

HE Dr Fawziya Abikar Nur,
Minister of Health and Human Service
Federal Ministry of Health and Human Service
Somalia

31 January 2018

Decision Letter: Somalia Request for CCEOP Support from Gavi

Your Excellency,

I refer to the request for support for the Cold Chain Equipment Optimisation Platform (CCEOP) which has been submitted by Somalia to the Gavi Secretariat in May 2017. In June 2017, the Independent Review Committee (IRC) reviewed your support request and recommended approval with clarifications. Based upon the clarifications presented, the IRC recommends approval of the CCEOP support for country, as described in Annex A to this letter.

Gavi appreciates the country's request and is fully committed to support the proposal recommended by the IRC, as reflected by the Gavi Board allocating funding to the CCEOP programmes at its meeting in December 2016.

The allocations beyond year 2018 are expected to be communicated during 2018, taking into account resource availability and updated CCEOP-related policies and procedures.

Annexes include the following important information:

Annex A: Decision letter for support for the Cold Chain Equipment Optimisation Platform.

Annex B: Gavi Terms and Conditions

For any question or request for additional information, feel free to contact my colleague Rehan Hafiz at address rhafiz@gavi.org.

Please accept, Your Excellency, the expression of my high regards.



Hind Khatib-Othman
Managing Director, Country Programmes, Gavi

cc: Minister of Finance
Director, Medical Services
Director, Service Planning, Ministry of Health
Director, EPI
WHO Country Representative
UNICEF Country Representative
Regional Working Groups
WHO Headquarters
UNICEF Programme Division
UNICEF Service Division
World Bank

**Decision Letter
Somalia - Cold Chain Equipment Optimisation Platform Support**

1. Country : Somalia						
2. Grant number: 1822-SOM-31a-Z						
3. Date of Decision Letter: 31/01/2018						
4. Date of the Partnership Framework Agreement: Not applicable.						
5. Programme title: Cold Chain Equipment Optimisation Platform (CCE OP)						
6. CCE OP terms: The aim of the CCE OP support is to support countries with improving their supply chains and contribute to efforts to strengthen the coverage and equity of immunisation; as specified in: <ul style="list-style-type: none"> • The relevant Gavi CCE OP application instructions and form- please contact your senior country manager for these documents. • The most recent Gavi CCE OP technical guide- please contact your senior country manager for the guide. • Country's approved CCE OP proposal and any responses to the CCE OP IRC request for clarifications. 						
7. Programme duration : 2018 - 2022						
8. Joint investment classification: Country 20% joint investment, Gavi 80% joint investment						
9. Programme Budget (indicative) : This is the amount of an estimated budget endorsed by Gavi under the Programme.						
	2018	2019	2020	2021	2022	Total¹
Gavi maximum Budget (US\$)	1,222,211	1,403,761	10,614	17,243	16,000	2,669,829
Country maximum Budget² (US\$)	305,553	350,940	2,654	4,311	4,000	667,457
Programme Budget (US\$)	1,527,763	1,754,701	13,268	21,554	20,000	3,337,287
10. Indicative number of equipment and annual amounts: (i.e. Total Platform investment from Gavi and the country) The Country acknowledges that the Annual Amount will be disbursed directly to UNICEF as the agreed implementing agency.						
Type of equipment to be purchased with Gavi and country funds in each year						2018
Indicative number of On-grid ILR (without freezer comp.)						81
Indicative number of Long term passive devices						11
Indicative number of Off-grid/SDD refrigerators (without freezer comp.)						19
Indicative number of Off-grid/SDD refrigerators (with freezer comp.)						115
Indicative number of Temperature monitoring devices (30DTR)						276
Indicative number of Temperature monitoring devices (remote technologies)						5
Indicative number of Voltage regulators for existing equipment						81

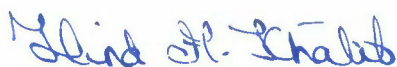
¹ This is the total amount endorsed by Gavi for the entire duration of the Programme.

² This amount includes the standard UNICEF Procurement Services buffer to cover increases in costs resulting from currency fluctuations or other cost variables and will be returned to country at the completion of the contract, if unused. The UNICEF standard Procurement Services handling fee for the country joint investment is in addition to the above *Country Maximum Budget (US\$)* (see relevant section.). Please contact the UNICEF office for further information.

future disbursements under existing and future immunisation programmes; and (iii) all unused funds and outstanding activities from past disbursements under existing immunisation programmes supported by Gavi.

- B. Appendix C sets out additional terms and conditions for programme management, financial management and vaccine and cold chain management of Gavi support (the “**Grant Management Requirements**”) and shall apply to (i) the the provision and use of support provided under this Decision Letter for the CCEOP Programme; (ii) future disbursements under existing and future immunisation programmes; and (iii) all unused funds and outstanding activities from past disbursements under existing immunisation programmes supported by Gavi. .
- C. **The Grant Management Requirements together with the Gavi Grant Terms and Conditions replace the Aide Memoire signed between Gavi and the Federal Government of Somalia dated 10 May 2011.**
- D. Any requested adjustments to the Annual Amounts will be subject to Gavi approval. It is essential that Country's Health Sector Coordination Committee (or its equivalent) be involved with this process both in its technical process function and its support during implementation and monitoring of the Programme.
- E. Utilisation of Gavi support stated in this letter will be subject to performance monitoring.
- F. If the bank account information most recently provided to Gavi has changed or changes prior to disbursement, the country will need to complete a bank account information form. Please contact gavihss@gavi.org for the form.
- G. The disbursement of Gavi annual amounts is subject to UNICEF's confirmation of receipt of the country's joint investment share.
- H. The country is also reminded that it is responsible for reception at the port of entry, customs clearance and for provision of a waiver of (or, in the absence of waiver, paying for) any taxes or other duties for each consignment of Cold Chain Equipment. Government must provide UNICEF in advance with confirmation of such waivers or payments of taxes and duties, as well as country specific requirements for importation. Country is advised to pay special attention to proposed delivery modes and schedules agreed with the supplier and it's local agent when initiating the deployment and commissioning of goods. Alternative forms of installation such as mounting of solar panels on a pole rather than on the roof of the health facility should be identified during the preparation of deployment plans that are shared with UNICEF for costing. Other conditions such as seasonality could also affect the efficiency of the outsourced deployments. If the country has to make unplanned variations to the delivery schedules, such as where conditions for installation and implementation are delayed or in cases of force majeure, the government must develop a deviation protocol to document such cases and any cost implications of such variations. The Government will be responsible for all such costs.

Signed by,
On behalf of Gavi



Hind Khatib-Othman
Managing Director, Country Programmes
31 January 2018

Indicative number of Spare parts for existing and new CCEOP equipment	400
Total annual Amount (US\$)	1,527,763
Annual Amount from Gavi (US\$)	1,222,211
Total annual Amount from the country (US\$)	305,553

11. Financial clarifications: Not applicable.

12. Procurement agency: UNICEF is the sole procurement agency for the CCE OP. Gavi and country shall release their joint investment share each year to UNICEF. If country share is to be financed with Gavi HSS, Gavi (after due consideration with country) shall withhold such funds from disbursements and release them to UNICEF at the appropriate time.

13. Procurement fee : As part of the UNICEF Procurement Services modality, country will be responsible for paying a standard **Procurement Services fee on the country joint-investment amount**. The PS handling fee is in addition to the above Country Maximum Budget (US\$). Please contact the UNICEF office for further information.

14. Additional reporting requirements:

A. As part of preparations for the following year's equipment purchase, countries are required to develop (with UNICEF) and submit an operational deployment plan within 60 days of receiving this decision letter.

B. In accordance with applicable Gavi processes, Country shall report on programmatic and financial performance including (but not limited to) the following indicators as proposed by country:

- **CCE Replacement/Rehabilitation in existing equipped sites:** Percentage of existing sites with (non)functional and/or obsolete non-PQS and PQS equipment to be replaced with platform-eligible ILR, SDD or long-term passive devices (including equipping sites with a larger equipment)
- **CCE Expansion in existing sites:** Percentage of existing sites being equipped with ADDITIONAL pieces of equipment for new vaccine introduction and/or to serve an increasing population;
- **CCE Extension in unequipped existing and in new sites:** Percentage of previously unequipped sites (providing immunisation services or not, including existing sites without active devices) and new service sites being equipped with Platform eligible equipment.
- **CCE maintenance:** Well-defined indicator proposed by country to reflect appropriate maintenance of equipment; for example percentage of equipped facilities with functioning cold chain,³ such as demonstrated by remote temperature monitoring; **and**
- **Freeze-free to non-freeze-free carrier ratio:** Ratio of freeze-free cold boxes/carriers to non-freeze-free cold boxes/carriers in-country?
- **Submission of yearly updated CCE inventory**

The selected indicators should be included in the country's performance framework in order to track the results of the replacement and/or expansion plan and/or implementation of the maintenance plan.

15. Other conditions:

A. The Government has not signed a Partnership Framework Agreement, the contract between the Country and Gavi that sets out the terms and conditions that apply to all Gavi vaccine and cash-based support provided to the Country. Therefore, the following terms and conditions (the "**Gavi Grant Terms and Conditions**") attached as Appendix B to this decision letter shall apply to: (i) the the provision and use of support provided under this Decision Letter for the CCEOP Programme; (ii)

³ **Indicator definition:** % CCE functioning = (# functioning CCE devices) / (total # of CCE devices designated for use). CCE devices considered for this indicator include all refrigerators, fixed passive storage devices, walk-in cold rooms and freezers designated for string vaccines. Both the numerator and denominator should be collected from the same geographical area / period in time and should not include decommissioned equipment. Functionality of CCE is broadly defined to mean that the device is operable at a particular point in time for storing vaccine.

GAVI GRANT TERMS AND CONDITIONS

FUNDING USED SOLELY FOR APPROVED PROGRAMMES

The Government of Somalia (the "Country") confirms that all funding provided by Gavi will be used and applied for the sole purpose of fulfilling the programme(s) described in the Country's application. Any significant change from the approved programme(s) must be reviewed and approved in advance by Gavi. All funding decisions for the application are made at the discretion of Gavi and are subject to IRC processes and the availability of funds.

AMENDMENT TO THE APPLICATION

The Country will notify Gavi in its Joint Appraisal, or in any other agreed annual reporting mechanism, if it wishes to propose any change to the programme(s) description in its application. Gavi will document any change approved by Gavi according to its guidelines, and the Country's application will be amended.

RETURN OF FUNDS

The Country agrees to reimburse to Gavi all funding amounts that Gavi determines not to have been used for the programme(s) described in its application. The Country's reimbursement must be in US dollars and be provided, unless otherwise decided by Gavi, within sixty (60) days after the Country receives Gavi's request for a reimbursement and be paid to the account or accounts as directed by Gavi.

SUSPENSION/ TERMINATION

Gavi may suspend all or part of its funding to the Country if it has reason to suspect that funds have been used for purpose other than for the programme(s) described in the Country's application, or any Gavi-approved amendment to the application. Gavi retains the right to terminate its support to the Country for the programme(s) described in its application if a misuse of Gavi funds is confirmed.

NO LIABILITY

The Country shall be solely responsible for any liability that may arise in connection with: (i) the implementation of any programme(s) in the Country; and (ii) the use or distribution of vaccines and related supplies after title to such supplies has passed to the Country.

Neither party shall be responsible for any defect in vaccines and related supplies, which remain the responsibility of the relevant manufacturer. Gavi shall not be responsible for providing any additional funding to replace any vaccines and related supplies that are, or became, defective or disqualified for whatever reason.

INSURANCE

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

ANTI-CORRUPTION

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

ANTI-TERRORISM AND MONEY LAUNDERING



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

AUDITS AND RECORDS

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

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

CONFIRMATION OF LEGAL VALIDITY

The Country and the signatories for the Country confirm that its application, or any other agreed annual reporting mechanism, is accurate and correct and forms legally binding obligations on the Country, under the Country's law, to perform the programme(s) described in its application, as amended, if applicable.

COMPLIANCE WITH GAVI POLICIES

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

USE OF COMMERCIAL BANK ACCOUNTS

The Country is responsible for undertaking the necessary due diligence on all commercial banks used to manage Gavi cash-based support. The Country confirms that it will take all responsibility for replenishing Gavi cash support lost due to bank insolvency, fraud or any other unforeseen event.

ARBITRATION

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

For any dispute for which the amount at issue is US\$ 100,000 or less, there will be one arbitrator appointed by Gavi. For any dispute for which the amount at issue is greater than US \$100,000 there will be three arbitrators appointed as follows: Gavi and the Country will each appoint one arbitrator, and the two arbitrators so appointed will jointly appoint a third arbitrator who shall be the chairperson.

Gavi will not be liable to the country for any claim or loss relating to the programme(s) described in the application, including without limitation, any financial loss, reliance claims, any harm to property, or personal injury or death. The Country is solely responsible for all aspects of managing and implementing the programme(s) described in its application.