



GAVI/13/651/ap/rk

Prof. Dr. Tjandra Yoga Aditama
Director General
Ministry of Health
Percetakan Negara Street No 29
Jakarta 10560
Indonesia

15 November 2013

***Indonesia's 2013 application to the GAVI Alliance
for health system strengthening cash support***

Dear Minister,

I am writing in relation to Indonesia's Annual Progress Report (APR) for health system strengthening cash support which was submitted to the GAVI Secretariat in February 2013.

Following a meeting of the GAVI Independent Review Committee (IRC) from 24-28 June 2013 to consider your APR, and subsequent approval of the clarifications you have provided, we are pleased to inform you that the GAVI Alliance has approved Indonesia for GAVI's health system strengthening (HSS) support. The terms of this grant are as specified in the Appendices to this letter.

We would like to highlight that Indonesia received a Partnership Framework Agreement in March 2013. To date, we have not received the signatures of the Ministry of Health and Ministry of Finance on the Partnership Framework Agreement. Please be advised that the GAVI Alliance will no longer disburse subsequent tranches of HSS funds until the Partnership Framework Agreement has been signed between the GAVI Alliance and Indonesia.

Please do not hesitate to contact my colleague Ranjana Kumar at rkumar@gavialliance.org or email gavihss@gavialliance.org if you have any questions or concerns.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Hind Khatib-Othman".

Hind Khatib-Othman
Managing Director, Country Programmes



Attachments: Appendix A: Decision Letter for HSS Cash Support.
 Appendix B: Report of the Independent Review Committee.
 Appendix C: GAVI Alliance Terms and Conditions.

cc: The Minister of Finance
 The Director of Medical Services
 Director Planning Unit, MoH
 The EPI Manager
 WHO Country Representative
 UNICEF Country Representative
 Regional Working Group
 WHO HQ
 UNICEF Programme Division
 The World Bank

This Decision Letter sets out the Programme Terms of a Programme.

1. Country: Indonesia										
2. Grant number: 0814-IDN-10a-Y										
3. Date of Decision Letter: 15 November 2013										
4. Date of the Partnership Framework Agreement: Not applicable										
5. Programme Title: Health Systems Strengthening (HSS)										
<p>6. HSS terms:</p> <p>The ultimate aim of HSS support is to ensure increased and sustained immunisation coverage through addressing health systems barriers in Country, as specified in:</p> <ul style="list-style-type: none"> • The relevant GAVI HSS guidelines – please contact your CRO at rkumar@gavialliance.org for the guidelines. • The relevant GAVI HSS application form - please contact your CRO at rkumar@gavialliance.org for the form. • Country's approved grant proposal and any responses to the HSS IRC's request for clarifications. <p>Any disbursements under GAVI's HSS cash support will only be made if the following requirements are satisfied:</p> <ul style="list-style-type: none"> • GAVI funding being available; • Submission of satisfactory Annual Progress Reports (APRs) by the Country; • Approval of the recommendation by an Independent Review Committee (IRC) for continued support by GAVI after the second year; • Compliance with any TAP requirements pursuant to the TAP Policy and under any Aide Memoire concluded between GAVI and the Country; • Compliance with GAVI's standard terms and conditions (attached in Appendix [D] or as set out in the PFA); and • Compliance with the then-current GAVI requirements relating to financial statements and external audits, including the requirements set out for annual external audit applicable to all GAVI cash grants as set out in GAVI's grant terms and conditions. 										
7. Programme Duration¹: 2008 to 2014										
<p>8. Programme Budget (indicative) (subject to the terms of the Partnership Framework Agreement, if applicable):</p> <table border="1"> <thead> <tr> <th></th> <th>2008-2012</th> <th>2013</th> <th>2014</th> <th>Total²</th> </tr> </thead> <tbody> <tr> <td>Programme Budget (US\$)</td> <td>11,684,000</td> <td>3,723,000</td> <td>9,420,500</td> <td>24,827,500</td> </tr> </tbody> </table>		2008-2012	2013	2014	Total ²	Programme Budget (US\$)	11,684,000	3,723,000	9,420,500	24,827,500
	2008-2012	2013	2014	Total ²						
Programme Budget (US\$)	11,684,000	3,723,000	9,420,500	24,827,500						

¹ This is the entire duration of the programme..

² This is the total amount endorsed by GAVI for the entire duration of the programme. This should be equal to the total of all sums in the table.

9. Indicative Annual Amounts (indicative) (subject to the terms of the Partnership Framework Agreement):

The following disbursements are subject to the conditions set out in sections 6, 10, 11 and 12:

Programme Year	2008-2012	2013	Total ³
Annual Amount (\$US)	11,684,000	3,723,000	15,407,000

10. Financial Clarifications: The Country shall provide the following clarifications to GAVI⁴:

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@gavialliance.org

11. Documents to be delivered for future HSS cash disbursements:

The Country shall deliver the following documents by the specified due dates as part of the conditions for approval and disbursements of the future Annual Amounts.

Reports, documents and other deliverables	Due dates
Annual Progress Reports (APRs). The APRs shall provide detail on the progress against milestones and targets against baseline data for indicators identified in the proposal. The APRs should also include a financial report on the use of GAVI support for HSS (which could include a joint pooled funding arrangement report, if appropriate)..	15 May 2014 or as negotiated with Secretariat
Interim unaudited financial reports. Unless stated otherwise in the existing Aide Memoire between GAVI and the Country, the Country shall deliver interim unaudited financial reports on the HSS cash support no later than 45 days after the end of each 6-month reporting period (15 February for the period covering 1 July – 31 December and 15 August for the period covering 1 January – 30 June). Failure to submit timely reports may affect future funding.	15 February and 15 August
In order to receive a disbursement for the second approved year of the HSS grant (2014), Country shall provide GAVI with a request for disbursement, which shall include the most recent interim unaudited financial report.	As necessary

³ This is the amount approved by GAVI.

⁴ Failure to provide the financial clarifications requested may result in GAVI withholding further disbursements

12. Other conditions: The following terms and conditions shall apply to HSS support.

Cash disbursed under HSS support may not be used to meet GAVI's requirements to co-finance vaccine purchases.

In case the Country wishes to alter the disbursement schedule over the course of the HSS programme, this must be highlighted and justified in the APR and 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 HSS programme proposal. Utilisation of GAVI support stated in this letter will be subject to performance monitoring.

Signed by,
On behalf of the GAVI



Hind Khatib-Othman
Managing Director, Country Programmes
15 November 2013

Type of report: Annual Progress Report
Country: Indonesia
Reporting period: 2011
Date reviewed: June 2013

The APR addresses only the HSS window

1. Background Information

Surviving Infants (2011): 4,761,912 (From APR)

DTP3 coverage (2011):

- JRF Official Country Estimate: 83%
- WHO/UNICEF Estimate: 63%
- Household Study (2010): 72%

Indonesia is a Graduating country.

Table 1 NVS and INS Support

NVS and INS support	Approval Period
Hep B Mono	2002-2008
Penta	2013-2014
INS	2002-2005

Table 2 Cash Support

Cash support	Approval Period
ISS 1	2003-2007
HSS	2008 -2014 (Originally approved 2008-2010)
CSO Type A	2008
CSO Type B	2008-2011
VIG Penta	2013
VIG HepB	2002

2. Composition and Functioning of Inter-agency Coordinating Committee (ICC) / Health Sector Coordinating Committee (HSCC)

The HSCC and ICC were merged in 2011. Seven minutes of meetings held in 2011-2012 (January, April, May, June, December 2011 and May 2012) were attached.. Development partners included UNICEF, WHO, AusAid, CDC, the World Bank and 6 CSO's attended at least one of the meetings. The meetings discussed challenges relating to implementation of GAVI supported programmes such as strengthening of coordinating system, presentation of reports and proposals, M&E, issues of coverage data and discrepancies, appropriate denominator to use for coverage data, audit of the grants, and revision of their project implementation manual. The ICC/HSCC met in April 2013 and approved the APR re-submission of HSS performance and reprogramming of funds.

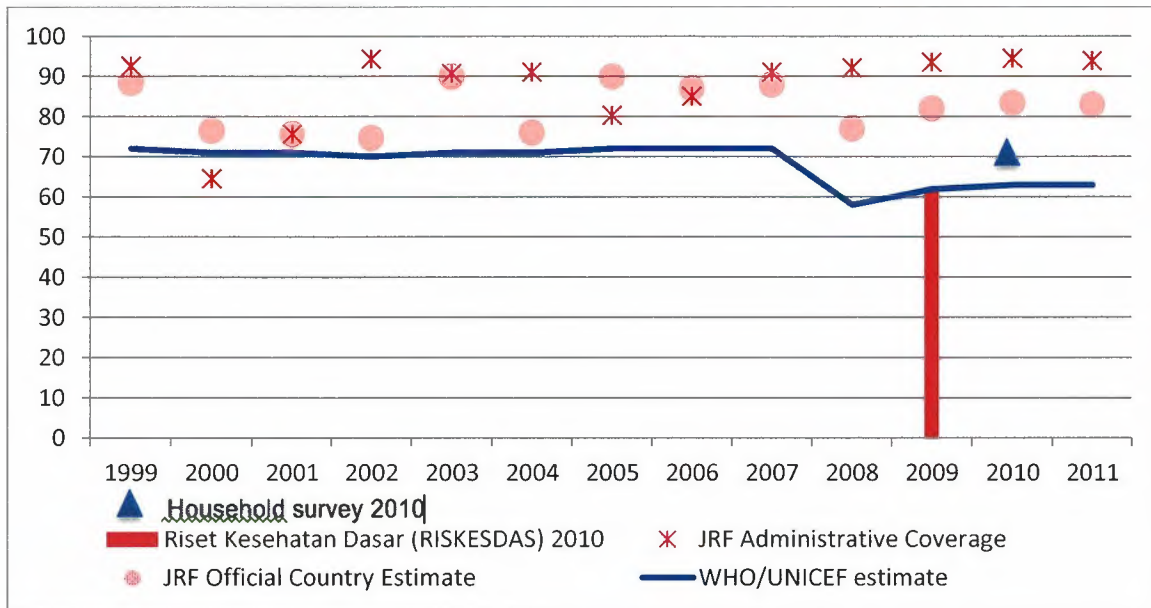
3. Program Management

Immunisation coverage had fluctuated with a significant downturn in 2008, but gradual improvement subsequently to the JRF Official estimate of 83% in 2011. The latest household survey for 2010 estimates coverage at 72%. This discrepancy may be attributed to changes in the number of surviving infants after the census of 2010 and the fact that districts cannot count surviving infants.

There have been delays in utilisation of the HSS grant. CRO guidance to the country on reprogramming of HSS grant was provided on 2 occasions. The current APR is in response to IRC recommendations for 'insufficient information' as noted in the Decision Letter dated 30 November 2012.

Data quality continues to be an issue as reflected in some of the minutes of meetings held in 2011. A DQA conducted in 2010 in 10 provinces had also confirmed this indicating data management problems at all levels, especially at the village and health facility levels. Actions were apparently taken in 2010 (IRC 2010 final report) to improve data systems.

An EPI review is scheduled for June 2013.



The NIP faces the challenge of growing rejection of the immunisation services due to the "issue of halal vaccines". The challenge will be addressed via the establishment of advocacy and socialization teams.

4. Gender and Equity Analysis

The APR 2011 reviewed in July 2012 stated that there are no sex-disaggregated data, but it is planned to change reporting in 2012. A household survey for DPT 3 (2010) reported coverage as 70.9% for females and 73.1 for males.

The APR indicates concern and action on underperforming areas of the country. It mentions doing trainings, EVMs, DQs, etc. with specific mentoring of low-performance areas. It also mentions vaccine rejection as an issue (non-halal vaccines) and work with communities and religious organizations in this regard (including spending ISS and reprogrammed HSS money on these activities). The program received help from WHO with media workshops aimed at enlisting media to support awareness-building about immunisation.

5. Immunisation Services Support (ISS)

N/A

6. New and under-utilised Vaccines Support (NVS)

N/A

7. Vaccine Co-financing and Financial Sustainability and Financial Management

N/A

8. Injection Safety Support (INS) and Adverse Events Following Immunisation Systems

N/A

9. Health Systems Strengthening (HSS)

The 2011 Annual Progress Report submitted in August 2012 was not approved and was sent back for additional information. This was completed in October 2012 and implementation started in November 2012. In general the information given in this APR is consistent and complete with the notable exception of financial inconsistencies in Table 9.3.1a

The TAP report states that the audit findings are not attached to the translated version of the audit report. However, on the detailed results of checks, it stated that the audit reports are submitted. There appears to be inconsistent application of exchange rate between windows.

There are four objectives in the original HSS program:

1. Community mobilization to support MCH. Almost all activities were fully (95-100%). Problems reported in the implementation of this objective include inadequate numbers of trainers especially in certain districts implemented
2. Improving management capacity of MCH personnel. Almost all activities were fully (99-100%) implemented under objective 2 except one. A major constraint related to unwillingness of already trained personnel to act as facilitators to train others.
3. Forming partnerships with NGOs. Almost all activities were fully (90-100%).
4. Performing operational research on critical barriers. All activities under this Objective were cancelled.

Following the low rate of utilisation of the HSS funds and change in policy, GAVI requested reprogramming of the HSS funds with objectives showing direct and strong links to immunisation activities. The HSS reprogramming for Indonesia was approved in early 2012.

The re-programming attempts to strengthen these linkages. There are three objectives which are aimed at (1) acceleration of improved DPT 3 immunisation coverage with specific focus on areas with low coverage; (2) capacity development to improve data collection and (3) improving competency of immunisation staff by strengthening implementation of MCH-Immunisation materials for midwifery institutions. The geographical areas chosen had DPT_HepB coverage of <80% and a drop-out rate of >10%.

Despite showing a number of activities (in the original proposal) as being completed, Indonesia reports poor progress towards achieving targets.. This has been attributed often to delays in fund disbursement from central to provincial /district level. This is a wide dichotomy with data on Table 9.2 on annual completed activity which were often recorded completion rates of >90% with a few exceptions, and progress towards achieving targets in Table 9.3

There are no obvious links demonstrated of GAVI investment to other development programmes or the health sector strategy that was not provided. The latest costed cMYP was also not provided. There is a consistent link of the immunisation programme with the MCH programme although the linkages of the HSS support to immunisation outcomes could be stronger.

Activities implemented according to the original proposal are summarised below along with the level of achievement and baseline indicators where available.

Table 9.3. M & E Progress (Original Proposal)

Indicator	Baseline and year	2011 Achievement	Program Target and Year
1.1 Percentage of community health workers (cadres) in target sub districts trained in community mobilization	N/A	29%. Up to 2011, total cadres have been trained : 61,397.	24% in 2011 80% in 2014
1.2 Percentage of villages which received operational cost support	44,78%	0% APR claims no funds disbursed in 2011, but \$2.6m were carried over from 2010.	100% in 2014
2.1 Percentage of the target sub district with staff trained in management	N/A	24%: Up to 2011, total of HC's with staff trained were 411.	100% in 2014
2.2 Percentage of the sub-districts regularly following good management practices after training	N/A	24% Up to 2011, total of HC's following good management after training were 411.	80% in 2014
3.1 Percentage of the target districts having joint regular meeting with CSO's	N/A	58%: Up to 2011, total of district having joint regular meeting with CSO were 50 districts.	100%
4.1 Pilot project on contracting health service provision for an under-served locality in Papua	N/A	Activities cancelled based on the reprogrammed HSS agreement	1 district
4.2 Operational research on incentives for cadets and salaried staff of puskesmas	N/A	Activities cancelled based on the reprogrammed HSS agreement	6 districts

A summary of **reprogrammed M&E indicators and targets** from Table 9.7 (revised) are summarised below)

Indicator	Baseline and year	2011 Achievement	Program Target and Year
Numbers of low immunisation coverage districts/cities that achieve coverage of DPT-HB \geq 80%	58 Districts/cities (yr 2012)		73 (70%) districts/cities (2013) 88 (85%) districts/cities (2014) 103 (100%) districts/cities (2015)
% of districts/cities that conducted the DQS	16 districts/cities (yr 2012)		128 (51%) districts/cities (2013) 190 (76%) districts/cities (2014) 250 (100%) districts/cities (2015)
% of institutional midwifery and nursing schools are using teaching modules immunisation	0		51 (100%) institutional (2014)

GAVI committed 24,827,500 USD. The country has received 11,684,000 USD and requests 3,723,000 USD for 2013 in this APR. There are a number of inconsistencies however in Table 9.1.3a. submitted in the APR.

Table 9.1.3a Funds Disbursement	2008	2009	2010	2011	2012	2013
Original annual budgets (as per the originally approved HSS proposal)	7,961,000	16,866,397			7,445,090	
Revised annual budgets (if revised by previous Annual Progress Reviews)				16,866,397		
Total funds received from GAVI during the calendar year (A)	7,691,000	270,000			3,723,000	2,751,646
Remaining funds (carry over) from previous year (B)		6,443,193*	6,379,889	2,650,174	1,380,130**	
Total Funds available during the calendar year (C=A+B)	7,691,000	6,713,193	6,379,889	2,650,174	5,103,130	
Total expenditure during the calendar year (D)	0	333,304 ⁵	3,729,715	1,537,530	2,351,484 ⁶	
Balance carried forward to next calendar year (E=C-D)	7,691,000	6,379,889	2,650,174	1,112,644	2,751,646 ^{***}	
Amount of funding requested for future calendar year(s) [please ensure you complete this row if you are requesting a new tranche]						3,723,000 ⁷

* the difference between the balance at the end of 2008 (7,691,000) and the amount carried forward to 2009 (6,443,193) is due to the exchange rate between USD and IDR. However the IDR amount of the balance and the amount carried forward is the same (73,064,452,500).

** the difference between the balance at the end of 2011 (1,112,644) and the amount carried forward to 2012 (1,380,130) is due to the exchange rate between USD and IDR. However the IDR amount of the balance and the amount carried forward is the same (30,052,415,079).

***the balance at the end of 2012 that is being carried forward to be used until April 2013 is the balance sum of the original (491,231) and the reprogrammed (2,772,089) HSS.

No detailed information was provided on the country's progress towards the Health System Funding Platform – in-country alignment/harmonization. There is mention of some development partner's involvement in the ICC/HSCC. Funding from AusAid & GF for HSS was also acknowledged. No other linkages with alignment was provided:

1. **HSS AusAID:** US\$ 49,415,000 (2011-16): for improvement of health workforce, health financing and health policy
2. **HSS GF Round 10:** US\$ 36,142,479 (2011-16) –Strengthening national health information system and pharmaceutical and health product management

GAVI is a minority HSS investor with funds specifically targeted towards EPI activity.

⁵ No Activity. What was this for.

⁶ Expenditure sheet for 2012 shows \$1,254,951 not \$2,351,484 indicated in Table 9.1.3a

⁷ CRO guidance note of May 2013 indicates: This will leave \$7,321,500 remaining for 2013 and \$2,099,000 for 2014. These figures do not tally with \$6,474,646 (2,751,646 + 3,723,000) shown in Table 9.3.1



Indonesia is a graduating country. The country's potential to sustain HSS activities is high. In addition GF and AusAID are providing HSS support through 2016.

10. Civil Society Organization Type A/Type B (CSO): N/A

11. Summary of 2011 APR Review:

The current APR is in response to IRC recommendations for 'insufficient information' as noted in the Decision Letter dated 30 November 2012. Indonesia has provided all the information requested by the IRC with a request to release the balance 50% of grant due in 2012 (\$3,723,000.). ICC and HSCC approvals for the APR submission are provided.

The 3 reprogrammed objectives are more explicitly linked to immunisation activities and indicators clearly defined. Indonesia appears to be progressing well in the implementation of the revised HSS program

The following shortcomings in the APR are observed:

- 1 Inconsistencies of total expenditures and carry over expenditures for 2012 indicated in Table 9.1.3a and Table 9.5b.
- 2 A 3rd tranche (\$7,332, 095) is committed for 2013 and a 4th tranche (\$3,099,000) is committed for 2014 but not reflected in Table 9.1.3a
- 3 A Human Resources plan linked to the reprogrammed activity is not provided
- 4 Insufficient evidence is provided that GAVI funds are adequately reflected in the State budget
- 5 Table 9.3 of the APR indicates that achievement was generally poor for activities reported upon ranging from 24-58%. There is a wide dichotomy with data on Table 9.2 on annual completed activity where recorded completion rates of >90% were recorded with a few exceptions.

12. IRC Review Recommendations

- ISS: N/A
- NVS: N/A
- HSS
 - 1 Approve country-funding request of a total of \$3,723,000 with the disbursement subject to satisfactory clarifications detailed in Section 13.
 - 2 Indonesia as a graduating country, should, with due technical support from the Alliance partners, prepare an exit strategy for the transition to being "graduation ready". This strategy should demonstrate how, through the utilisation of the remaining tranches of funding (\$7,321,000 in 2013 and \$2,099,000 in 2014), Indonesia will prepare itself for sustainable HSS. This "exit strategy" should be submitted to the GAVI secretariat for consideration at the Sept 2013 IRC review along with evidence that funds for implementation of the 2012 program are disbursed and objectives achieved..
 - 3 Alliance partners, through technical support to Indonesia, should guide this transition process.
 - 4 The submission should include provision to conduct a post investment evaluation.

13. Clarification Required with Approved Funding

Short-term clarifications

- (a) Programmatic clarifications (specify for each or indicate if not applicable, N/A)
 - a. NVS: N/A
 - b. HSS



1. Although mechanisms for funds management have been improved by allocating GAVI funds into the State budget, and are therefore subject to the normal controls by the State (oversight, audit etc) there is need to provide evidence as to where the addition of GAVI fund to the state budget can be documented; Also how the proposed activities supported by GAVI HSS funds are linked to the national health plan.
2. Because there is a significant amount of the reprogrammed activities being devoted to training, it is necessary to clarify the link between the training and the national human resources plan as well as how the continuing challenges of availability of trainers to be deployed to the hard to reach areas will be mitigated in a sustainable way
3. Indicators on the original proposal related to progress on targets were reported in (Table 9.3). Achievement was generally poor for activities reported upon, ranging from 24-58%. There is a wide dichotomy with data in Table 9.2 on annual completed activity which often recorded completion rates of >90% with a few exceptions. This needs to be clarified
 - c. CSO type A: N/A
 - d. CSO type B: N/A

(b) Financial clarifications/outstanding TAP issues

- a. NVS introduction grants: N/A
- b. ISS: N/A
- c. HSS: Remove inconsistencies in Table 9.3.1. Notably:
 - Inclusion of remaining 2 tranches of funding committed for 2013 and 2014
 - Inclusion and correction of amount carried forward from 2012 expenditures against the original HSS grant
 - Inclusion and correction of the amount carried forward from the reprogrammed budget (2012)
 - Inclusion of management fees.
 - Correction of total funds available for the calendar year 2012
 - Correction of total expenditures for the calendar year 2012
 - Inclusion of the amount carried forward to 2013
 - Explanation of expenditure for \$333,304 in 2009

Mid-term/long-term clarifications (if applicable)

N/A

14. Request Re-submission of APR HSS Section (if applicable): N/A

15. Other issues: N/A

Notes on the IRC report:

Please notice that the clarifications mentioned in this report are dated from June 2013. Those clarifications were sent to the country and the country responded to them in a manner that GAVI secretariat has judged satisfactory for the matter of this Decision Letter. Nevertheless, a follow up from the country may be needed.



Appendix C

GAVI Alliance Terms and Conditions

Countries will be expected to sign and agree to the following GAVI Alliance terms and conditions in the application forms, which may also be included in a grant agreement to be agreed upon between GAVI and the country:

FUNDING USED SOLELY FOR APPROVED PROGRAMMES

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

AMENDMENT TO THIS PROPOSAL

The Country will notify the GAVI Alliance in its Annual Progress Report if it wishes to propose any change to the programme(s) description in this application. The GAVI Alliance will document any change approved by the GAVI Alliance, and this application will be amended.

RETURN OF FUNDS

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

SUSPENSION/ TERMINATION

The GAVI Alliance 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 programmes described in this application, or any GAVI Alliance-approved amendment to this application. The GAVI Alliance retains the right to terminate its support to the Country for the programmes described in this application if a misuse of GAVI Alliance funds is confirmed.

ANTICORRUPTION

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

AUDITS AND RECORDS

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

The Country will maintain accurate accounting records documenting how GAVI Alliance 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 Alliance funds. If there is any claims 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 the GAVI Alliance in connection with any audit.

CONFIRMATION OF LEGAL VALIDITY

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

CONFIRMATION OF COMPLIANCE WITH THE GAVI ALLIANCE TRANSPARANCY AND ACCOUNTABILITY POLICY

The Country confirms that it is familiar with the GAVI Alliance Transparency and Accountability Policy (TAP) and will comply with its requirements.

ARBITRATION

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

For any dispute for which the amount at issue is US\$ 100,000 or less, there will be one arbitrator appointed by the GAVI Alliance. For any dispute for which the amount at issue is greater than US \$100,000 there will be three arbitrators appointed as follows: The GAVI Alliance 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.

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

USE OF COMMERCIAL BANK ACCOUNTS

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