

DONOR AGREEMENT

Between

THE WORLD HEALTH ORGANIZATION (WHO)

and

THE SECRETARY OF STATE FOR HEALTH & SOCIAL CARE OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, REPRESENTED BY THE DEPARTMENT OF HEALTH AND SOCIAL CARE (The Donor)

DH 2018/036

Supporting Countries in Africa and Asia in the Prevention, Detection and Response to Substandard and Falsified Antimicrobial Medical Products

- I. This Agreement relates to a financial contribution to be made by the Donor to WHO towards supporting countries in Africa and Asia in the prevention, detection and response to substandard and falsified antimicrobial medical products, which is outlined in Annex I hereto, and which is hereinafter referred to as the "Project". Annex I and Annex II, the assessment of the project, are an integral part of this Agreement. The Donor acknowledges that on the basis that WHO is listed as an ODA-eligible international organisation on the Organisation for Economic Co-operation and Development (OECD) website - <http://www.oecd.org/dac/stats/annex2.htm>, the funds are being made available to WHO under the provisions of the International Development Act 2002 of the United Kingdom of Great Britain and Northern Ireland (the "Act").
- II. In the Act, "development assistance" means assistance provided for the purpose of—
 - (a) furthering sustainable development in one or more countries outside the United Kingdom, or
 - (b) improving the welfare of the population of one or more such countries.The Act also requires the Donor to have regard to the desirability of providing development assistance that is likely to contribute to reducing poverty in a way which is likely to contribute to reducing inequality between persons of different gender.
- III. The budget for the activities financed by the contribution is set out in Annex III. Prior to effecting major changes between categories of expenditure that may be found necessary in the course of implementing the activities, WHO shall consult the Donor.
- III. Responsibility
 1. WHO shall be responsible for the monitoring and implementation of the Project.

2. The Donor shall be responsible for the provision of funds to WHO for the Project, in accordance with the terms of this Agreement and its Annex I.

IV. Financial arrangements

1. Schedule of Payments

	Funding Amounts in UK Pounds Sterling
2018-19 Year 1	£1,005,118
2019-20 Year 2	£1,009,118
2020-21 Year 3	£1,009,118
2021-22 Year 4	£1,009,118
TOTAL	£4,032,472

2. The total amount payable by the Donor under this Agreement shall not, in any circumstances, exceed UK Sterling £4,032,472.
3. Payment shall be made in four annual instalments and shall be paid to WHO in Pounds Sterling.
4. The Funding Amounts are subject to revision and will depend on the fulfilment of this Agreement, any revision to budgets, actual expenditure and need and the continuing availability of resources to DHSC and its priorities.
5. The Schedule of Payments above may be amended, with DHSC's approval, dependant on actual expenditure and need.

6. Payment of contribution

The Pounds Sterling contribution shall be deposited according to the above schedule of payments in the WHO's Geneva bank account:

World Health Organization

[REDACTED]

and the details of the contribution clearly identified using WHO Safety and Vigilance Unit codes.

7. Utilization of funds and accounting

(i) The contribution shall be used for the purposes indicated in Annex I hereto and shall be administered in accordance with the Financial Regulations and Rules, and financial and administrative rules and practices of WHO.

(ii) Under this Agreement, [REDACTED] of expenditure will be deducted by WHO to cover the indirect costs of administrative support, in accordance with World Health Assembly resolution WHA34.17.

(iii) Any interest earned on the cash balance of the contribution shall be used in accordance with WHO Financial Regulations and Rules, and financial and administrative rules and practices of WHO.

(iv) Income and expenditure recorded in respect of the contribution shall be identified and kept separately by WHO in the relevant account.

(v) Any balance of the contribution that is outstanding at the time of completion of the Project, or of termination of this Agreement, and after all encumbrances (financial liabilities) incurred by WHO prior to completion or termination have been fully liquidated, shall be treated in the following manner:

- If the remaining balance is US\$1 000 or less, WHO shall be entitled to use this balance for similar activities;
- If the remaining balance is more than US\$1 000, this remaining balance shall be reprogrammed for the same project.

V. Implementation

1. Period of implementation

The start date of the Project shall be 01 April 2018.

The end date of the Project shall be 31 March 2022.

WHO shall have no obligation to implement the Project unless all necessary and sufficient funds for the implementation have been received by WHO. If the start date is postponed for that reason, the end date shall be extended accordingly.

The Donor shall allow WHO a period of up to twelve months after completion of the Project, or any termination of this Agreement (close date), to liquidate all encumbrances for activities completed by WHO prior to completion or termination.

VI. Reporting

1. Technical

WHO shall transmit to the Donor a technical report with outcomes and achievements on the activities financed by the contribution as per Annex I on a six monthly basis. WHO shall also transmit to the Donor a technical report on the activities financed by the contribution upon completion of the Project as per Annex I.

In addition, on an annual basis, the partner will provide an updated project proposal.

The reporting schedule is as follows:

Date	Requirement
2018/19 (First year of grant)	
Approximately July 2018	Informal discussion on remaining grant activity and budget.
31 October 2018	Word document progress report including a commentary on activities, progress, achievements and challenges, and financial management report <i>(covering 1st April 2018 – 31st August 2018; in agreed Word document template)</i>
Approximately January 2019	Informal discussion on remaining grant activity and budget
15 April 2019	Word document progress report including a commentary on activities, progress, achievements and challenges, and financial management report <i>(covering 1st September 2018 – 28th February 2019; in agreed Word document template)</i>
	Annual financial management report / reconciliation of Year 1 and award of year 2 funds <i>(covering 1st April 2018 – 31st March 2019)</i>
	Updated annual log frame <i>(covering 1st April 2019 – 31st March 2020)</i>
2019/20 (Second year of grant)	
31 October 2019	Word document progress report including a commentary on activities, progress, achievements and challenges, and

	<p>financial management report</p> <p><i>(covering 1st April 2019 – 31st August 2019; in agreed Word document template)</i></p>
Approximately January 2020	Informal discussion on remaining grant activity and budget.
15 April 2020	<p>Word document progress report including a commentary on activities, progress, achievements and challenges, and financial management report</p> <p><i>(covering 1st September 2019 – 28th February 2020; in agreed Word document template)</i></p>
	<p>Annual financial management report / reconciliation of Year 2 and award of year 3 funds</p> <p><i>(covering 1st April 2019 – 31st March 2020)</i></p>
	<p>Updated annual log frame</p> <p><i>(covering 1st April 2020 – 31st March 2021)</i></p>
Approximately July 2020	Informal discussion on remaining grant activity and budget.
2020/21 (Third year of grant)	
31 October 2020	<p>Word document progress report including a commentary on activities, progress, achievements and challenges, and financial management report</p> <p><i>(covering 1st April 2020 – 31st August 2020; in agreed Word document template)</i></p>
Approximately January 2021	Informal discussion on remaining grant.
15 April 2021	<p>Word document progress report including a commentary on activities, progress, achievements and challenges, and financial management report</p> <p><i>(covering 1st September 2020 – 28th February 2021; in agreed Word document template)</i></p>
	<p>Annual financial management report / reconciliation of Year 3 and award of year 4 funds</p> <p><i>(covering 1st April 2020 – 31st March 2021)</i></p>
	Updated annual log frame

	<i>(covering 1st April 2021– 31st March 2022)</i>
2021/22 (Fourth year of grant)	
31 October 2021	Word document progress report including a commentary on activities, progress, achievements and challenges, and financial management report <i>(covering 1st April 2021 – 31st August 2021; in agreed Word document template)</i>
Approximately January 2022	Informal discussion on remaining grant.
15 April 2022	Word document progress report including a commentary on activities, progress, achievements and challenges, and financial management report <i>(covering 1st September 2021 –28th February 2022; in agreed Word document template)</i>
	Annual financial management report / reconciliation of Year 4 funds <i>(covering 1st April 2021 – 31st March 2022)</i>
	Review of full project log frame <i>(covering 1st April 2018 – 31st March 2022)</i>
December 2022	Final technical report and certified financial statement <i>(covering period April 2018 – March 2022)</i>

2. Financial

(i) The income and expenditure recorded in respect of the contribution shall be included in the WHO Financial Reports submitted to the World Health Assembly on an annual basis. Certified financial statements of income and expenditure shall be provided to the Donor on a yearly basis, upon request.

(ii) A Final Certified Financial Statement (FCFS) of income and expenditure will be provided by WHO, by the close date of the Agreement (namely, after settlement of all encumbrances for activities started by WHO prior to completion or early termination of the Agreement).

(iii) WHO should also provide financial management reports on a six monthly basis in line with the above reporting schedule. These will be used to confirm future payments. The nominated DHSC Policy Team Contact will notify WHO of each payment.

VII. Audit

It is understood that all contributions to WHO are subject exclusively to its internal and external auditing procedures. The External Auditors' certification of accounts and audit report is made available to the World Health Assembly (WHA) on an annual basis. The Donor may request a copy.

In the event that an audit report of WHO's External Auditors contains observations directly relevant to the contribution or its utilization, WHO will advise the Donor and provide it with a copy of the report after the report has been transmitted to the WHA. In the event that the Donor becomes aware of information that would indicate a need for further and closer scrutiny of the Project, the Donor agrees to bring this information promptly to the attention of WHO's Office of Internal Oversight Services (IOS). The parties agree to adopt the following procedures:

- (a) WHO will, in accordance with its accountability framework and relevant regulations, rules, policies, procedures and directives, take such action as it determines is appropriate, in a timely, appropriate and effective manner.
- (b) At the sole discretion of WHO, actions under the previous sub-paragraph may include, without limitations, additional action by WHO IOS.
- (c) In cases where the additional action entails a review or audit of a national institution or a NGO, the disclosure of the related report to the Donor will be subject to WHO obtaining a written consent from the concerned entity, in accordance with WHO's procedures. WHO may retain the services of an external service provider to provide any necessary services to assist WHO IOS under the direct and sole supervision of WHO IOS. WHO may request that the cost of such action shall be borne by the Donor.
- (d) In cases where the additional action entails an internal review or audit of WHO, where considered appropriate by WHO IOS, WHO may retain the services of an external service provider to provide any necessary services to assist WHO IOS under the direct and sole supervision of WHO IOS. WHO may request that the cost of such action shall be borne by the Donor. Insofar as such action results in the issuance of an internal audit report, the parties take note that such report will be made available to WHO's Member States, in accordance with its procedures.

VIII. Fraud and corruption

1. The Donor takes note that WHO has a written policy on combatting fraud and corruption. WHO confirms that its policy will be fully implemented.
2. Subject to the provisions of paragraph 1 above:
 - (a) WHO will take all necessary precautions to prevent fraud, corruption and other financial irregularities in line with its regulations and rules and, in particular, its policies for combatting fraud and corruption. The Donor and WHO have a zero tolerance approach towards fraud and corruption and, subject to considerations of security, due process, and effective pursuit and recovery actions, and respecting the privileges and immunities of WHO, will advise each other promptly

and without undue delay of credible allegations of fraud or financial impropriety involving the contribution (through mechanisms established under their respective policies) and will give full consideration to requests for co-operation with each other's investigations into credible allegations of fraud and corruption involving the contribution, subject always to their respective policies and procedures. In that regard, the parties recall that reports of investigations conducted by WHO are summarized in the annual report to the WHA. Exchange of and access to information, in relation to reports of credible allegations of fraud and corruption involving Donor funds, should be provided in conformity with the relevant mechanisms with respect to confidentiality and data protection policies of the WHO and the Donor respectively. WHO and the Donor will only disclose information to third parties in agreement with the party which has provided this information.

(b) WHO will take timely and appropriate action to investigate credible allegations of fraud and corruption in accordance with its accountability and oversight framework. To the extent that such an investigation substantiates the allegation, WHO will give due consideration to timely and appropriate sanctions in accordance with WHO's regulations, rules and procedures.

(c) WHO will, subject always to its policies and procedures (including regarding the confidentiality of information concerning investigations conducted by it), keep the Donor informed, through the mechanisms contemplated in its policies on combatting fraud and corruption, and to the extent this does not jeopardize the conduct of the investigation or prospects of recovery of funds, or the safety or security of persons or assets, of the progress of any investigation involving fraud and corruption in relation to the contribution, the actions taken and the results of the implementation of such actions, including where relevant, details of any recovery of funds.

3. The Donor may request direct consultations at a senior level between the Donor and WHO in order to obtain assurance that WHO's oversight and accountability mechanisms have been and are being fully applied in connection with such allegations.
4. If the project is affected by suspected or actual fraud or corruption, the Donor reserves the ability to suspend or terminate the Donor's disbursements with immediate effect.
5. In the event that any part of the contribution is determined by WHO to have been lost due to fraud or corruption, such loss will be dealt with in accordance with the applicable financial regulations, rules, policies, procedures and directives of WHO. Further, in respect of such amount which WHO has been able to recover, such amount will be returned to the Project. Where the Project has been concluded or terminated, the amount shall be re-programmed at the Donor's instructions or returned to the Donor at such bank account as determined by the Donor. In respect of such amount that has not been recovered, WHO recognizes the importance to the Donor that such funds be recovered. WHO agrees to continue consultations with the Donor, with a view to determining a mutually agreeable solution, including the return of such funds, and in the interim, agree to discuss such issues on a case by case basis.

6. The provisions of paragraphs 1 through 5, above, shall be applied in a manner consistent with the privileges and immunities of WHO.

IX. Procurement by WHO

1. Funds received by WHO under this Agreement may be used to purchase goods and services required for the Project, as referred to in Annex I. Such goods and services will be purchased in accordance with WHO's regulations, rules, policies, procedures and directives.
2. By virtue of the immunity it enjoys, WHO is, as a general rule, exempt from all direct taxes, custom duties and the like. WHO will require any supplier of goods or services using grant funds to consult with it so as to avoid the imposition of such charges with respect to the goods and/or services in question. As regards to excise duties and other taxes imposed on the sale of goods or services (e.g. VAT), WHO will require any supplier of goods or services using grant funds to verify in consultation with WHO whether in the country where the VAT would be payable, WHO is exempt from such VAT at the source, or entitled to claim reimbursement thereof. If WHO is exempt from VAT, this shall be indicated on the invoice, whereas if WHO can claim reimbursement thereof, the supplier of goods or services will be required to list such charges on its invoices as a separate item and, to the extent required, cooperate with WHO to enable reimbursement thereof. In the event that any taxes or duties are assessed on any goods or services purchased by WHO with funds provided by the Donor and such taxes or duties are not reimbursed, WHO will include this information in its financial reports to the Donor.

X. Ethical obligations of WHO staff

1. Prior to recruiting new staff, WHO will, in accordance with its applicable rules, regulations, policies and procedures, carry out appropriate background and reference checks of individuals who apply for staff positions.
2. WHO staff members are at all times required to comply with WHO's policies regarding ethical conduct and related matters. This includes: (i) the WHO Code of Ethics and Professional Conduct; (ii) the WHO Policy on Sexual Exploitation and Abuse Prevention and Response; (iii) the WHO Code of Conduct for responsible Research; and (iv) the WHO Policy on Whistleblowing and Protection Against Retaliation.
3. WHO has zero tolerance towards sexual exploitation and abuse. Any conduct amounting to sexual exploitation and abuse by WHO staff members is considered to be serious misconduct, and constitutes grounds for disciplinary measures, including summary dismissal.

XI. Anti-terrorism

Consistent with numerous United Nations Security Council resolutions, including S/RES/1269 (1999), S/RES/1368 (2001) and S/RES/1373 (2001), WHO is firmly committed to the international fight against terrorism, and in particular against the financing of terrorism. WHO undertakes to use reasonable efforts to assure itself that UK funding, is not made available, either directly or indirectly to, or for the benefit of persons, groups or entities involved in terrorism.

XII. Visibility/Acknowledgment

WHO agrees to collaborate with the Donor to build support for development and raise awareness of the UK government's funding to WHO for development activities in accordance with WHO's contributor visibility approach. WHO will explicitly acknowledge the Donor's support in communications with the public or third parties, as appropriate in each case and in accordance with WHO's contributor visibility approach. WHO will also collaborate with the Donor on the design of a mutually acceptable visibility statement to give recognition to the Donor's support and the results it is delivering. WHO will include reference to this in regular progress reporting. The visibility statement will in all cases be subject to safety and security considerations of WHO.

Except as explicitly stated herein, neither the Donor nor WHO shall use each other's names, logos and/or emblems unless prior permission is given in writing.

XIII. Transparency

The Parties support the requirements of the International Aid Transparency Initiative (IATI) Standard. WHO, as a signatory to IATI, shall, publish information and data in accordance with the IATI Standard. WHO publishes information on the WHO Web Portal (<https://extranet.who.int/programmebudget/>) which facilitates the traceability of contributions from the UK Government to WHO and down to WHO Major Offices.

XIV. Other clauses

1. WHO will, in a timely manner, inform the Donor of any delays, obstructions or events which, in the opinion of WHO, interfere or threaten to interfere with the successful implementation of any part of the Project. In the event that the Donor reasonably believes that timely and appropriate corrective action has not been taken to remove the delay or obstruction, it may request consultations at senior level between the Donor and WHO and, where applicable and appropriate, the relevant authorities of the Government in the country or region in which the Project is implemented to determine the appropriate action to ensure that the Project achieves the results as defined in Annex I.
2. Subject to any third party arrangements for the purposes of implementation of the Project, WHO will seek to grant the Donor a non-exclusive, worldwide, royalty-free licence (with a right to sub-license) to use and reproduce the Project outputs for non-commercial purposes. The grant of any such licence will be considered in

good faith on a case-by-case basis and will be subject to a written agreement between the parties.

3. WHO will disseminate the results of the work funded by the Donor. Any manuscripts published in non-WHO publications e.g. scientific journals, are required to be published in accordance with WHO's policy on open-access (<http://www.who.int/about/policy/en/>). Under this policy, manuscripts must be made publicly accessible within 12 months of the date of publication.
4. The Donor will not be responsible for the activities of any person, organisation or company engaged by WHO with respect to the Project or this Agreement, nor will the Donor be responsible for any costs incurred by WHO or its agencies in terminating the engagement of the aforementioned persons, organisations or companies.
5. WHO shall be solely responsible for the implementation of the Project and the administration of the contribution in accordance with the terms of this Agreement. No liability shall attach to the Donor in that regard.

XV. Termination

1. Either party may give the other notice of termination of this Agreement. Such termination shall enter into effect six months after notice has been received, subject to the settlement of any outstanding encumbrances.
2. The Donor may, upon reasonable notice, modify, suspend, or discontinue any payment of the contribution or terminate this Agreement if:
 - a. WHO repeatedly fails to comply with any of the terms of this Agreement or is in material breach of the terms of this Agreement;
 - b. The Donor believes that serious mismanagement has occurred;
 - c. WHO assigns or transfers, or purports to assign or transfer, or causes to be assigned or transferred, any interest in this Agreement or any part, share or interest therein;
 - d. WHO ceases to implement the Project for any reason other than by way of successful completion; or
 - e. WHO uses the funds provided under this Agreement for any purpose other than in accordance with Annex I or any Project proposal agreed between the parties for subsequent years of the Project.

If any of the above events occur, the Donor will notify WHO of its concerns in advance and provide WHO with a reasonable period of time to address them. If, within that time period, no satisfactory resolution is reached and there is no reasonable prospect that such a resolution is imminent, the Donor may terminate this Agreement. Any termination hereunder shall be subject to the settlement of any outstanding encumbrances.

XVI. Notices

Any notices required under this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail or facsimile to the following addresses:

To WHO:

[REDACTED]
Assistant Director-General
Access to Medicines, Vaccines and Pharmaceuticals
World Health Organization
20 avenue Appia
CH-1211 Geneva
Switzerland

[REDACTED]
Group Lead, Substandard and Falsified Medical Products
Safety and Vigilance Unit
World Health Organization
Office M024
20 Avenue Appia, CH 1211
Geneva, Switzerland
Tel nr: [REDACTED]
Email: [REDACTED]

With copies to:
World Health Organization

[REDACTED]
Technical Officer, Substandard and Falsified Medical Products
Safety and Vigilance Unit
World Health Organization
Office M022
20 Avenue Appia, CH 1211
Geneva, Switzerland

To the Donor:

Department of Health & Social Care
[REDACTED]
Director, Emergency Preparedness and Health Protection Policy,
Global and Public Health Group
Public and International Health Directorate
39 Victoria Street, SW1H 0EU
London, United Kingdom
[REDACTED]

With copies to:
Department of Health & Social Care
[Redacted]
Fleming Fund, Global Health Security,
39 Victoria Street, SW1H 0EU
London, United Kingdom
[Redacted]

Or such other addresses as either party shall have notified the other party.
Any such communication shall be deemed to have been given or made on the date such letter was hand-delivered, registered or transmitted from the sender's facsimile operator, but any assumption of actual notice shall be subject to rebuttal to show that it has not actually been received.

XVII. Settlement of disputes

The parties will use their best efforts to settle amicably through direct negotiations any dispute, controversy or claim arising out of, or in relation to, this Agreement.

XVIII. Privileges and immunities of WHO

Nothing contained in this Agreement shall be construed as a waiver of any of the privileges and immunities enjoyed by WHO under national and international law, and/or as submitting WHO to any national court jurisdiction.

Accepted on behalf of the
THE SECRETARY STATE FOR HEALTH
& SOCIAL CARE:

Accepted on behalf of the
WORLD HEALTH ORGANIZATION:

[Redacted Signature]

Emma Reed
Director, Emergency Preparedness and
Health Protection Policy

Place: London

Date: 02.07.2018

[Redacted Signature]

Mariângela-Batista Galvão Simão,
Assistant Director-General for Access to
Medicines, Vaccines and Pharmaceuticals

Place: Geneva

Date: 12/07/18

Annex I: Project Description

See attached WHO proposal Supporting Countries in Africa and Asia in the Prevention, Detection and Response to Substandard and Falsified Antimicrobial Medical Products.

Annex II: Assessment of Grant proposal

See attached DHSC's assessment of WHO's proposal Supporting Countries in Africa and Asia in the Prevention, Detection and Response to Substandard and Falsified Antimicrobial Medical Products.