



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

4 December 2017

Revised 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, Gavi has **approved** Somalia's application for HSS-2 programme, subject to the conditions and requirements as specified in the Appendices to this letter.

This letter replaces the Decision Letter on 15 September 2017 to include the Grant Management Requirements for the Health Systems Strengthening (HSS-2) support and updated Terms and Conditions.

The Appendices include the following important information:

Appendix A: Decision Letter for Support for Health Systems Strengthening

Appendix B: Gavi Terms and Conditions

Appendix C: Grant Management Requirements

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,

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

Hind Khatib-Othman
Managing Director, Country Programmes

cc:

Minister 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 September 2017, reissued: 4 December 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 <p>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).</p> <p>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).</p>																											
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. There will be a mid-term evaluation conducted before the approval of the last two final years of funding. <table border="1" data-bbox="231 1310 1412 1635"> <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:**

- 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 attached to this decision letter shall apply to: (i) the 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.

Terms and conditions:

Appendix B (the “**Gavi Grant Terms and Conditions**”), which sets out the standard Gavi terms and conditions for the provision and use of Gavi support and (2) Appendix C (the “**Grant Management Requirements**”), which sets out additional terms and conditions for programme management, financial management and vaccine and cold chain management of Gavi support.

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.

- B. 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.
- C. 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

4 December 2017

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 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 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.

Priority Grant Management Requirements, Actions and Observations from Program Capacity Assessment, Somalia 2017

- I. Introduction to Program Capacity Assessment
- II. Grant Management Requirements
- III. Grant Management Actions
- IV. Observations for the Program Capacity Assessment

Annex A: Status of Effective Vaccine Management Assessment Recommendation Progress

Annex B: Strengths and weaknesses of Supply Chain in Somalia identified by the Programme Capacity Assessment

I. Introduction to the Program Capacity Assessment

The purpose of the Program Capacity Assessment (PCA) is to assess structures for use of Gavi support provided in the form of cash grants, vaccines and vaccine related devices. It allows Gavi to better understand grant implementers' financial and programme management systems, to identify risks and weaknesses and to make relevant recommendations for strengthening the management of support provided by Gavi. The PCA seeks to understand reasons for any past delays and weak implementation and propose measures to overcome such challenges with a view to supporting the necessary capacity strengthening as part of a continuous improvement process.

Scope and objectives of the Programme Capacity Assessment (PCA)

The PCA is designed to identify risks and weaknesses and to make relevant recommendations for strengthening the in-country management and oversight of the vaccines and vaccine related devices and direct financial support provided by Gavi, as well as mitigate risk. In particular, the assessments works to;

- Assess current or proposed financing modality for receipt of Gavi cash support, and the organizational structures in place to oversee the use of Gavi support including cash, vaccines and related devices;
- Identify risks, weaknesses and gaps in the in-country management and oversight of the vaccines and vaccine related devices and direct financial support provided by Gavi; and
- Make recommendations in order to strengthen the Gavi supported programmes, including through technical support and redirection of financial support, where appropriate.

Approach and methodology

PwC held discussions with senior officials from the Ministries of Health for three zones i.e. Puntland, Somaliland and South Central during the Gavi, Alliance Partners and Health authorities Conference held from 1 to 5 May 2017, in Nairobi. They also interviewed UNICEF and WHO officers based at the zonal offices during the conference. In addition, they visited UNICEF and WHO country offices in Nairobi and conducted interviews with senior officials heading various functions including the health and the sections which handle grant management and, monitoring & evaluation. PwC also held interviews with senior officers at DfID, who were major donors for the Joint health and Nutrition Programme (JHNP) between the years 2012 and 2016, to gain insights on health sector financing in Somalia.

In consultation with Gavi, PwC visited Hargeisa in Somaliland to verify some of the information obtained from interviews on a sample basis. The choice of Hargeisa was based on security concerns. During the visit, they held interviews with the senior officials at the Ministry of Health including the Director General, Director of Public Health and the Director of Policy and Planning. PwC also held discussions with senior officers of UNICEF and WHO zonal offices. In addition to the interviews, they visited the cold chain facilities in Nairobi and Hargeisa to assess the vaccine and cold chain practices at the facilities. In Nairobi they visited the cold warehouse based in Kitengela while in Somaliland they visited the Hargeisa zonal cold room, as well as Hargeisa Group Hospital and Dr. Khalid MCH clinic.

II. Grant Management Requirements

This section II sets out the Grant Management Requirements governing the management and oversight of vaccines and related supplies and financial support provided by Gavi to the Somalia Federal Republic. The GMRs in Section II.A. (Grant Management Requirements for Somalia Health Authorities) specify the requirements that must be completed by the Government of Somalia. Non-fulfilment of the requirement may affect the provision of funding as set out in the following table. The GMRs in Section II.B. (Grant Management Requirements for Implementing Agencies) are requirements that should be completed by Alliance partners as set out in that section. Non-fulfilment of these requirements may also interrupt funding flow to the Alliance partners.

A. Grant Management Requirements for Somali Health Authorities

	Requirement	Timelines	Responsible	Implication for non-fulfilment
1	<p>Funding for HSS2 Year 5</p> <p>The health authorities will work to ensure sustainability measures are put in place for absorption of various cadres of staff supported under the HSS2 grant. Particularly, funding will be secured to cater for counterpart funding in year five of the HSS2 grant.</p>	By start of year 5 of the HSS2 grant	Federal MoH and Health Authorities	Gavi may withhold HSS2 year 5 disbursements for non-fulfilment of the requirement
2	<p>Financing of vaccine logistics from regional to health facilities</p> <p>Sufficient evidence should be provided that the movement of vaccines from regional to health facilities is adequately financed, particularly for Puntland and South Central.</p>	Effective immediately	Health Authorities	This GMR is already addressed with funding included in the UNICEF HSS2 budget as per communication with UNICEF, October 2017
3	<p>Exemption from taxes and other charges</p> <p>Federal MoH will use reasonable efforts to ensure that the relevant exemptions from taxes, customs, duties, toll or other charges on importation of vaccines, related devices and assets are obtained from the respective ministries, departments and agencies in Somalia.</p>	Ongoing	Federal MoH	If in Gavi's sole discretion, Gavi determines that this GMR has not been complied with by the Federal MOH, Gavi may request reimbursement of any taxes, customs, duties, toll or

	Requirement	Timelines	Responsible	Implication for non-fulfilment
				other charges on the importation of vaccines, related devices and assets or withhold future disbursements.
4	<p>Assets management</p> <p>Alliance partners will maintain comprehensive Fixed Asset Registers (FAR) for all assets, including but not limited to cold chain equipment, vehicles and IT equipment procured or to be procured through Gavi grants to Somalia. This Fixed Assets Registers will be maintained and updated regularly. All assets procured with Gavi funds will be tagged with unique identifiers and asset verification will be carried out at least annually, reconciling the physical assets count and condition to the FAR at all levels.</p>	Fixed assets registers updated continuously and verification of assets conducted annually	Health authorities	Gavi may withhold disbursements allocated to purchase of fixed assets for non-fulfilment of the requirement.
5	<p>Vaccine Management Committees</p> <p>Vaccine Management Committees to assure vaccines and cold chain management will be established and operationalised at state level.</p>	Within the first 6 months from effective date of this document	Health authorities	Gavi may revisit technical assistance plans to assure compliance with this requirement.
6	<p>Data improvement plan</p> <p>Health authorities, with the support of Alliance Partners, will develop a comprehensive data improvement plan and submit it to Gavi for review and approval.</p>	Within the first 6 months from effective date of this document.	Health Authorities and WHO	Gavi may withhold funding allocated for data improvement activities for non-fulfilment of the requirement.

B. Grant Management Requirements for Implementing Agencies: WHO and UNICEF

	Requirement	Timelines	Responsible	Implication for non-fulfilment
1.	<p>Audits and other assurance arrangements</p> <p>The Alliance partners will share with Gavi their detailed assurance measures adopted for Ministries of Health/ Health Authorities and implementing partners based on the risk ratings contained in assurance plans of the Alliance Partners. These will include, but not limited to, the nature and frequency of audits, spot checks, third party monitoring and other assurance measures, and will include sharing with Gavi the relevant plans, subsequent assurance reports and reports for micro-assessment and other capacity assessments.</p> <p>Gavi may agree with the Alliance partners on additional safeguards necessary and associated incremental costs, to enhance fiduciary assurance for disbursements in Somalia by the Alliance partners.</p>	Immediately	UNICEF and WHO	Gavi may withhold disbursements to Alliance partners for the non-fulfilment of the requirement.
2.	<p>Financial disbursements</p> <p>Funds for Gavi grants will be disbursed to UNICEF and WHO for activities in accordance with bilateral agreements signed between UNICEF/WHO and Gavi.</p>	Duration of MoU	Unicef and WHO	Funding will only be disbursed after signature of agreement by and between Gavi and relevant Alliance partner.
3.	<p>Assets management</p> <p>Health authorities will maintain comprehensive Fixed Asset Registers (FAR) for all assets, including but not limited to cold chain equipment, vehicles and IT equipment procured or to be procured through Gavi grants to Somalia. This Fixed Assets Registers will be maintained and updated regularly. All assets procured with Gavi funds will be tagged with unique identifiers and</p>	Fixed assets register updated continuously and verification of assets conducted annually	UNICEF and WHO	Gavi may withhold disbursements allocated to purchase of fixed assets for non-fulfilment of the requirement

	asset verification will be carried out at least annually, reconciling the physical assets count and condition to the FAR at all levels.			
4.	Technical assistance, HSS A detailed plan of technical assistance, funded from HSS-1 to be developed with Government stakeholders and shared with Gavi for review.	Within the first 6 months from effective date of this document	Unicef and WHO	Gavi may withhold disbursements to Alliance partners for the non-fulfilment of the requirement.
5.	Vaccine Management Committees, technical assistance Unicef to provide technical assistance to the development of Vaccine Management Committees, including Terms of Reference and operations of the committees to be established at State level.	Within the first 6 months from effective date of this document	Unicef	Gavi may revisit technical assistance plans to assure compliance with requirements.

III. Grant Management Actions

The following grant management actions are considered priority and the progress on these actions discussed during the annual Joint Appraisal.

	Action	Timelines	Responsible	Implication for non-fulfilment
1	<p>Oversight on immunisation activities</p> <p>The Terms of Reference (ToRs) for the Inter-Agency Coordinating Committee (ICC) will be finalised in line with Gavi's guidance for Coordination Forums and that the ICC will adhere to the requirements outlined within the document (see http://www.gavi.org/support/coordination/).</p> <p>UNICEF, WHO and Health Authorities will provide status update on Gavi program implementation to the ICC during extra ordinary or ordinary meeting sessions of the ICC. Presentations and reports should include a financial and programmatic comparison of actual versus planned results, status of resolution of outstanding audit recommendations as applicable, stock status of vaccines and vaccine supplies, including risk of stock outs and expiries and status of implementation of high priority actions of the Effective Vaccine Management (EVM) Improvement Plan. This should be included in the TORs of the ICC.</p>	<p>Within the first 6 months from effective date of this document.</p> <p>At least quarterly</p>	<p>Federal MoH, Health Authorities, UNICEF, WHO,</p> <p>Health Authorities, UNICEF, WHO</p>	<p>Gavi may revisit technical assistance plans to assure compliance with requirements.</p>
2	<p>Bank accounts and funds flow modalities</p> <p>Given the capacity gaps in the government financial and program management systems, Gavi will agree with the Alliance Partner capacity building of health authorities and associated incremental costs, to enhance fiduciary and program assurance. The Alliance Partners will take necessary steps to ensure disbursements to health authorities and implementing partners are only made to credible banks.</p>	<p>Effective immediately</p>	<p>Federal MoH, UNICEF, WHO</p>	<p>Gavi may revisit technical assistance plans to ensure compliance with this management action.</p>
3	<p>Non-vaccine procurement</p> <p>Partners and Health authorities will agree to roles and responsibilities related to management of non-vaccine assets. Agreement will include,</p>	<p>Ongoing</p>	<p>Federal MoH, UNICEF</p>	<p>Procurements in contravention to the arrangements specified in this</p>

	Action	Timelines	Responsible	Implication for non-fulfilment
	among other things, responsibility for customs clearance services and the routing until receipt by the country, transportation, installation, commissioning of equipment and training of staff on use of assets			requirement will be ineligible for Gavi funding.
4	Vaccine Management Committees Development of TORs for vaccine management committees and to support committees establishment and functioning	Immediately	Unicef (supporting MOH GMR)	Gavi may revisit technical assistance plans to ensure compliance with this management action.
5	Delays in disbursement of funds and reporting <ul style="list-style-type: none"> – Partners should work closely and define mechanisms to reduce bureaucracy and also find cost –effective ways to implement Gavi HSS2 grant – Regular meetings should be held between the Alliance Partners and the health authorities to review the status of fund utilisation – Regular meetings should also be held between the finance and EPI departments of the ministries; and – Regular training of finance staff should also be conducted on the preparation of FACE forms. 	Continuous	Unicef and WHO	Gavi may revisit technical assistance plans to ensure compliance with this management action.
6	Supply Chain Data – Stock Control and Data <ul style="list-style-type: none"> – Batches of vaccines to be distributed to zones should be closely monitored by the health section using Vision to avoid any significant wastage and losses. The supply section should work in coordination with the health section in UNICEF especially in the implementation of FEFO stock rotation method. – The zones and regions should report on open and closed vial wastages regularly using the new vaccine/cold chain reporting form (on a monthly basis). MOH EPI staff and the national supply managers should closely work with UNICEF and other partners in VCCM. In case there are capacity gaps, this should be addressed during trainings. – The SMT in zonal cold rooms should be regularly undated and reconciled with the EPI/vaccine and injection material control register. MOH supply 	Continuous	MOH, Unicef and WHO	Gavi may revisit technical assistance plans to ensure compliance with this management action.

	Action	Timelines	Responsible	Implication for non-fulfilment
	<p>managers/EPI logisticians should monitor and reconcile the registrations at least once a month.</p> <ul style="list-style-type: none"> - Supportive supervisory visits should check the completeness of distribution and receipt documentation at zonal, regional and health facilities level. Instructions should be given to all vaccine cold stores to ensure that all distribution documents are signed by the cold chain managers during receipts and issues. 			
7	<p>Finance staff at zonal and district levels</p> <ul style="list-style-type: none"> - Zonal staff are responsible for financial management for both the zonal and district level transactions, resulting in work overloads that led to delays in financial reporting. In addition, finance staff were not allocated responsibilities for donor reporting, including preparation of FACE forms for liquidation of funds provided by UNICEF and WHO. - The ministries should ensure that the finance departments are adequately staffed at both the zonal and district levels. The ministries should also allocate donor reporting responsibilities to specific finance staff so as to ensure prompt reporting. 	Within the first 12 months	Health Authorities	Gavi may revisit technical assistance plans to ensure compliance with this management action.

IV. Observations from the Program Capacity Assessment

The following points reflect key observations from the Program Capacity Assessment for the information of the Ministry of Health, implementing partners and the Gavi Secretariat to guide technical assistance plan development, risk mitigation plans and to guide future Health Systems Strengthening investments.

1. **Health sector coordination to reflect administrative regions.** The establishment of coordination structures for immunisation should take into account evolving political situation and emerging states where applicable.
2. **Opportunity to leverage Maternal and Child Health programs to expand immunisation:** Referral health centres and hospitals do not provide basic immunisation services despite having maternity wings where infants could be immunized at birth. This presents a missed opportunity for immunisation. HSS2 grant seeks to support immunisation in regional and district hospitals. The health authorities should work to ensure immunisation is available in maternity centres not covered by HSS-2.
3. **Polio transition:** There are significant risks and challenges to polio transition in Somalia. EPI and Polio teams should coordinate closely to identify opportunities during transition for Routine Immunisation while being aware of potential risks to the health sector as Polio funding is reduced.
4. **Resources for immunisation and Health Systems Strengthening:** There are not sufficient resources to cover Somalia with EPI to the appropriate level. Assuring donor coordination and prioritisation is necessary to leverage existing resources and advocate for immunisation services delivery in other programs.
5. **Human resource staffing shortages:** There are limited resources for supervision, monitoring and evaluation of immunization activities. This affects the performance EPI program especially the development, execution and implementation of EPI micro plans. There are fewer health workers as one moves away from the regional to the peripheral health facilities which includes the primary healthcare units (PHUs).
6. **Limited capacity in M&E:** As noted in the evaluation, the health authorities have limited M&E capacity and data quality challenges. This includes lack of poor or no use of tally sheets at service delivery points; HMIS data inaccuracy and incompleteness at various levels. Solutions should be included in the development of the data quality improvement plan.
7. **Supply Chain System Design Enhancements and Innovation:** The MoH and development partners should look into innovative supply chain system design on expanding and strengthening availability of cold chain facilities in selected districts for routine immunization services of internally displaced people (IDPs) and nomads.
8. **Security:** The security situation in Somalia remains challenging and dynamic. It will need to be addressed on an on-going basis and dependant on developing or evolving situations. While it is hoped that this moves toward better resolution, this requires appropriate oversight.

9. **Improvements in banking system:** The establishment of a formal banking system in the more stable states of the Somali federation is expected to achieve greater penetration as more states stabilise and thus have more of the country under effective and stable government. This will result in greater development and implementation of economic policy at macro and micro levels and, greater regulation of the financial sector. This should result in mitigation of financial losses due to an unstable banking sector.
10. **Opportunity in Somalia's IT system:** (1) The robustness of the IT context in Somalia presents an opportunity to leap-frog old technologies and implement digital systems. This should be a consideration for Gavi when planning for systems strengthening investments to the FGS and/or the state governments' e.g. Health Management Information Systems (HMIS). (2) There is potential for delivery of financial support directly to the beneficiaries by development program implementers through mobile telephone technology. This could reduce transaction costs and timelines for support to community members and staff of the Ministries of Health.
11. **Opportunity for demand:** The strong media sector creates an opportunity for demand creation for immunisation services, facilitating community mobilisation for activities and educating communities on immunisation schedules. Coverage of radio stations can be leveraged to communicate to nomadic communities.

Annex A: Status of Effective Vaccine Management Assessment Recommendation Progress

In 2016 an Effective Vaccine Management Assessment (EVMA) was carried out and the report was issued in 2017. The PCA looked at the implementation of issues identified in 2013 taking into consideration developments which have taken place in the vaccine chain management spectrum in Somalia over the last three (3) years.

No	Area/issues	Completely implemented	In Progress	Comments	Recommendations
1	System Design Improvement on clearing of vaccines at Jomo Kenyatta International Airport (JKIA).		X	<p>From EVM review, there were noted delays in clearing of vaccines. Vaccines were kept in the cold room for more than three days before sent to the national vaccine store.</p> <p>Based on the EVM report this was due to late submission of pre-alert documents to Africa Flight Services by Kuehne and Nagel. Africa Flight Services are responsible for clearing vaccines at Jomo Kenyatta Internal Airport</p>	As per the EVM recommendations, pre-alerts from UNICEF Supply Division should be sent to USSC and copied to Kuehne+Nagel who are supposed to forward the documents to Africa Flight Services (AFS) to commence the clearing process with Customs Officials
	Distribution of SOPs and training of staff on how to apply them.		X	This is planned to be done by UNICEF towards end of quarter three (Q3) of 2017 in all the three (3) zones for participants from Ministry of Health (MoH) and other partners.	Not applicable
	Training of staff on vaccine management with focus on ice pack conditioning.		X	There is a planned UNICEF training in Q3 of 2017 on distribution and vaccine management with focus on ice pack conditioning.	Not applicable
	Development of posters/stickers on VVM, MDVP and Shake Test.		X	<p>Posters or stickers for VVM, Shake Test and MDVP were not available.</p> <p>With support from UNICEF, there are plans for development of posters/stickers on VVM, MDVP and Shake Test.</p>	VVM, MDVP and Shake Test posters should be translated into Somali (in all regions). The pictures should remain the same but the printing should be done in three (3) different Somali writings.
	Construction of incinerators in health facilities for waste management.	X		<p>Based on the assessment report, only one health facility visited had a functional incinerator. There is no assessment which has been conducted on waste management and there is no waste management policy and injection safety policy</p> <p>There are no budgets provided for construction of incinerators in health facilities for waste management. There is also need to conduct a feasibility study on the type and quantity of wastes generated in health facilities.</p>	To ensure proper waste management, there is need to conduct a waste management study and develop a policy on waste management. Construction of incinerators in health facilities should be given a priority.

	Use of freeze tags for monitoring freeze sensitive vaccines.		X	<p>Freeze tags are used for monitoring freeze sensitive vaccines. Adequate numbers of freeze tags have been to the health facilities in all zones.</p> <p>From our review we noted that the training on the usage of freeze tags is planned to be carried out in Q3 of 2017 by UNICEF.</p>	Not applicable
2	Data Management of Vaccines Stock				
	Use of electronic stock management tools at national, state and regional stores with emphasis on monitoring diluents and injection devices.		X	<p>The EVM assessment noted that electronic Stock Management Tool (SMT) was available but not fully utilized. The zonal level SMT stock management and other related reports were incomplete. SMT was not in use by Kuehne+Nagel (KN) cold store.</p> <p>Computers has procured for use at the regions level but had not been installed.</p>	<p>Strengthening vaccines data collection, reporting on stock levels and consumption including close vial wastage monitoring processes and use of information at all levels is mandatory (using SMT and/or registers). Hence, the MOH/zones should ensure that SMT is installed in all regions. The zones should also fully utilize the SMT before doing any capacity upgrading and reporting expected from the regions.</p> <p>The Kuehne+Nagel cold store has its own tool (CIEL) that could alert FEFO, batches and stock levels. However, this was not interfaced with SMT tool. The new KN contract was signed with UNICEF in May 2017. Therefore, KN and UNICEF health section should consider reporting on the stocks levels; expiry dates and batches picked to zones either through excel spreadsheet or by incorporating SMT data components in CIEL. The reports should be shared to UNICEF supply and health sections.</p>
	Use of standardized manual stock management tools at MCH clinic level which should also monitor diluents and injection devices.		X	<p>The standardized manual stock management tools were distributed to MCH clinics in 2017.</p> <p>There is also a planned UNICEF ToT training in Q3 of 2017 on standardized manual/stock management tools for use at MCH level.</p> <p>The ToT will cascade the trainings to all MCH clinics in their respective regions.</p>	<p>To ensure proper used of the standardised tools, the health authorities should be actively involved and work in close collaboration with UNICEF, WHO and other partners.</p> <p>There should be continued emphasis and sensitization on these tools during the supportive supervisory visits by supply management teams and EPI teams.</p>

	Monitor wastage data in opened and unopened vials for action and decision making.	X		<p>There was no sealed vial vaccine wastage assessment in vaccine supply chain management. In addition, the reports were incomplete reporting and the reporting tools had errors.</p> <p>Unopened vial wastage monitoring has been taken into account in upgrading of the SOM-SMT and revised ledger books.</p>	Reporting on opened and closed vial wastage monitoring processes should be strengthened through strong involvement of the MOH. These wastages should also be factored in the estimation of actual annual vaccine needs.
3	Temperature Monitoring				
	Conducting temperature monitoring study in Somalia.	X		<p>There was still no temperature monitoring study done during transportation of vaccines by the health authorities and/or other partners. This was partly influenced by security reasons.</p>	<p>Recommend the temperature monitoring study to be done during transportation of vaccines to avoid any risk of freezing and the vaccine arrived to the final destination in a good condition.</p> <p>This will help to understand the integrity and efficacy of vaccines used in immunization of children in the country. The study should be conducted in regions which are stable.</p>
	Institutionalize the use of new temperature charts.		X	<p>The new temperature charts were standardized in 2015. However, these were not printed by the respective health facilities. We noted that these were subsequently printed and distributed by UNICEF in January 2017.</p> <p>In addition, there is a training planned by UNICEF in Q3 of 2017 which will cover the use of new temperature charts.</p>	Heads of respective health facilities and supervisory visits by MOH should ensure that the new temperature charts have been recorded on a daily basis. This needs to be checked at least once in a month.
	Conducting periodic temperature record reviews at all levels.	X		As highlighted above, there is a planned training for temperature monitoring in Q3 of 2017 to be implemented by UNICEF.	Recordings of temperature on charts should be reviewed by heads of health facilities at least once in a weekly basis and any excursion should be reported to the respective regions for immediate actions. This should also be checked by MOH and other partners during their supportive supervisory visits.
	Review temperature print outs and alarm events.		X	Reviewing temperature print outs and alarm events will be covered during the upcoming UNICEF training as highlighted above.	Not applicable.
4	Distribution of Vaccines				

	Use of freeze tags for monitoring freeze sensitive vaccine during distribution.		X	Freeze tags are already available in zones. The UNICEF training in Q3 – 2017 will cover usage of freeze tags for monitoring freeze sensitive vaccines during distribution.	Not applicable.
	Improve the distribution system for vaccines to state stores to avoid stock outs.		X	<p>Customs letters have very limited time of expiry. By the time customs letter are ready, airlift might not be ready as all vials are required to go as one shipment from resource point of view.</p> <p>In addition, vaccines and diluents need to be shipped at once to avoid any complications in logistics and usage in health facilities/immunizations. WHO also recommends bundling the vaccines during distribution.</p>	Blanket clearance should be issued by customs in Somalia. This will facilitate timely distribution to avoid stock-outs and allow usage within the manufacturers indicated shelf lives.
	Redesign the national distribution plan to avoid vaccines stock outs in states in view of delays in booking flights.		X	<p>Delays in distributions are mainly due to delays in coordination of booking flights and clearance in Somalia. These delays could result in stock outs.</p> <p>In addition, allocation of vaccines by regions without reviewing the estimations done to the respective MCH clinics could also result in stock-outs.</p>	<p>There is need for an improved coordination between the Nairobi office and clearing unit in Somalia to avoid delays.</p> <p>The regional vaccines allocation to respective MCH clinics should be based on prior estimations/requisitions to avoid any imbalance in distributions and stock outs. The MoH EPI logisticians and national supply managers should check the vaccines allocation practices during their supportive supervisory visits on a monthly basis/at least once in a quarter.</p>
5	<p>Human resources for logistics</p> <p>Staff should be trained on the importance of capturing wastage data in opened and unopened vials at all levels</p> <p>Strengthening supportive supervision.</p> <p>Continuous temperature monitoring should be institutionalized.</p>		X	<p>UNICEF supervises national (Kuehne+Nagel warehouse) and zonal cold rooms but no regions.</p> <p>The UNICEF training planned to be conducted in Q3 – 2017 will include the importance of capturing wastage data in opened and unopened vials at all levels, strengthening supportive supervision and continuous temperature monitoring by health facilities.</p>	The health authorities should take up more proactive leadership role on the importance of capturing opened and unopened vials wastage and real consumption of vaccines and use in estimation of vaccines need for the country. This could be addressed during health authorities’ supportive supervisions. In addition, the EPI staff in MCH clinics should be sensitized on importance of continuous temperature monitoring, making analysis and reporting to respective regions in cases of any temperature excursions.

6	Cold Chain Equipment & Management (CCE/CCEM)				
	Provision of shelves for the National Vaccine Store at Kuehne and Nagel		X	Kuehne+Nagel has already contracted a firm to provide shelves for the cold room in Nairobi. However, the suppliers had issues on the provision of PPE to personnel who are working on the installation of shelves. The installation is expected to be done by end June 2017.	Not applicable.
	Development of planned preventive maintenance plans for cold chain equipment, building and transport.		X	UNICEF facilitates maintenance, procurement of spare parts, per diem and transportation of spare parts for cold chain equipment, i.e. all costs are covered by UNICEF.	The health authorities should be more proactive and collaborative with UNICEF on the planned preventive maintenance plans for cold chain equipment, building and transport. This could be done in terms of making ready skilled personnel, timely reporting on cold chain breakdown and transporting the required spare parts for maintenance purposes.
	Provision of fire extinguishers.	X		Fire extinguishers have already been procured by UNICEF and delivered to the health authorities (3 per zone and 2 per region). The national cold store in Nairobi is equipped with five (5) fire extinguishers and three (3) fire hoses.	Not applicable.
	Provision of cold chain equipment in regions and facilities with inadequate storage capacities.		X	A proposal to support cold chain equipment (CCEOP) was submitted on 3rd May 2017 (with joint investment of 80% from CCEOP and 20% coming from the HSS2 budget). The assessment of cold chain needs for HSS2 priority districts was in process. In HSS2 grant approx. US\$500,000 has been provided for procurement of cold chain equipment at the regional and zonal level.	Not applicable.
	Provision of protective clothing in all vaccine stores that have cold rooms.		X	UNICEF is planning to procure PPE in Q4 of 2017.	Not applicable.

Annex B: Strengths and weaknesses of Supply Chain in Somalia identified by the Programme Capacity Assessment

Key Area of VCCM Assessment	Key Strengths	Key Weaknesses/challenges	Recommendations
<p>Supply Chain Management – Leadership & Management</p>	<ol style="list-style-type: none"> 1. SoPs for vaccine/cold chain management have been developed for national, regional, district and health facilities (HFs) levels (both English and Somali). These were already printed and distributed to the health facilities in January 2017. 2. EVM – nationwide training on vaccine supply/cold chain management has been carried out. 	<ol style="list-style-type: none"> 1. There was no functional national logistics working group for the supply chain management of VCCM. 2. There was no dedicated staff for logistics management of vaccines in MOH and the capacity of staff was still an issue. 3. The national supply managers were not actively engaged in VCCM. 4. The MoH did not have person(s) trained in supply chain management held accountable for implementing written SoPs for effective vaccine supply chain management. During the time of this review, the UNICEF staff were held responsible for implementing written standard operating procedures for effective vaccine supply chain commodity management. 	<ol style="list-style-type: none"> 1. A national logistics working group for VCCM should be established and operationalised by the health facilities. The EPI managers should take lead on this. 2. The health authorities should dedicate one staff on logistics management of vaccines per zone. 3. The national supply managers/EPI managers should be actively engaged in VCCM. 4. We note that there is a planned training on supply chain management. MoH staff should actively participate on this.

<p>Supply Chain Data – Stock Control and Data</p>	<ol style="list-style-type: none"> 1. SOM-SMT tool is being implemented in Somalia. Computers have been procured for zonal and regional level (in the three zones). Puntland and Federal Government of Somalia staff had been trained on SMT tool. 2. SMT tool at national level was fully functional and at zonal level it was possible to get some information. This was due to the limited capacity in the implementation of SMT at the zones. 3. The temperature of all cold chain equipment was maintained, monitored and recorded at national, zonal and facility level. 4. The Hargeisa zonal cold room was using FEFO stock rotation system. 5. No zonal level stock out had occurred in the last twelve months. 6. No stock outs had been reported in the last twelve months in Hargeisa Group Hospital and Dr Khalid HC/MCH clinic, too. 7. Vaccines were supplied every month by the regional cold room (by 4th day of the month) to MCH clinics and monthly reporting on consumption of vaccines was done using cold chain reporting form. 	<ol style="list-style-type: none"> 1. The national cold room in Nairobi was using FIFO than FEFO method. From our assessment, the health section programme was not in control of batches distributed to the zones. The supply chain section was custodian of all goods, it controlled the batches to be dispatched and distributed to the zones. As a result, we noted some BCG vaccines which had expired. Gavi procured vaccines (IPV and pentavalent) were not captured in Vision but maintained manually by the supply section. 2. The closed vial wastage data was regularly collected and monitored mainly at the national level (Nairobi). This was however, not practiced at the regional level as they are provided only with adequate stocks for use in the respective regions/health facilities. <p>Hargeisa Zonal cold room</p> <ol style="list-style-type: none"> 3. The SMT tool was not updated. As a result, there were significant variations between the SMT tool and EPI/vaccine and injection material control register. There were no updates in quarter two of 2017. 4. As at the time of our visit vaccine stocks in the cold room were untidily and improperly arranged. 5. The vaccine distribution form seen was not signed by the cold chain manager and a copy received back from the regions was not stamped. Vaccine supplies were stored in the government warehouse (dry store). Hence, the stock status of the supplies was unknown by the cold chain manager. 6. There were no personnel protective equipment (PPE) for use in the cold room. 7. There was no clearly stated back up plan in case of the cold room failure. Management indicated that there was a plan to use WHO refrigerators and private facilities. However, this was not supported with any memorandum of understanding between MoH and other parties. 8. There was no fire extinguisher for use in the cold room. 9. There was direct sunlight exposure to the cold room especially in the afternoons. 	<ol style="list-style-type: none"> 1. Batches of vaccines to be distributed to zones should be closely monitored by the health section using Vision to avoid any significant wastage and losses. In this regard we recommend the supply section to work in coordination with the health section in UNICEF especially in the implementation of FEFO stock rotation method. 2. The zones and regions should report on open and closed vial wastages regularly using the new vaccine/cold chain reporting form (on a monthly basis). MOH EPI staff and the national supply managers should closely work with UNICEF and other partners in VCCM. In case there are capacity gaps, this should be addressed during the trainings. <p>Hargeisa zonal cold room</p> <ol style="list-style-type: none"> 3. The SMT in zonal cold rooms should be regularly undated and reconciled with the EPI/vaccine and injection material control register. MOH supply managers/EPI logisticians should monitor and reconcile the registrations at least once in month. 4. EPI logisticians should ensure cleanliness and proper arrangement of vaccines in zones, regional and health facilities levels during supportive supervisory visits at least on a monthly basis. 5. Supportive supervisory visits should check the completeness of distribution and receipt documentations at zonal, regional and health facilities level. Also, instructions should be given to all vaccine cold stores to ensure that all distribution documents are signed the cold chain managers during the receipts and issues. In addition, the upcoming UNICEF training on VCCM should cover the importance of complete and signed vaccine dispatch documents in order to have clear visibility of vaccine stocks in the supply pipeline. 6. The personnel protective equipment (PPE) for use in the cold room should be procured and made available for use in zones and regions as soon as
--	---	--	---

		<p>Hargeisa Group hospital</p> <ol style="list-style-type: none"> 1. The hospital requests vaccines using a vaccine requesting form. However, there were no receiving forms used for vaccines transferred from Hargeisa zonal cold room to the hospital on a daily basis. 2. BCG immunizations for children were sent to the MCH clinics on a daily basis. The vaccines were transported using a cold chain box as there were no WHO Solar Direct Drive Refrigerators and Freezers for use in the hospital. Unused vials have been returned to the Hargeisa zonal cold room. But, no report provided on this. <p>Dr Khalid HC/MCH Clinic</p> <ol style="list-style-type: none"> 1. Vaccines were issued by the region using vaccine issuing form but a few were not signed by the dispatcher. Also, there was no reception document for vaccines dispatched by the zonal cold room. 2. There was no report on closed vial wastage. 	<p>possible. We note that UNICEF is planning to procure the required PPE in Q4 of 2017.</p> <ol style="list-style-type: none"> 7. We recommend that the MoH signs memoranda of understanding with WHO and other private partners on back up plan in case of cold room failure. 8. Fire extinguishers have already been procured by UNICEF and delivered to MOHs (3 per zone and 2 per region). Hence, we recommend that the MOH places the required fire extinguishers in the respective cold rooms in zones and regions. 9. Direct sunlight exposure to Hargeisa cold room could easily be prevented through white paints on windows and hanging white curtains. <p>Hargeisa Group hospital</p> <ol style="list-style-type: none"> 1. The health facility should ensure that the vaccines received are recorded in the vaccines receipt form. EPI team should check for compliance on this during the support supervision visits 2. Requisition of vaccines by Hargeisa Group Hospital on a daily basis is not a good practice. <p>As there is no proper documentation, it is difficult to control movement of vaccine stocks and hence there is proper visibility of vaccine stocks transferred from Hargeisa cold room to the hospital. We recommend provision of SDD fridges and freezers to Hargeisa Group Hospital by MOH/UNICEF in order to manage requisitions and re-supply on a monthly basis. This will allow close monitoring of supply chain management of vaccine stocks.</p> <p>Dr Khalid HC/MCH Clinic</p> <ol style="list-style-type: none"> 1. Issuance and receipt documents for vaccines issued by the zona cold room should be signed 2. The health facility should report on closed vial wastage
--	--	--	---

<p>Cold Chain equipment management</p>	<ol style="list-style-type: none"> 1. Availability of a complete and up to date inventory records on all cold chain equipment (provided by UNICEF). 2. UNICEF was doing preventive cold chain maintenance and repair in Federal Government of Somalia, Puntland and Somaliland. 3. UNICEF procures cold chain spares and tool boxes for use by technicians, distributed to all five (5) zonal cold rooms in the country. The spares are for both corrective and preventive maintenance. 4. In Somaliland UNICEF does the maintenance but in Federal Government of Somalia and Puntland it was done by the MOH. 5. UNICEF covers the incentives (transportation and DSA) as per the annual work plan. 6. Availability of back up standby generators, functional voltage stabilizers for freezers & refrigerators in all vaccine stores. 	<ol style="list-style-type: none"> 1. There is no memorandum of understanding by MoH on contingency plan for storage of vaccines at zonal level (at WHO & private facilities). 2. Lack of complete replacement of kerosene fridges and obsolete equipment in VCCM system. 	<p>The Ministry of Health should develop a contingency plan.</p> <p>This should be considered either through Gavi funds or other sources aligned with HSS2 funds for replacement of kerosene fridges, obsolete equipment and expansion.</p>
---	--	---	---

<p>Supply Chain System Design Enhancements and Innovation</p>		<p>No clear alternative design options or equipment to improve reliability and efficiency of the supply chain of vaccines.</p>	<p>The MOH and other development partners should look into innovative supply chain system design on expanding and strengthening availability of cold chain facilities in selected districts for routine immunization services of internally displaced people (IDPs) and Nomads. This is in line with one of the key HSS2 strategic objectives, i.e. enhancing the physical capacity and effective management of cold chain and logistic system in the country.</p>
<p>Insurance</p>		<p>Unavailability insurance for vaccines and cold chain equipment at Ministry of Health level (zonal, regional and health facilities).</p> <p>The insurance sector is not established in Somalia and hence this is a challenge.</p>	