

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

15 September 2017

Decision Letter: Request for Gavi support for Health Systems Strengthening Programme

Your Excellency,

I am writing in relation to Somalia's application for Health System Strengthening (HSS-2) cash support, which was submitted to the Gavi Secretariat in September 2016, and the response to the clarifications requested by the Independent Review Committee (IRC), which Somalia submitted on 13th of February 2017. The clarifications were found to be satisfactory and based on the recommendations made by the IRC, I am pleased to inform you that Gavi has **approved** Somalia's application for HSS-2 programme, subject to the conditions and requirements as specified in the Appendices to this letter.

The Appendices include the following important information:

Appendix A: Decision Letter for Support for Health Systems Strengthening

Appendix B: Gavi Terms and Conditions

Please do not hesitate to contact my colleague Dr Rehan Hafiz, Senior Country Manager, at rhafiz@gavi.org if you have any questions or concerns.

Yours sincerely,

Hind Khatib-Othman
Managing Director, Country Programmes

cc:

Ministers of Health
EPI Managers
Directors of Planning
WHO Country Representative
UNICEF Country Representative
Regional Working Group - EMRO
WHO HQ
UNICEF Programme Division
UNICEF Supply Division

Decision Letter

Somalia - Health Systems Strengthening Programme

1. Country: Somalia																											
2. Programme payment grant number: 1721-SOM-10a-Y																											
3. Date of Decision Letter: 15/09/2017																											
4. Date of the Partnership Framework Agreement (the “PFA”): Not applicable																											
5. Programme: Health Systems Strengthening (HSS) For further information about the Programme please refer to: <ul style="list-style-type: none"> • Gavi HSS guidelines and HSS application form available by contacting your Gavi country manager; • Country’s approved grant proposal together with any responses to the HSS independent review committee (IRC’s) request for clarifications; • The workplan and budget document circulated by email 23 August 2017 describing the expected Programme Activities and Programme Budget as at the Date of the Decision Letter. 																											
6. Gavi performance based funding The Programme shall be subject to Gavi’s performance-based funding (PBF). Under this, the HSS support will be split into two payments: the programmed payment (based on implementation of the Programme) and the performance payment (based on improvements in immunisation outcomes). Country will have the opportunity to receive payments beyond the programme budget amount, for exceptional performance. Such performance payments will be based on performance on immunisation outcome indicators. For any given year, the programmed payment and performance payment may total up to 150% of the country’s year one annual amount (upfront investment). <u>Performance payments for a given year will be made the following year, based on performance of the indicators listed and data verification.</u>																											
7. Programme Duration: 2017 to 2021																											
8. Programme Budget: This is the amount of an estimated multi-year budget endorsed by Gavi under the Programme. <table border="1" data-bbox="156 1496 1417 1854"> <thead> <tr> <th>Programme Year</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Programme Budget (US\$)</td> <td>4,547,460</td> <td>4,034,246</td> <td>4,047,523</td> <td>4,170,441</td> <td>4,450,330</td> <td>21,250,000</td> </tr> <tr> <td>Performance payment</td> <td>Not applicable</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>							Programme Year	2017	2018	2019	2020	2021	Total	Programme Budget (US\$)	4,547,460	4,034,246	4,047,523	4,170,441	4,450,330	21,250,000	Performance payment	Not applicable					
Programme Year	2017	2018	2019	2020	2021	Total																					
Programme Budget (US\$)	4,547,460	4,034,246	4,047,523	4,170,441	4,450,330	21,250,000																					
Performance payment	Not applicable																										

- 9. Annual Amounts:** This is the estimated annual amount Gavi has approved to be disbursed under the Programme. The Country acknowledges that:
- (a) a proportion of the Annual Amount may be disbursed directly to an agreed implementing agency, such as WHO and UNICEF, rather than to the Country; and
- (b) each Annual Amount may be disbursed in a number of tranches at quarterly or six-monthly intervals.

Programme year	2017	2018
Annual Amount (US\$)	4,547,460	4,034,246
Performance payment (US\$)	Not applicable	

- 10. Outstanding comments/clarifications:** Not applicable

11. Documents to be delivered:

The Country shall submit to Gavi all documents or information required under the Guidelines on Reporting and Renewals (available in the Gavi website <http://www.gavi.org/support/process/report-renew/>) in a timely manner and in a form satisfactory to Gavi.

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

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

If the bank account information most recently provided to Gavi has changed or changes prior to disbursement, the country will need to complete a bank account information form. Please contact gavihss@gavi.org for the form.

Signed by,



On behalf of Gavi

Hind Khatib-Othman

Managing Director, Country Programmes

15 September 2017

Gavi Terms and Conditions

Country agrees to comply with the following Gavi terms and conditions sent with the Decision Letter of a Programme (the “Programme Terms”). Unless the Government notifies Gavi of any disagreements with the Decision Letter, including these terms, within thirty (30) calendar days of its receipt by the Government, the Government shall be deemed to have accepted the Programme Terms as of the date of the notification as set out in the Decision Letter.

FUNDING USED SOLELY FOR APPROVED PROGRAMMES

The applicant country (“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 Decision Letter. Any significant change from the approved programme(s) must be reviewed and approved in advance by Gavi. All funding decisions for this Programme are made at the discretion of the Gavi Board and are subject to HLRP processes and the availability of funds.

AMENDMENT TO THIS PROPOSAL

The Country will notify Gavi if it wishes to propose any change to the programme(s) description in this Decision Letter. Gavi will document any change approved by Gavi, and this Decision Letter will be amended.

RETURN OF FUNDS

The Country agrees to reimburse to Gavi all funding amounts that are not used for the programme(s) described in this Decision Letter. 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 programmes described in this Decision Letter, or any Gavi-approved amendment to this Decision Letter. Gavi retains the right to terminate its support to the Country for the programmes described in this Decision Letter if a misuse of Gavi funds is confirmed.

ANTICORRUPTION

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

AUDITS AND RECORDS

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

The Country will maintain accurate accounting records documenting how Gavi funds are used. The Country will maintain its accounting records in accordance with its government-approved accounting standards for at least three years after the date of last disbursement of Gavi funds. If there is any 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 Gavi in connection with any audit.

CONFIRMATION OF LEGAL VALIDITY

The Country and the signatories for the government confirm that this Decision Letter 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 Decision Letter.

CONFIRMATION OF COMPLIANCE WITH GAVI TRANSPARENCY AND ACCOUNTABILITY POLICY

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

ARBITRATION

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

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

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

USE OF COMMERCIAL BANK ACCOUNTS

The eligible country government is responsible for undertaking the necessary due diligence on all commercial banks used to manage Gavi cash-based support, including HSS, ISS, CSO and vaccine introduction grants. The undersigned representative of the government confirms

that the government will take all responsibility for replenishing Gavi cash support lost due to bank insolvency, fraud or any other unforeseen event.

MONITORING AND REPORTING

Country's use of financial support for the implementation of activities under the Programme specified in the Decision Letter is subject to strict performance monitoring. Gavi uses country systems for monitoring and auditing performance and other data sources including WHO/UNICEF immunisation coverage estimates. As part of this process, National Authorities will be requested to monitor and report on the numbers of children immunized.

Country will report on the achievements on the Gavi country portal. The portal must contain information on the number of children reported to have been vaccinated with DTP3 and 3 doses of pentavalent vaccine by age 12 months, based on district monthly reports reviewed by the Immunisation Coordination Committee (ICC), and as reported to WHO and UNICEF in the annual Joint Reporting Form (JRF).

TRANSPARENCY AND ACCOUNTABILITY POLICY (TAP)

Country shall comply with any TAP requirements pursuant to the Gavi TAP Policy and the requirements under any Aide Memoire concluded between Gavi and the country. Full version of TAP requirements can be found here: <http://www.gavi.org/library/gavi-documents/policies/>