria.

## 2. Eligibility criteria

The Call for Proposals targets eligible Participating Financial Institutions (PFIs) and distributors. Applicants are strongly encouraged to collaborate and/or establish commercial terms with each other in the various districts to support the sales, distribution and financing of the systems.

The minimum eligibility criteria for the PFIs acting as lead applicants are outlined in Table 1 below. These include that PFIs are in sound financial condition, are prudently managed with the capacity to manage credit risk and can effectively report on project activities. The criteria are focused on adherence to prudential regulatory ratios, minimum financial and operational standards, appropriate governance, policies, and risk management functions.

There are no eligibility criteria for distributors participating in the Call for Proposals, apart from having an eligible PFI acting as lead applicant.

Failure to meet any eligibility criteria will disqualify an applicant from participating in the Call for Proposals. Only audited financial statements will be accepted as supporting documents for financial data.

**Table 1: Minimum Eligibility Criteria for PFIs**

*(Some criteria refer to pre-crisis performance; please refer to the Notes below the Table for these and other important clarifications)*

	Eligibility Criteria
<b>All PFIs</b>	<p>Meet minimum financial and operational standards <sup>a, b</sup>:</p> <ul style="list-style-type: none"> <li>(a) At least five years in operation with at least three years of demonstrated profitability</li> <li>(b) At least two years during which PAR30 (portfolio at risk over 30 days) remained at less than 10%</li> <li>(c) At least three years of operating self-sufficiency above 90%</li> <li>(d) At least 1,000 active borrowers</li> <li>(e) Governance: Board and management must demonstrate adequate standards of technical capabilities and expertise</li> <li>(f) Credit risk: Adequate limits on loan concentration and related party lending</li> <li>(g) Reporting: Adequate monthly reporting</li> </ul>
<b>Additional requirements for PFIs registered as microfinance banks</b>	<p>Maintain compliance with MF-Banking Law no.15 2009, including the following:</p> <ul style="list-style-type: none"> <li>(a) Capital adequacy meeting the minimum Paid-in capital requirement of at least YER 500 million</li> <li>(b) Governance, credit risk, and reporting requirements as defined in the law</li> </ul>
<b>Additional requirements for PFIs registered as commercial banks</b>	<p>Maintain compliance with central bank regulations for commercial banks, including the following:</p> <ul style="list-style-type: none"> <li>(a) Capital adequacy meeting the minimum Paid-in capital requirement of at least YER 6 billion</li> <li>(b) Reserve requirements: The reserve account must maintain at least twice the</li> </ul>

	<p>paid-in capital</p> <p>(c) Deposit coverage: Total reserves plus paid-in capital must be at least 5 percent of total obligations to depositors</p> <p>(d) Minimum liquidity requirements</p> <p>(e) Governance, credit risk, and reporting requirements as defined by the central bank of Yemen( CBY)</p>
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**Notes:** a. Compliance with criteria (a)–(d) can be demonstrated based on pre-conflict performance (i.e., a PFI will be considered eligible if evidence is submitted showing that it complied with the criteria before 2015). All ratios are expected to be calculated by PFIs, supported by official documentation.

b. For entities registered with the CBY, for aspects of criteria (e) and (f) for which the CBY has made regulations or guidelines, such as loan concentration and related party lending, the evaluation of PFIs will be done in line with CBY guidelines.

c. UNOPS can request any additional documentation if deemed necessary.

### 3. Description of scope of work

#### Background and Project Summary

The ongoing conflict in the Republic of Yemen has significantly deteriorated the already low electricity supply situation, as the provision of public electricity service has essentially collapsed. In 2014, before the conflict erupted, only about 66 percent of the population in Yemen had access to public electricity (another 12 percent had access to private electricity solutions), the lowest level in the region. By end-2017, this number had dropped to below 10%<sup>2</sup> due to extensive damage to the national grid and fuel shortages across the country.<sup>3</sup> Six out of ten cities assessed in the second phase of the Yemen Dynamic Damage and Needs Assessment (DNA) were found to have no access to public electricity at all, including major cities such as Sana'a, Hodeida, and Taiz. Even in cities, such as Aden, where critical power infrastructure remains largely intact, these assets often sit idle due to fuel shortages. Rural and peri-urban areas, which are estimated to account for two-thirds of Yemen's estimated 27 million population,<sup>4</sup> had suffered disproportionately from a lack of access to modern energy even before the conflict, with pre-conflict rural electricity access rates of only 53 percent. Pervasive fuel shortages due to the disruption of transport links have only exacerbated the effects of energy poverty on the rural poor.

Restoring power supply to productive users is critical to alleviate the dire humanitarian situation in the country - including the cholera epidemic - especially in the rural and peri-urban areas that are home to the poorest and most vulnerable parts of the population. In the same way, improving households' access to energy is central to restoring livelihoods and mitigating impacts of the crisis on the poor and most vulnerable. In that regard, solar power represents the most immediate opportunity to help alleviate the most pressing impacts of the unfolding developmental crisis.

This call for proposals focuses on improving access to electricity in rural and peri-urban areas within Yemen. The project responds to the immediate developmental crisis by restoring electricity supply to critical infrastructure (hospitals, schools, water corporations, and electricity corporations). It will also build a more inclusive and sustainable solar market in Yemen through targeted financing to the private sector, expanding

<sup>2</sup> The Yemen Humanitarian Response Situation Report (Save the Children, October 2016) estimated access to grid-based electricity at 10 percent. Phone survey results from November 2017 by the World Food Programme (WFP) indicate that less than 1 percent of households relied on the electricity grid as their main source of electricity.

<sup>3</sup> Using fuel sales to electricity plants as an indicator, total power generation in 2015 dropped by 77 percent compared to 2014. Light emissions visible from satellite imagery indicate a decline in electricity consumption by about 75 percent.

<sup>4</sup> World Bank population estimates based on extrapolations from 2004 census data.

its reach to the poor and vulnerable while improving the quality of off-grid energy access products and services based on international experience. The activities for the Project will be implemented by UNOPS in collaboration with local entities, including PFIs, distributors, and technical service providers.

### **Overview of the Off-Grid Solar Market in Yemen**

According to a market assessment conducted by the Regional Center for Renewable Energy and Energy Efficiency (RECREEE) and commissioned by the World Bank, as of November 2016, solar photovoltaic (PV) systems had reached up to 50 percent of Yemen's households in rural areas and 75 percent in urban areas<sup>5</sup>. A January 2017 survey conducted by the Percent Corporation for Polling and Transparency Promotion reached a similar conclusion, finding that half of Yemenis had some form of off-grid solar access, with rates in some governorates reaching over 80 percent. Moreover, a recent WFP phone survey conducted in November 2017 demonstrated that in comparison with generators, candles, batteries, and network energy, in 14 of 22 governorates solar energy is the main household energy source.

Despite the crisis and its severe impacts on the functioning of the Yemeni economy, investments in the sector have surged. The RECREEE assessment estimates that over US\$ 1 billion has been invested in Yemen's residential solar PV sector over the past 5 years. While unprecedented in a country experiencing conflict, the rapid boom in the solar industry is a testament to the resilience and determination of the Yemeni people pushing to take the matter of energy access into their own hands.

However, the rapid boom in the solar industry coupled with desperate demand for electricity has not prioritized quality assurance. The general lack of technical knowledge and awareness indicates that systems are assembled hastily using poor designs that prioritize components that are more affordable, of lower quality, and more easily available rather than higher quality alternatives. Since no national quality standards exist, after-sales support and routine maintenance are not common place, resulting in the break-down of most systems after only a few years of operation.

A second key challenge is affordability and access to finance. Wealthier households can either afford to purchase sufficiently large, high-quality solar PV systems outright or can provide the necessary collateral to obtain bank loans. For the majority of low to middle-income consumers, as well as for critical facilities including hospitals and schools, a lack of funds and guarantees make obtaining solar PV systems difficult. As a result, Yemenis are more likely to opt for smaller, lower-quality designs, which can trap them in a cycle of poverty and energy insufficiency. Despite 55 percent of Yemeni households relying on solar energy for their main source of energy, according to the WBG 2017 phone survey, only 10 percent of those households stated that the energy provided by the system is sufficient for their needs.

### **Financing for Off-Grid Solar**

Over a period of three years, the project aims to restore electricity supply to 100,000 households (670,000 people).

The Call for Proposals is open to PFIs and distributors. All PFIs must be providing micro-credits and registered as either a financial institution, a non-governmental organization, or other association, pursuant to the laws of the Republic of Yemen, and approved by UNOPS to participate as a financier of solar products and small-scale solar systems. Any distributor is eligible to apply as long as the financial institution acting as lead applicant meets eligibility criteria.

Participation will be open to any organization that meets the minimum eligibility criteria as well as grant allocation criteria detailed out in Section 2 above. The grant component will be explicit and transparent, and will be gradually phased out to build a commercial market segment for small-scale, high-quality household solar products.

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<sup>5</sup> Assessment of the Status of Solar PV In Yemen. RECREEE. November 2016.

### Subsidy Model

UNOPS will provide solar systems to the PFIs at a subsidized rate (in this fifth Call for Proposals, the subsidy will continue to be 90% of the systems' cost) for distribution to eligible beneficiaries in the specified set of districts in accordance with the agreed upon cash/credit terms. This is expected to bring down the cost of the solar products for the targeted households.

PFIs are expected to recover the unsubsidized portion of the solar system total cost from eligible beneficiaries, inclusive of costs associated with distribution and financing. On cash-based transactions, PFIs are expected to collect upfront the total costs of distribution and unsubsidized portion of the system. On credit-based transactions PFIs are expected to collect installments costs associated with distribution, financing, and unsubsidized portions of the systems. Credit is expected to be extended for a period not to exceed 12 months.

The terms of financing will be commercial and will be determined by the PFI, however any implied financing cost will be within an acceptable range so as not to disrupt the market.

Upfront and payment installments collected by the PFIs are to be used to cover the unsubsidized 10% portion of the solar system, PFI's risk, capital cost (if any), distribution cost and any other cost items to be articulated in the PFI's financial proposal.

The PFIs will return to UNOPS the unsubsidized 10% portion of the solar system. It is expected that cash based sales re-payment should be immediately due post sale to the end beneficiary, for credit terms re-payment will be due immediately following the maturity of the extended credit. The repayment schedule of the unsubsidized portion to UNOPS shall be stipulated by the PFIs as part of their proposal.

PFIs and distributors are strongly encouraged to collaborate and/or establish commercial terms with each other in the various districts to support the sales, distribution and financing of the systems.

### Solar Products to be financed:

Item Type	UNOPS minimum technical requirements	Product* / Quantity	
A	Multi-light kit with mobile phone charging	Product:** LEMI	Product:** NIWA
	Lighting: System includes at least two (2) fixed light points intended for indoor use.	Model: LM-LI010 Qty: 2,000  Cost/unit: 45.00 USD	-
	Mobile Phone Charging: System capable of charging common models of basic mobile phones and smartphones		

B	<b>Multi-light kit with mobile phone charging, radio and/or portable light</b>		
	Lighting: System includes at least three (3) fixed light points intended for indoor use.		
	Mobile Phone Charging: System capable of charging common models of basic mobile phones and smartphones		
	<u>Included appliance(s) – Kit must include a radio and/or a portable lamp/torch</u>  <b>Radio:</b> AM/FM functionality  Portable (includes internal battery)  Charged via main control unit  <b>Portable lamp or torch (flashlight):</b> Portable, hand-held (includes internal battery)  Charged via main control unit  Total light output (luminous flux) greater than 15 lumens	Model: LM-LI020  Qty: 100   Cost/unit: 72.00 USD	Model: Energy 20W  Qty: 886   Cost/unit: 132.89 USD

\* Products leaflets attached

\*\* The quantity of the products are ready to be delivered upon signing the contract

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## Logistics

UNOPS will procure and make available the solar products to PFIs at a designated UNOPS warehouse; participating PFIs will be responsible for storage and distribution. PFIs are strongly encouraged to collaborate and establish commercial terms with retailers in the various districts to support the storage and distribution of the systems.

## Targeted Beneficiaries

- PFIs will be responsible for the design of Beneficiaries' eligibility criteria and selection.
- Access to grants will be limited to residents of rural and peri-urban areas (see Annex 1).
- Not more than one product will be sold to each household.
- Participating PFIs will have to include in their agreements with the beneficiaries that products may not be resold.

## Reporting Requirements

- Participating PFIs will submit monthly progress and financial reports
- The monthly progress should include details on implementation progress, number of systems distributed, number and size of extended credit, portfolio status, recovery/default rate, household and end beneficiaries' data (including gender, name, contact details, address), lessons learnt and any other relevant information.
- Credit history of beneficiaries and details of any trends regarding beneficiaries provided with credit under the project.

## Format and Requirements of the Proposal

Applications must be submitted in two separate parts: a **narrative/technical proposal**, and **financial proposal** per the Guidelines on Narrative and Financial Application outlined in **Annex 3**.

The proposal can be submitted in English or Arabic.

<b>4. Evaluation process</b>
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In line with UNOPS evaluation principles of fairness, transparency and integrity, a **Grant Evaluation and Selection Committee** will be responsible for the review of proposals and the Grantee selection.

The review is based on the criteria outlined in this 'Call for Proposals' (CFP) and includes an assessment of the grant proposal's formal, technical and financial aspects.

## Criteria for grants allocation:

The allocation of grants will be based on the criteria designed to ensure PFI capacity to implement the project, achieve its objectives and meet its fiduciary and safeguard requirements.

The criteria for grants allocation will focus on the following:

- **Soundness of the technical proposal** including:
  - Demonstrated prior experience with microcredits, with a preference for prior experience with solar product financing;
  - The number of districts and governorates covered in the proposal;
  - Demonstrated access, presence and/or coverage in rural and peri-urban areas;
  - Proposed methodology for operations and targeting, including beneficiaries screening and targeting mechanisms, gender consideration, project management structure, and results framework
  - Rationale behind the beneficiaries' selection criteria proposed by the PFIs.
  - Proposed logistical and operational arrangements, including any proposed partnerships with distributors.



- Demonstrated level of adherence/compliance with the project guidelines on environmental and social safeguards. The Environmental and Social Clauses (disclosed as part of the ESMF) will be applied in a proportional manner to all contractors and PFIs to fully avoid or mitigate environmental or social impacts that might arise from their activities (See Annex 2). The supply of solar household appliances and the disposal of their batteries will be compliant with environmental, health and safety standards and specifications including electricity safety, weather resistance, and UL standards.
- The PFI should also clearly state how many products should be delivered to Southern Governorates and to Northern ones.
- **Soundness of the financial proposal**
  - Applicants are required to complete the financial template provided, showing the quantity of sales, cash and credit prices, for each product category and each district.
  - Applicants should also provide additional financial information justifying the proposed prices and outlining their expected operational costs, in their own format including at least: sales & distribution costs, financing costs, expected margin / profit, final price
  - Financial proposals will be assessed based on:
    - Locations
    - Sales & Distribution costs
    - Financing costs
    - Sales Targets
    - Expected Margin/Profit
    - Prices

While a given PFI under consideration may meet both the minimum financial criteria and grant allocation guidelines, the following will also be considered during evaluation:

- Maximize the number of governorates and districts covered.
- Maximize the number of beneficiaries.
- Maximize the reach to lower-income households.
- Financing products (cash/credit) offered to beneficiaries, with the aim to maximize the number of solar systems offered on credit terms.

**The Call for Proposals is expected to result in the selection of only one PFI. PFIs are therefore encouraged to submit a proposal requesting all the subsidized products available under the Call for Proposals. Any non-compliant proposal may automatically be eliminated from the evaluation process.**

<b>5. UNOPS Grant Support Agreement</b>
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**The UNOPS Standard Grant Support Agreement (GSA) containing UNOPS General Conditions for Grant Support Agreements (*Annex D of the UNOPS Grant Support Agreement template*) is herewith attached. The GSA constitutes an integral part of this CFP.**



### Annex 1: List of Targeted Districts

Governorate	District Name (English)	District Name (Arabic)	P Code
Abyan	Al Mahfad	المحفد	1201
Abyan	Mudiyah	موديه	1202
Abyan	Jayshan	جيشان	1203
Abyan	Lawdar	لودر	1204
Abyan	Sibah	سباح	1205
Abyan	Rasad	رصد	1206
Abyan	Sarar	سرار	1207
Abyan	Al Wade'a	الوضيع	1208
Abyan	Ahwar	احوار	1209
Abyan	Zingibar	زنجبار	1210
Abyan	Khanfir	خنفر	1211
Aden	Al Buraiqah	البريقة	2404
Aden	Ash Shaikh Othman	الشيخ عثمان	2402
Aden	Dar Sad	دار سعد	2404
Al Bayda	Na'man	نعمان	1401
Al Bayda	Nati'	ناطع	1402
Al Bayda	Maswarah	مسورة	1403
Al Bayda	As Sawma'ah	الصومعة	1404
Al Bayda	Az Zahir	الزاهر	1405
Al Bayda	Dhi Na'im	ذي ناعم	1406
Al Bayda	At Taffah	الطفة	1407
Al Bayda	Mukayras	مكيراس	1408

Al Bayda	Al Bayda City	مدينة البيضاء	1409
Al Bayda	Al Bayda	البيضاء	1410
Al Bayda	As Sawadiyah	السوادية	1411
Al Bayda	Radman Al Awad	ردمان	1412
Al Bayda	Rada'	رداع	1413
Al Bayda	Al Quraishyah	القرشية	1414
Al Bayda	Wald Rabi'	ولد ربيع	1415
Al Bayda	Al A'rsh	العرش	1416
Al Bayda	Sabah	صباح	1417
Al Bayda	Ar Ryashyyah	الرياشية	1418
Al Bayda	Ash Sharyah	الشريّة	1419
Al Bayda	Al Malagim	الملاجيم	1420
Al Dahle'e	Juban	جبن	3001
Al Dahle'e	Damt	دمت	3002
Al Dahle'e	Qa'atabah	قعطبة	3003
Al Dahle'e	Ash Shu'ayb	الشعيب	3004
Al Dahle'e	Al Hussein	الحسين	3005
Al Dahle'e	Ad Dhale'e	الضالع	3006
Al Dahle'e	Jahaf	جحاف	3007
Al Dahle'e	Al Azariq	الازارق	3008
Al Dahle'e	Al Husha	الحشاء	3009
Al Hudaydah	Az Zuhrah	الزهرة	1801
Al Hudaydah	Alluheyah	الliche	1802
Al Hudaydah	Kamran	كرمان	1803
Al Hudaydah	As Salif	الصليف	1804

Al Hdaydah	Al Munirah	المنيرة	1805
Al Hdaydah	Al Qanawis	القناوص	1806
Al Hdaydah	Az Zaydiyah	الزيدية	1807
Al Hdaydah	Al Mighlaf	المغلاف	1808
Al Hdaydah	Ad Dahi	الضحى	1809
Al Hdaydah	Bajil	باجل	1810
Al Hdaydah	Al Hajjaylah	الحجيلة	1811
Al Hdaydah	Bura	براع	1812
Al Hdaydah	Al Marawi'ah	المرأوة	1813
Al Hdaydah	Ad Durayhimi	الدريهمي	1814
Al Hdaydah	As Sukhnah	السحنة	1815
Al Hdaydah	Al Mansuriyah	المنصورية	1816
Al Hdaydah	Bayt Al Faqiah	بيت الفقيه	1817
Al Hdaydah	Jabal Ra's	جبل راس	1818
Al Hdaydah	Hays	حيس	1819
Al Hdaydah	Al Khawkhah	الخورخه	1820
Al Hdaydah	Zabid	زبيد	1824
Al Hdaydah	Al Garrahi	الجراحي	1825
Al Hdaydah	At Tuhayat	التحيتا	1826
Al Jawf	Khabb wa ash Sha'af	خب و الشعف	1601
Al Jawf	Al Humaydat	الحميدات	1602
Al Jawf	Al Matammah	المطمه	1603
Al Jawf	Az Zahir	الزاهر	1604
Al Jawf	Al Hazm	الحزم	1605
Al Jawf	Al Maton	المتون	1606

Al Jawf	Al Maslub	المصلوب	1607
Al Jawf	Al Ghayl	الغيل	1608
Al Jawf	Al Khalq	الخلق	1609
Al Jawf	Bart Al Anan	برط العنان	1610
Al Jawf	Rajuzah	رجوزه	1611
Al Jawf	Kharab Al Marashi	خراب المراشي	1612
Al Maharah	Shahan	شحن	2801
Al Maharah	Hat	حات	2802
Al Maharah	Hawf	حوف	2803
Al Maharah	Al Ghaydah	الغيظه	2804
Al Maharah	Man'ar	منعر	2805
Al Maharah	Al Masilah	المسيلة	2806
Al Maharah	Sayhut	سيحوت	2807
Al Maharah	Qishn	قشن	2808
Al Maharah	Huswain	حصوين	2809
Al Mahwit	Shibam Kawkaban	شيام كوكبان	2701
Al Mahwit	At Tawilah	الطويلة	2702
Al Mahwit	Ar Rujum	الرجم	2703
Al Mahwit	Al Khabt	الخبث	2704
Al Mahwit	Milhan	ملحان	2705
Al Mahwit	Hufash	حفاش	2706
Al Mahwit	Bani Sa'd	بني سعد	2707
Al Mahwit	Al Mahwait City	مدينة المحويت	2708
Al Mahwit	Al Mahwait	المحويت	2709
Amanat Al Asimah	Bani Al Harith	بني الحارث	1310

Amran	Harf Sufyan	حرف سفیان	2901
Amran	Huth	حوث	2902
Amran	Al Ashah	العشه	2903
Amran	Al Qafrah	القفلة	2904
Amran	Shaharah	شهاره	2905
Amran	Al Madan	المدان	2906
Amran	Suwayr	صوير	2907
Amran	Habur Zulaymah	حبور ظليمة	2908
Amran	Dhi Bin	ذيبين	2909
Amran	Kharif	خارف	2910
Amran	Raydah	ريده	2911
Amran	Jabal Iyal Yazid	جبل عيال يزيد	2912
Amran	As Sudah	السوده	2913
Amran	As Sawd	السود	2914
Amran	Amran	عمران	2915
Amran	Maswar	مسور	2916
Amran	Thula	ثلاء	2917
Amran	Iyal Surayh	عيال سريح	2918
Amran	Khamir	خمر	2919
Amran	Bani Suraim	بني صريم	2920
Dhamar	Al Hada	الحداء	2001
Dhamar	Jahran	جهران	2002
Dhamar	Jabal Ash sharq	جبل الشرق	2003
Dhamar	Maghirib Ans	مغرب عنس	2004
Dhamar	Utmah	عتمة	2005

Dhamar	Wusab Al Ali	وصاب العالي	2006
Dhamar	Wusab As Safil	وصاب السافل	2007
Dhamar	Mayfa'at Anss	ميفعة عنس	2009
Dhamar	Anss	عنس	2010
Dhamar	Dawran Aness	ضوران أنس	2011
Dhamar	Al Manar	المنار	2012
Hadramaut	Rumah	رماه	1901
Hadramaut	Thamud	ثمود	1902
Hadramaut	Al Qaf	القف	1903
Hadramaut	Zamakh wa Manwakh	زموخ ومنوخ	1904
Hadramaut	Hagr As Sai'ar	حجر الصيعر	1905
Hadramaut	Al Abr	العبر	1906
Hadramaut	Al Qatn	القطن	1907
Hadramaut	Shibam	شباب	1908
Hadramaut	Sah	ساه	1909
Hadramaut	Sayun	سيئون	1910
Hadramaut	Tarim	تريم	1911
Hadramaut	As Sawm	السوم	1912
Hadramaut	Ar Raydah Wa Qusayar	الريده وقصيعر	1913
Hadramaut	Ad Dis	الديس	1914
Hadramaut	Ash Shihr	الشحر	1915
Hadramaut	Ghayl Bin Yamin	غيل بن يمين	1916
Hadramaut	Ghayl Ba Wazir	غيل باوزير	1917
Hadramaut	Daw'an	دوعن	1918
Hadramaut	Wadi Al Ayn	وادي العين وحوره	1919

Hadramaut	Rakhyah	رخيه	1920
Hadramaut	Amd	عمد	1921
Hadramaut	Adh Dhli'a'ah	الضليعه	1922
Hadramaut	Yabuth	يبعث	1923
Hadramaut	Hajr	حجر	1924
Hadramaut	Brom Mayfa	بروم ميفع	1925
Hadramaut	Al Mukalla	المكلا	1926
Hadramaut	Huraidhah	حريضه	1928
Hajjah	Bakil Al Mir	بكيل المير	1701
Hajjah	Haradh	حرض	1702
Hajjah	Midi	ميدي	1703
Hajjah	Abs	عبس	1704
Hajjah	Hayran	حيران	1705
Hajjah	Mustaba	مستباء	1706
Hajjah	Kushar	كشر	1707
Hajjah	Al Jamimah	الجميمة	1708
Hajjah	Kuhlan Ash Sharaf	كحلان الشرف	1709
Hajjah	Aflah Ash Shawm	افلح الشام	1710
Hajjah	Khayran Al Muharraq	خيران المحرق	1711
Hajjah	Aslem	اسلم	1712
Hajjah	Qafil Shamer	قفل شمر	1713
Hajjah	Aflah Al Yaman	افلح اليمن	1714
Hajjah	Al Mahabishah	المحابشة	1715
Hajjah	Al Miftah	المفتاح	1716
Hajjah	Al Maghrabah	المغربة	1717



Hajjah	Kuhlan Affar	كحلان عفار	1718
Hajjah	Sharas	شرس	1719
Hajjah	Mabyan	مبين	1720
Hajjah	Ash Shahil	الشاهل	1721
Hajjah	Ku'aydinah	كعيدنه	1722
Hajjah	Wadhrhah	وضرة	1723
Hajjah	Bani Qa'is	بني قيس	1724
Hajjah	Ash Shaghadirah	الشغادرة	1725
Hajjah	Najrah	نجرة	1726
Hajjah	Bani Al Awam	بني العوام	1727
Hajjah	Hajjah City	مدينة حجة	1728
Hajjah	Hajjah	حجة	1729
Hajjah	Washhah	وشحة	1730
Hajjah	Qarah	قارة	1731
Ibb	Al Qafr	القفر	1101
Ibb	Yarim	يريم	1102
Ibb	Ar Radmah	الرضمة	1103
Ibb	An Nadirah	النادرة	1104
Ibb	Ash Sha'ir	الشعر	1105
Ibb	As Saddah	السدة	1106
Ibb	Al Makhadir	المخادر	1107
Ibb	Hubaysh	حبيش	1108
Ibb	Hazm Al Udayn	حزم العدين	1109
Ibb	Far Al Udayn	فرع العدين	1110
Ibb	Al Udayn	العدين	1111

Ibb	Jiblah	جبله	1112
Ibb	Ba'dan	بعدان	1113
Ibb	As Sabrah	السبرة	1114
Ibb	As Sayyani	السياني	1115
Ibb	Dhi As Sufal	ذي السفال	1116
Ibb	Mudhaykhirah	مذيخرة	1117
Ibb	Ibb	إب	1120
Lahj	Al Had	الحد	2501
Lahj	Yafa'a	يافع	2502
Lahj	Al Maflahy	المفلحي	2503
Lahj	Yahr	يهر	2504
Lahj	Habil Jabr	حبيل جبر	2505
Lahj	Halimayn	حالمين	2506
Lahj	Radfan	ردفان	2507
Lahj	Al Milah	الملاح	2508
Lahj	Al Musaymir	المسيمير	2509
Lahj	Al Qabbaytah	القببته	2510
Lahj	Tur Al Bahah	طور الباحة	2511
Lahj	Al Maqatirah	المقاطرة	2512
Lahj	Al Madaribah Wa Al Arah	المضاربة و العاره	2513
Lahj	Al Hawtah	الحوطة	2514
Lahj	Tuban	تبين	2515
Marib	Majzar	مجزر	2601
Marib	Raghwan	رغوان	2602
Marib	Medghal	مدغل	2603

Marib	Harib Al Qaramish	حريب القرامش	2604
Marib	Bidbadah	بدبده	2605
Marib	Sirwah	صرواح	2606
Marib	Al Jubah	الجوبة	2607
Marib	Rahabah	رحبه	2608
Marib	Harib	حريب	2609
Marib	Mahliyah	ماهليه	2610
Marib	Al Abdiyah	العبدية	2611
Marib	Marib City	مدينة مأرب	2612
Marib	Marib	مأرب	2613
Marib	Jabal Murad	جبل مراد	2614
Raymah	Bilad At Ta'am	بلاد الطعام	3101
Raymah	As Salafiyah	السلفية	3102
Raymah	Al Jabin	الجبين	3103
Raymah	Mazhar	مزهر	3104
Raymah	Kusmah	كسمه	3105
Raymah	Al Jafariyah	الجعفرية	3106
Sa'ada	Baqim	باقم	2201
Sa'ada	Qatabir	قطابر	2202
Sa'ada	Monabbih	منبه	2203
Sa'ada	Ghamr	غمر	2204
Sa'ada	Razih	رازح	2205
Sa'ada	Shada'a	شداء	2206
Sa'ada	Al Dhaher	الظاهر	2207
Sa'ada	Haydan	حيدان	2208

Sa'ada	Saqayn	ساقين	2209
Sa'ada	Majz	مجز	2210
Sa'ada	Sahar	سحار	2211
Sa'ada	As Safra	الصفراء	2212
Sa'ada	Al Hashwah	الحشوة	2213
Sa'ada	Kitaf wa Al Boqe'e	كتاف والبقع	2214
Sa'ada	Sa'adah	صعدة	2215
Sana'a	Hamdan	همدان	2301
Sana'a	Arhab	ارحب	2302
Sana'a	Nihm	نهم	2303
Sana'a	Bani Hushaysh	بني حشيش	2304
Sana'a	Sanhan	سنحان وبني بهلول	2305
Sana'a	Bilad Ar Rus	بلاد الروس	2306
Sana'a	Bani Matar	بني مطر	2307
Sana'a	Al Haymah Ad Dakhiliyah	الحيمة الداخلية	2308
Sana'a	Al Haymah Al Kharijiyah	الحيمة الخارجية	2309
Sana'a	Manakhah	مناخه	2310
Sana'a	Sa'fan	صعفان	2311
Sana'a	Khwlan	خولان	2312
Sana'a	Attyal	الطيال	2313
Sana'a	Bani Dhabyan	بني ضبيان	2314
Sana'a	Al Husn	الحصن	2315
Sana'a	Jihanah	جحانة	2316
Shabwah	Dhar	دهر	2101
Shabwah	Al Talh	الطلح	2102

Shabwah	Jardan	جردان	2103
Shabwah	Arma	عرماء	2104
Shabwah	Usaylan	عسيلان	2105
Shabwah	Ain	عين	2106
Shabwah	Bayhan	بيحان	2107
Shabwah	Merkhah Al Ulya	مرخه العليا	2108
Shabwah	Merkhah As Sufla	مرخه السفلى	2109
Shabwah	Nisab	نصاب	2110
Shabwah	Hatib	حطيب	2111
Shabwah	As Said	الصعيد	2112
Shabwah	Ataq	عتق	2113
Shabwah	Habban	حبان	2114
Shabwah	Ar Rawdah	الروضه	2115
Shabwah	Mayfa'a	ميفعه	2116
Shabwah	Rudum	رضوم	2117
Socotra	Hidaybu	حديبو	3201
Socotra	Qulensya Wa Abd Al Kuri	قلنسيه و عبدالكوري	3202
Taizz	Mawiyah	ماوية	1501
Taizz	Shara'b As Salam	شرعب السلام	1502
Taizz	Shara'b Ar Rawnah	شرعب الرونة	1503
Taizz	Maqbanah	مقبنه	1504
Taizz	Al Mukha	المخاء	1505
Taizz	Dhubab	ذباب	1506
Taizz	Mawza	موزع	1507
Taizz	Jabal Habashy	جبل حبشي	1508

Taizz	Mashra'a Wa Hadnan	مشرة وحدنان	1509
Taizz	Sabir Al Mawadim	صبر المودم	1510
Taizz	Al Misrakh	المسراخ	1511
Taizz	Dimnat Khadir	دمنة خدير	1512
Taizz	As Silw	الصلو	1513
Taizz	Ash Shamayatayn	الشمائتين	1514
Taizz	Al Wazi'iyah	الوازعية	1515
Taizz	Hayfan	حيفان	1516
Taizz	At Ta'iziyah	التعزية	1520
Taizz	Al Ma'afer	المعافر	1521
Taizz	Al Mawasit	المواسط	1522
Taizz	Sama	سامع	1523

## **Annex 2: Environmental and Social Clauses for PFIs**

### **Purpose**

The Environmental and Social clauses define minimum standards of implementation practice acceptable to UNOPS and the World Bank.

The clauses form part of the grant agreements. It will be applied to all participating PFIs that receive grants under the Yemen Emergency Electricity Access Project, to avoid or mitigate environmental or social impacts that might arise from their financing activities.

PFIs participating in consortium with distributors or other partners are responsible to ensure through adequate provisions in their partnership agreements that the clauses are upheld by all participating firms and institutions.

Proposals from PFIs are expected to demonstrate full adherence/compliance with the project guidelines on environmental and social safeguards (as described below). Clear acceptance of these standards should be reflected in the proposal, and compliance is required for the duration of the contract.

### **Definitions**

**PFI:** Participating financial Institutions that receive grants under the Yemen Emergency Electricity Access Project.

**Employee:** Any employee or agent of the PFI or its partner firms or institutions.

### **PFI Environmental, Health and Safety Policy Description (EHSPD)**

For solar appliances the EHSPD will provide a detailed explanation of how the PFI will comply with the project the EHS clauses for contractors and demonstrate that sufficient capacity is in place to oversee, monitor and report on EHSPD performance. The EHSPD should address the following issues.

#### **1. Appliances and Batteries Handling and Disposal**

The handling and supply of solar household appliances shall be compliant with adequate environmental, health and safety standards including electricity safety, weather resistance, and UL standards. The disposal of defective, damaged, or non-distributed solar system must also follow manufacturer's guidelines or adequate industry standards and national regulations.

#### **2. Child Labor**

Employees must be at least of age 18.

#### **3. Movement of trucks during loading, transporting, handling, and supply of solar equipment with traffic safety**

PFI should take strict safety measures in loading, storing, transporting and handling of solar equipment and ensuring traffic safety is adhered to, and drivers and trucks are licensed.

#### **4. Storing Safety**

The PFI shall follow adequate safety measures to ensure that stores are in proper location and not causing any traffic disturbance during loading and handling and supplying solar equipment, have proper storage conditions and will equipped with fire control system, and provided with proper handling tools and guarding.



**5. Implementation Mechanism.**

**The proposed distribution mechanism that will be provided by the PFIs should include clear and transparent way of distribution and avoiding any social conflict and ensure smooth implementation.**

**6. Gender based Violence**

**The PFI must address the risk of gender-based violence, through:**

- Mandatory and repeated training and awareness raising for employees about refraining from unacceptable conduct toward local community members, specifically women;
- Informing employees about national laws that make sexual harassment and gender-based violence a punishable offence which is prosecuted;
- Introducing an Employee Code of Conduct as part of the employment contract, and including sanctions for non-compliance (e.g., termination);
- Adopting a policy to cooperate with law enforcement agencies in investigating complaints about gender-based violence.

**7. Consumer Awareness**

**The PFI needs to provide awareness materials to beneficiaries. The awareness materials should include the environmental and social benefits of the solar systems, safety precautions in using solar systems and aware the local communities on the UNOPS/YEEAP established Grievance Redress Mechanism GRM and contact information. The awareness materials must also cover the appropriate disposal of hazardous materials**

### Annex 3: Guidelines on Narrative/Technical and Financial Proposals

The proposal must include information on the following areas in order to be considered for the selection process:

#### 1. Narrative:

##### 1.1 Applicant Eligibility:

- 1.1.1 Legal Compliance
- 1.1.2 Demonstrated financial, operational & fiduciary performance coupled with a copy of related supporting documents.

##### 1.2 Business Plan:

- 1.2.1 Proposed **Geographic Scope** (districts & governorates to be covered)
- 1.2.2 Proposed **Targets & Beneficiaries** (including beneficiaries screening mechanisms and selection criteria)
- 1.2.3 Proposed **Financial Products** (cash/credit, also describe information provided in the financial proposal)
- 1.2.4 Other (innovation, logistics & operations, distribution partnerships, risk management)
- 1.2.5 Demonstrated level of adherence/compliance with the project guidelines on environmental and social safeguards, as well as gender consideration.
- 1.2.6 Summary of the institution's policies on conflict of interest, fraud & corruption.

#### 2. Financial:

##### 2.1 YEEAP PFI Financial Template (see separate excel spreadsheet)

##### 2.2 Additional Financial Information:

- 2.2.1 Proposed model of the financing window.
- 2.2.2 Proposed reporting and fiduciary compliance mechanisms.
- 2.2.3 Collateral requirements, if any
- 2.2.4 Expected default rate
- 2.2.5 Expected costs
- 2.2.6 Other relevant financial information.

**Annex 4: Grant Support Agreement Template****In-kind Grant Support Agreement**

IN SUPPORT OF

**[Insert short grant activity or project title ]****GRANTEE NAME:****GRANT NUMBER: .../.../...../.../...**

This In-kind Grant Support Agreement (hereinafter referred to as “Agreement”) is made between the United Nations Office for Project Services (hereinafter referred to as “UNOPS”) and **[insert Grantee’s name and address]** (hereinafter referred to as “Grantee”).

**WHEREAS** UNOPS desires to provide in-kind grant support to the Grantee in the context of the implementation of **[insert short grant activity or primary project/programme description]** (hereinafter referred to as the “Activity”), as more specifically described in Annex A, on the terms and conditions hereinafter set forth, and

**WHEREAS** the Grantee is ready and willing to accept *an in-kind grants of pico-solar products from UNOPS for the purpose of selling and distributing such products* for the above-mentioned activities on the terms and conditions as herein set forth.

**NOW, THEREFORE**, the Grantee and UNOPS agree as follows:

**1. Agreement Documents**

1.1 The following documents attached hereto shall be deemed to form an integral part of this Agreement in the following order of precedence:

- i. This agreement
- ii. Annex A: Terms of Reference
- iii. Annex B: Grant Budget
- iv. Annex C: Reporting
- v. Annex D: UNOPS General Conditions for Grant Support Agreements

1.2 This Agreement and the Annexes attached hereto shall form the entire Agreement between the Grantee and UNOPS, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Agreement.

**2. Purpose of the Agreement**

2.1 The purpose of this Agreement is to provide support for the Activity being **[insert short grant activity description]** in **[insert country]** as described in Annex A (the Terms of Reference). None of the pico-solar

products provided pursuant to this Agreement may be used for any purposes other than those expressly set forth in Annex A.

- 2.2 In-kind Grant support is being provided to the Grantee on the condition that the action is implemented, and the pico-solar products are sold and distributed by the Grantee, in accordance with this Agreement.

### 3. Duration of this Agreement

- 3.1 This Agreement is effective and the pico-solar products are granted by UNOPS as of [insert start date] or the date of the last signature below, whichever is the later.

- 3.2 The pico-solar products granted hereunder are available for program expenditures for the estimated period from the effective date specified in Clause 3.1 above to [insert end date].

### 4. Role of the Grantee

- 4.1 The Grantee shall:

- a. Have full responsibility for ensuring that the Activity is implemented in accordance with the Agreement
- b. Be responsible, in the event of financial review, audit or evaluation for providing the necessary accounting documents
- c. Be responsible for providing all documents and information to UNOPS which may be required under the relevant payment requests
- d. Make the arrangements for providing the financial status documentation and financial guarantee, when requested
- e. Ensure professional management of the Activity, including performance monitoring and reporting activities.

### 5. In-kind Grant, associated monetary value and Payments

- 5.1 UNOPS hereby provides an in-kind grant of [insert products quantities in figures and words] with the total value amount of [insert US Dollar amount in figures and words] as shown in the Budget in Annex B.

- 5.2 The delivery of the pico-solar products to the Grantee shall be made in UNOPS-specified warehouses in Sanaa, Yemen all at once within one week of the signature of this Grant Agreement :<sup>6</sup>

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<sup>6</sup> Any advance payment made under the Agreement totalling more than USD 30,000 of the total Grant Amount be conditional on the provision of a justification and subsequent approval by UNOPS. Moreover, following the receipt of such exceptional justification, UNOPS may, at its own discretion, further request the Grantee to submit documentation regarding its financial status together with reasonable cash flow estimates. Any advance payment exceeding USD 250,000 shall be conditional on a financial guarantee of an amount equivalent to the advance payment.

- 5.3 The Grantee shall agree to submit to UNOPS all information and complete all documentation, including but not limited to the vendor profile form, requested by UNOPS for the purpose of delivering the products and receiving any payment from the Grantee.
- 5.4 The Grantee shall sell and distribute the pico-solar products as described in Annex A for the prices set in Annex B of this Agreement.
- 5.5 The Grantee shall pay UNOPS [insert percentage in figures and words] of the value of the pico-solar products sold and distributed by the Grantee to the household beneficiaries in accordance with Annex A and as shown in the Budget in Annex B. The payment shall be paid within 30 days of the receipt of an invoice by UNOPS.
- 5.6 UNOPS shall invoice the Grantee every two months on the basis of the reports submitted by the Grantee in accordance with Clause 6.1 of this Agreement.
- 5.7 All payments to UNOPS shall be made in [insert currency], calculated at the official UN rate at the date of the signature of this Grant Agreement. The foreign exchange risks shall be borne by UNOPS. The payments shall be transferred to the UNOPS bank account as following:

Account holder: [insert bank account details]  
Bank account: [insert bank account details]  
Swift code: [insert bank account details]  
Currency: [insert currency]

- 5.8 The quantity of pico-solar products delivered to the Grantee and funds and repayments is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Grantee in the performance of the activities under this Agreement.

## 6. Reporting and Evaluation

- 6.1 The Grantee shall submit to UNOPS the following reports during the life of this Agreement in the formats provided in Annex C, and in line with the above Payments clause (Clause 5):
- (a) To UNOPS, "pico-solar products stock reports" on the use of Grant pico-solar every [insert frequency, e.g. one month]; and
  - (b) To [insert as applicable: UNOPS or funding source/client], "client and beneficiaries report", milestone narrative reports every [insert frequency].
- 6.2 Within 60 (sixty) calendar days of the end date specified in Clause 3.2 above, the Grantee shall submit the following reports in the formats provided in Annex C:
- (a) To UNOPS, a final financial report on the use of Grant funds<sup>7</sup>; and
  - (b) To [insert as applicable: UNOPS or funding source/client], the final narrative milestone summary report.

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<sup>7</sup> For total grants above US\$ 50,000 a certified final financial report is required.

- 6.3 Failure to submit the reports specified in clause 6.1 without due cause shall constitute a failure to fulfil a substantial obligation of this Agreement, in accordance with Article 16 of the General Conditions.
- 6.4 The Grantee shall be deemed discharged from its obligation under this Agreement only upon the receipt and acceptance of the reports referred to in clause 6.1 and 6.2 and the return of any undistributed pico-solar products in accordance with this Agreement.

## **7. Ownership, delivery and warranty**

### **7.1 Solar products Delivery to Grantee:**

Ownership of the products shall be transferred to the Grantee at the time of delivery and the Grantee shall from such time be responsible for the storage, transport, handling, and distribution of the products to beneficiaries pursuant to this Agreement. The Grantee shall ensure to have sufficient storage space with proper security and safety precautions to avoid any possible product loss or damage. In case of product damage or loss during transit or storage, the grantee are liable for full cost of the solar products damaged or lost.

### **7.2 Storing Safety:**

The Grantee shall follow adequate safety measures to ensure that stores are in proper location and not causing any traffic disturbance during loading and handling and supplying solar equipment, they shall have proper storage conditions that should be equipped with fire control system, and provided with proper handling tools and guarding. The climatic conditions shall also be considered to make sure that pico-solar products would withstand heat, cold, rain, humidity in order to maintain a constant temperature in the storage. The Grantee shall have an organized storing order for the product packages to consider the durability, size and weight of the package and to place pallets under them to avoid any possible storing damages.

### **7.3 Products Distribution:**

The Grantee shall ensure distributing pico-solar products to targeted beneficiaries within a time-bound period of [insert duration] from the receipt of the products by the Grantee.

The Grantee will arrange for the transportation and delivery to beneficiaries. It is the Grantee responsibility to design the processes to transport and distribute the products to the beneficiaries.

### **7.4 Manufacturer Defects:**

The supplier of the pico-solar products will conduct a training program for the Grantee and distributors in consultation with UNOPS. The training will focus on product main features, operation, safety and warranty terms, the Grantee will train the end users. In case of product manufacture defect, UNOPS will ensure that the supplier shall rectify defects within warranty period promptly, the products will be checked by the supplier to ensure that there is no tampering or manipulating and only the products that has manufacture defects will be replaced. The Grantee shall ensure to have an appropriate process in place to return any defective products and to take delivery of any replacement products.

### **7.5 Return Procedure:**

In case the Grantee was not able to distribute all pico-solar products within the delivery period specify article 7.3 of this Agreement, the Grantee shall be liable to pay to UNOPS an amount equivalent to 5% of the undistributed products costs. The undistributed products shall be returned and delivered to a location to be specified by UNOPS.

#### 7.6 Consumer awareness:

The Grantee shall provide consumer awareness materials in consultation with UNOPS to the beneficiaries. The awareness materials will include the environmental and social benefits of the solar systems and the safety precautions in using them. The Grantee shall also provide awareness to local communities and beneficiaries regarding contact information in case complains were raised.

#### 7.7 Warranty Provisions

The Grantee shall ensure that all beneficiaries have access to the warranty provisions. UNOPS shall ensure that the warranty certificates will be available from the supplier to the end users in writing to understand the terms of warranty prior to purchase. The written information should be available in Arabic and English. Consumer-facing warranties could be included on the product box, or on a user agreement or warranty card that is easily accessed prior to purchase.

### 8. Correspondence

8.1 All further correspondence regarding the implementation of this Agreement should be addressed to:

For UNOPS:	For the Grantee:
[insert name, address, e-mail, phone]	[insert name, address, e-mail, phone]

8.2 Any notice given by UNOPS or the Grantee shall be sufficient only if in writing and delivered in person, mailed or delivered electronically to the respective addresses specified in Clause 8.1 above.

**IN WITNESS WHEREOF**, the undersigned, duly appointed representatives of UNOPS and of the Grantee, have on behalf of UNOPS and the Grantee, respectively, signed the present Agreement on the dates indicated below their respective signatures.

<b>FOR UNOPS:</b>	<b>FOR THE GRANTEE:</b>
_____	_____
[insert name] [title], [office]	[insert name] [title]
Date ( <b>mandatory</b> ):	Date ( <b>mandatory</b> ):



**ANNEX A****TERMS OF REFERENCE:**

Description and scope of grant activity/project

[Note for draft: Please include brief description of the selected proposal or a simple concept note<sup>8</sup> by the grantee]

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<sup>8</sup> The grant concept can be used for smaller grant support activities (below US\$ 50,000) often with small capacity community groups.

**ANNEX B****GRANT BUDGET**

[Note for draft: Please include simple cost breakdown of the selected proposal or simple concept note<sup>9</sup> by the grantee]

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<sup>9</sup> The grant concept along with basic cost breakdown can be used for smaller grant support activities (below US\$ 50,000) often with limited capacity community groups.

**ANNEX C****REPORTING**

[Note for draft: If possible, include accepted UNOPS sample formats as agreed with grantee]

D.1 Milestone report / final milestone summary report (narrative)

D2. Financial report (on the use of grant funds)

D.3 Final financial report (on the use of grant funds)

**ANNEX D****GENERAL CONDITIONS FOR GRANT SUPPORT AGREEMENTS****1. Liability and General Obligations of Grantee**

- 1.1 The Grantee shall be responsible for complying with any legal obligations incumbent on them.
- 1.2 The Grantee shall carry out all activities for which it is responsible under this Agreement with due diligence and efficiency.
- 1.3 UNOPS shall not, under any circumstances or any grounds, be held liable in the event of a claim under the Agreement relating to any damage caused during the Activity's execution.
- 1.4 The Grantees shall make good any damage sustained by UNOPS as a result of the execution or faulty execution of the Activity.
- 1.5 Subject to the express terms of this Agreement, it is understood that the Grantee shall have exclusive control over the administration and implementation of this Agreement and that UNOPS shall not interfere in the exercise of such control. However, both the quality of the Grantee's work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by UNOPS. If at any time UNOPS is not satisfied with the quality of work or the progress being made toward achieving such goals, UNOPS may in its discretion (i) withhold payment of funds until in its opinion the situation has been corrected; or (ii) declare this Agreement terminated by written notice to the Grantee; and/or (iii) seek any other remedy as may be necessary. UNOPS' determination as to the quality of work being performed and the progress being made toward such goals shall be final and shall be binding and conclusive upon the Grantee insofar as further payments by UNOPS are concerned.
- 1.6 UNOPS undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage for any person who may be necessary or desirable for the purpose of this Agreement or for any personnel undertaking activities under this Agreement. Such responsibilities shall be borne by the Grantee.
- 1.7 The rights and obligations of the Grantee are limited to the terms and conditions of this Agreement. Accordingly, the Grantee and personnel performing services on its behalf shall not be entitled to any benefit, payment, compensation or entitlement except as expressly provided in this Agreement.

**2. Intellectual Property Rights**

- 2.1 All intellectual property rights, including but not limited to maps, drawings, photographs, mosaics, plans, manuscripts, records, reports, recommendations, estimates, documents, images, sounds and other materials, except pre-existing materials, publicly or privately owned, collected, created, developed or prepared as a consequence of or in the course of the performance of this Activity, shall become the sole property of the Funding Source, unless otherwise stipulated in the Project Agreement.
- 2.2 The Grantee shall hold harmless and fully indemnify UNOPS from and against all claims and proceedings for infringement of any patent rights, design trademark or name or other protected rights resulting from Grantee's performance.

**3. Confidentiality**

- 3.1 UNOPS and the Grantee undertake to preserve the confidentiality of any document, information or other material directly related to the Activity that is deemed or classified as confidential, where disclosure could cause prejudice to the other party.

#### **4. Allowable Costs**

- 4.1 The Grantee shall be reimbursed for costs incurred in carrying out the purposes of this Agreement which are determined by UNOPS to be reasonable, allocable, and allowable in accordance with the terms of this Agreement. The following definitions of what may be considered as reasonable, allocable, and allowable costs apply:
- (a) Reasonable: shall mean those costs which are generally recognized as ordinary and necessary and would be incurred by a prudent person in the conduct of normal business.
  - (b) Allocable costs: shall mean those costs which are incurred specifically in connection to the Agreement, and are provided in the estimated budget at Annex C.
  - (c) Allowable costs: shall mean those costs which conform to any limitations in the Agreement.
- 4.2 The eligible costs must be incurred during the period of the Activity, specified in Article 3 of the Agreement and recorded in the Grantee's accounts in accordance with accepted accounting procedures.
- 4.3 Prior to incurring a questionable or unique cost, the Grantee shall obtain UNOPS's written determination on whether the cost will be allowable.
- 4.4 It is UNOPS policy that no funds shall be paid as profit or fee to a Grantee under this Agreement or any sub-Grantee. This restriction does not apply to contractual relationships entered into by the Grantee under this Agreement.

#### **5. Accounting, Audit and Records**

- 5.1 The Grantee undertakes to provide any detailed information requested by UNOPS to verify that the Activity and the provisions of the Agreement are being properly implemented.
- 5.2 The Grantee shall maintain all financial records, supporting documents, statistical records and all other records pertinent to this Agreement in accordance with generally accepted accounting principles [or applicable national legislation] to sufficiently substantiate charges to this Agreement. Accounting records that are supported by documentation will as a minimum be adequate to verify all costs incurred under the Agreement, receipt, and use of goods and services acquired under the Agreement, the costs of the program supplied from other sources, and the overall progress of the program. Unless otherwise notified, the Grantee's records and sub-Grantee records which pertain to this Agreement shall be retained for a period of seven years from the date of submission of the final financial report and may be audited by UNOPS and/or its representatives.
- 5.3 The Grantee shall furnish, compile and make available at all times to UNOPS any records or information, oral or written, which UNOPS may reasonably request in respect of the funds received by the Grantee.
- 5.4 UNOPS shall retain the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending UNOPS funds.
- 5.5 The Grantee shall allow UNOPS staff and outside personnel (including third party entities engaged by UNOPS) the appropriate right of access to sites and premises of the Activity, and to all records and information required in order to conduct a financial review or audit.
- 5.6 This provision in its entirety shall be incorporated into all sub-grants to eligible sub-Grantees which exceed USD 30,000. Sub-grants to eligible sub-Grantees which are for more than USD 2,500 but less than USD 30,000 shall at a minimum incorporate Article 5.2 of this provision.

## **6. Bank accounts, Payment Advances and Refunds**

- 6.1 The Grantee shall maintain advances of UNOPS funds in dedicated and separate accounts to the Grantee's ordinary funds. Such accounts must be interest bearing, unless:
- (a) The Grantee receives less than \$100,000 in UNOPS awards per year;
  - (b) The best reasonably available interest bearing account would not be expected to earn interest in excess of \$250 per year on UNOPS cash balances; or
  - (c) The depository would require an average or minimum balance so high that it would not be practical to maintain the advance in an interest bearing account.
- 6.2 Interest earned on advances will be remitted to UNOPS. However, the Grantee may retain up to \$250 of interest earnings per account per year, for administrative expenses.
- 6.3 At the time the Agreement expires or is terminated, the following types of funds shall immediately revert to UNOPS:
- (a) Any balance of funds that has not been disbursed to the Grantee; or
  - (b) UNOPS has advanced funds to the Grantee, but the Grantee has not expended them.
- 6.4 Notwithstanding 6.3 (a) and (b) above, funds which the Grantee has obligated in legally binding transactions applicable to this Agreement will not revert to UNOPS.
- 6.5 UNOPS reserves the right to require refund by the Grantee of any amount which the Grantee did not spend in accordance with the terms and conditions of this Agreement. In the event that a final audit has not been performed prior to the closeout of this Agreement, UNOPS retains the right to a refund until all claims which may result from the final audit have been resolved between UNOPS and the Grantee.
- 6.6 The Grantee acknowledges that UNOPS and its representatives have made no actual or implied promise of funding except for the amounts specified by this Agreement. If any of the funds are returned to UNOPS or if this Agreement is rescinded, the Grantee acknowledges that UNOPS will have no further obligation to the Grantee as a result of such return or rescission.

## **7. Revision of Agreement Budget**

- 7.1 The approved Agreement budget is the financial expression of the Grantee's programme as approved during the award of the Agreement process.
- 7.2 The Grantee is required to report, in writing, deviations from budget and programme plans, and request prior approvals from UNOPS for any of the following reasons:
- (a) To change the scope or the objectives of the programme and/or revise the funding allocated among project objectives.
  - (b) To change a key person where specified in the Agreement, or allow a 25% reduction in time devoted to the project.
  - (c) Additional funding is needed.
  - (d) Where indirect costs have been authorized, the Grantee plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.
  - (e) The Grantee intends to contract or sub-grant any of the work under this Agreement, and such contracts or sub-grants were not included in the approved Agreement budget.
- 7.3 The Grantee is further restricted from transferring funds among cost categories. The Grantee is required to get the prior approval of UNOPS before making budget shifts which expect to exceed 50 % of the total Grant budget.

- 7.4 UNOPS is under no obligation to reimburse the Grantee for costs incurred in excess of the total grant amount specified in this Agreement. An increase to the total grant amount shall require an amendment to the Agreement in writing.
- 7.5 The total grant amount under this Agreement is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Grantee in the performance of the activities under this Agreement.

## **8. Procurement of Goods and Services**

- 8.1 Where implementation of the Activity requires the award of procurement contracts, the Grantee shall maintain a written code or standards of conduct that shall govern the performance of its employees engaged in the awarding and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by UNOPS funds if a real or apparent conflict of interest would be involved. Such conflict would arise when the employee, officer or agent, or any member of the employee's immediate family, the employee's partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Grantee shall neither solicit nor accept gratuities, favours, or anything of monetary value from contractors or parties to sub-agreements. However, the Grantee may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Grantee.
- 8.2 The Grantee shall establish written procurement procedures if procurement of goods or services in excess of USD 2,500 is envisaged under this Agreement. All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, transparent, open and free competition and the use of resources in an ethical, efficient and effective manner. The Grantee shall be alert to organizational conflicts of interest as well as non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals shall be excluded from competing for such procurements. Contracts shall be made to the offeror whose offer is responsive to the solicitation and is most advantageous to the Grantee, price, quality, and other factors considered. Solicitations shall clearly establish all requirements that the bidder or offeror shall fulfil in order to be evaluated by the Grantee. Any and all offers may be rejected when it is in the Grantee's interest to do so.
- 8.3 Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources.
- 8.4 Grantees shall ensure that the conditions applicable under these General Conditions are also applicable to the contractor.

## **9. Sub-Grant Agreements**

- 9.1 Sub-grant agreements shall be made only with responsible Grantees who possess the potential ability to perform successfully under the terms and conditions of a proposed agreement. Consideration shall be given to such matters as integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources.
- 9.2 All sub-grant agreements shall at a minimum contain provisions to define a sound and complete agreement in addition to those that are specifically required by any other provisions in this Agreement. Whenever a provision within this Agreement is required to be inserted in a sub-agreement, the



Grantee shall insert a statement in the sub-agreement that in all instances where UNOPS is mentioned, the Grantee's name will be substituted.

- 9.3 Grantees shall ensure that the conditions applicable under these General Conditions are also applicable to the sub-grantees.

## **10. Third Party Claims**

The Grantee shall be solely liable for claims by third parties arising from the Grantee's acts or omissions in the course of performing this Agreement and under no circumstances shall UNOPS be held liable for such claims by third parties. The Grantee shall indemnify, defend, save and hold UNOPS harmless in respect of such claims. This indemnity shall survive the termination or expiration of the Agreement.

## **11. Non-expendable equipment**

- 11.1 Title to all non-expendable equipment purchased with project funds supplied by UNOPS shall be the property of the Funding Source.
- 11.2 The Grantee shall maintain records of non-expendable equipment with an acquisition value of USD 500 or more purchased with project funds supplied by UNOPS. The Grantee will submit an inventory of such equipment to UNOPS, indicating description, serial no., date of purchase, original cost, present condition, location of each item attached to each half yearly milestone report. Equipment purchased by the Grantee with funds supplied by UNOPS shall be used solely for the purposes indicated in Annex B throughout the duration of this Agreement.
- 11.3 Within 90 calendar days after the end of the Agreement, the Grantee will provide a list, for UNOPS' review and approval, of each item that has an acquisition value of USD 500 or more, with a corresponding detailed proposal relating to the future status of that item, namely whether it is intended for sale, transfer or donation, Where the Grantee sells the property, or item, it will transfer the proceeds of the sale to UNOPS within 30 calendar days.

## **12. Anti-corruption**

- 12.1 The Grantee warrants that it has not and shall not offer any direct or indirect benefit arising from or related to the performance of this Agreement or the award thereof to any representative, official, employee, or other agent of UNOPS or any organization of the UN system.
- 12.2 The Parties declare their commitment to counteract corrupt practices in the execution of this Agreement. Further, the Parties commit themselves not to accept, either directly or indirectly, as an inducement or reward in relation to the execution of this Agreement, any kind of offer, gift, payments or benefits, which would or could be construed as a corrupt practice.

## **13. Anti-terrorism**

- 13.1 The Grantee agrees to undertake all reasonable efforts to ensure that none of the UNOPS funds received pursuant to this Agreement are used to provide support to individuals or entities associated with terrorism and that the Grantee or any sub-grantees of any amounts provided by UNOPS hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list is established and maintained by the 1267/1989 Committee and can be accessed in the web page of the United Nations (<http://www.un.org>), or directly

through the following link: [https://www.un.org/sc/suborg/en/sanctions/1267/aq\\_sanctions\\_list](https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list). This provision must be included in all sub-contracts or sub-agreements entered into under this Agreement.

#### **14. Child Protection**

- 14.1 The Grantee will not engage in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child. The Grantee will undertake to protect children from abuse of all kinds in the implementation of the Activity. This provision in its entirety shall be incorporated into all sub-grants to eligible sub-Grantees.

#### **15. Suspension**

- 15.1 Whenever UNOPS considers that the Grantee is not performing to a satisfactory standard, UNOPS may suspend, in whole or in part, the Activity under the Agreement in order to renegotiate and/or propose necessary amendments to the Agreement to redress the situation. When UNOPS suspends the Activity, in whole or in part, it must give immediate written notice to the Grantee, detailing the problems and the conditions required to reinstate the Activity.
- 15.2 The suspension will take effect on the date the Grantee receives the notification.
- 15.3 Upon receipt of a suspension notice, the Grantee shall not incur any costs relating to the Activity, or part of the Activity, which has been suspended.
- 15.4 The Activity, in whole or in part, which has been suspended, can be resumed once UNOPS and the Grantee have agreed on the terms of the continuation (including any extension of duration of the Activity). Any such agreement shall be in the form of a written amendment to the Agreement, pursuant to Article 17 of the General Conditions.
- 15.5 Any portion of this Agreement not suspended shall remain in full effect.

#### **16. Termination**

- 16.1 UNOPS may terminate this Agreement at any time, in whole or in part, upon 14 calendar days' written notice to the Grantee, whenever it is determined that the Grantee has failed to fulfil a substantial obligation incumbent on it, under the terms and conditions of the Agreement, or where sufficient funds have not been made available to UNOPS by its funding sources.
- 16.2 This Agreement may be terminated at any time, in whole or in part, by UNOPS with the consent of the Grantee. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion of the Agreement to be terminated. The agreement to terminate shall be set forth in a letter from UNOPS to the Grantee.
- 16.3 UNOPS may terminate this Agreement or portion of this Agreement with immediate effect upon written notice to the Grantee if it determines that corrupt, fraudulent or misrepresentative practices were engaged in by representatives of the Grantee during award or during the execution of this Agreement without the Grantee having taken timely and appropriate action satisfactory to UNOPS to remedy the situation.
- 16.4 Upon receipt of and in accordance with a termination notice as specified above, the Grantee shall take immediate action to minimize all expenditures and obligations financed by this Agreement and shall cancel such unliquidated obligations whenever possible. Except as provided below, the Grantee shall not incur costs after the effective date of termination.
- 16.5 The Grantee shall within 30 calendar days after the effective date of such termination repay to UNOPS all unexpended UNOPS funds which are not otherwise obligated by a legally binding transaction applicable to this Agreement. Should the funds paid by UNOPS to the Grantee prior to the effective date of the termination of this Agreement be insufficient to cover the Grantee's obligations in the

legally binding transaction, the Grantee may submit to UNOPS within 90 calendar days after the effective date of such termination a written request for payment covering such obligations. UNOPS shall determine the amount(s) to be paid by UNOPS to the Grantee under such claim in accordance with this Agreement. This provision must be included in all sub-agreements.

16.6 Any portion of this Agreement not terminated shall remain in full effect.

## **17. Amendment**

No modification of or change in this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless previously approved in writing by the parties to this Agreement or their duly authorized representatives in the form of an amendment to this Agreement duly signed by the parties hereto.

## **18. Dispute Resolution**

Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof, shall unless it is settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. Where, in the course of such direct negotiation referred to above, the parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy or claim.

## **19. Privileges and Immunities**

Nothing in or relating to this Agreement shall be deemed a waiver of any privileges and immunities of the United Nations and/or UNOPS.