



Gavi/14/521/dlc

The Minister of Health
Federal Ministry of Health
Transitional Federal Government of Somalia
Mogadishu
Somalia

6 November 2014

Dear Minister,

Decision Letter: Request for 2015 Renewal of Gavi support for New Vaccines and Health Systems Strengthening support

I am writing in relation to Somalia's request for renewal for New Vaccines Support (NVS) for pentavalent vaccines and Health System Strengthening (HSS) cash support which was reviewed by the Gavi High Level Review Panel (HLRP) on 23-25 July 2014.

Following the recommendations made by the Panel, I am pleased to inform you that Gavi has approved Somalia for Gavi support for pentavalent vaccines and Health Systems Strengthening support, as specified in the Appendices to this letter.

The Appendices includes the following important information:
Appendix A: Description of approved Gavi support to Somalia
Appendix B: Financial and programmatic information per type of support
Appendix C: Internal Appraisal Report attached to this correspondence
Appendix D: The terms and conditions of Gavi support.

Please do not hesitate to contact my colleague Anne Cronin (acronin@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: 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
UNICEF Supply Division
The World Bank

Description of Gavi support to *Somalia* (the “Country”)

New Vaccines Support (NVS)

Gavi, the Vaccine Alliance has approved the Country’s request for supply of vaccine doses and related injection safety material which are estimated to be required for the immunization programme as set out in Appendix B. Financing provided by Gavi for vaccines will be in accordance with:

- The Gavi Guidelines governing Somalia’s proposal application; and
- The final proposal as approved by the the Independent Review Committee (IRC), including any subsequent clarifications.

The vaccines provided will be used as the country has proposed. The principles of the WHO-UNICEF-UNFPA joint statement on safety of injections (WHO/V&B/99.25) shall apply to all immunisation provided with these vaccines.

Item number 11 of Appendix B summarises the details of the approved Gavi support for vaccines in the years indicated.

Any required taxes, customs, toll or other duties imposed on the importation of vaccines and related supplies can not be paid for using Gavi funds.

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

Country Co-financing

In accordance with the Gavi Co-financing Policy, the Country has agreed to make the required contribution to co-financing vaccine doses as indicated in Appendix B. Item number 14 of Appendix B summarises the budget and the quantity of supply that will be procured with country’s funds in the corresponding timeframe. The total co-financing amount indicates costs for the vaccines, related injection safety devices (only applicable to intermediate and graduating countries) and freight.

Countries may select to co-finance through UNICEF Supply Division, PAHO’s Revolving Fund, or self-procure their co-financing requirement following their own procedures, except for the Pneumococcal vaccine that needs to be procured through UNICEF.

If the purchase of the co-financed supply is carried out through UNICEF or PAHO, the payment is to be made to UNICEF or PAHO (whichever is applicable) as agreed in the Procurement Services Memorandum of Understanding between UNICEF or agreements between PAHO (whichever is applicable) and the country, and not to Gavi. Please keep in contact with UNICEF or PAHO (whichever is applicable) to understand the availability of the relevant vaccine(s) and to prepare the schedule of deliveries.

The total co-financing amount expressed in item number 14 of Appendix B does not contain costs and fees of the relevant Procurement Agency, such as contingency buffer and handling fees.

Information on these extra costs and fees will be provided by the relevant Procurement Agency as part of the cost estimate to be requested by the country. UNICEF/PAHO will share information with Gavi on the status of purchase of the co-financed supply. In accordance with the Gavi Co-financing Policy (<http://www.gavi.org/about/governance/programme-policies/co-financing/>), the co-financing contribution is payable annually to UNICEF/PAHO.

If the purchase of the co-financed supply is carried out by the Government, following its own procurement procedures and not procuring from UNICEF Supply Division or PAHO's Revolving Fund, the Government must submit to Gavi satisfactory evidence that it has purchased its co-financed portion of the vaccines and related supplies, including by submitting purchase orders, invoices, and receipts to Gavi. Gavi encourages that countries self-procuring co-financed products (i.e. auto-disable syringes and syringe and needle disposal boxes) ensure that products appear on the applicable WHO list of pre-qualified products or, for syringe and needle disposal boxes, that they have obtained a certificate of quality issued by a relevant national authority.

Gavi support will only be provided if the Country complies with the following requirements:

Transparency and Accountability Policy(TAP): Compliance with any TAP requirements pursuant to the Gavi TAP Policy and the requirements under any Aide Memoire concluded between Gavi and the country.

Financial Statements & External Audits: Compliance with the Gavi requirements relating to financial statements and external audits.

Grant Terms and Conditions: Compliance with Gavi's standard grant terms and conditions (attached in Appendix D).

Country Co-financing: Gavi must receive proof of country co-payment from the Country such as invoices or shipment receipts if neither UNICEF nor PAHO is the procurement agent for country co-financed vaccine for the prior calendar year.

Monitoring and Annual Progress Reports or equivalent: Country's use of financial support for the introduction of new vaccinations with the vaccine(s) specified in Appendix B 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 immunised and on co-financing of the vaccine.

Country will report on the achievements and request support for the following year in the Annual Progress Report (APR) or equivalent. The APR or equivalent 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). The APRs or equivalent will also contain information on country's compliance with the co-financing arrangements outlined in this letter. APRs or equivalent endorsed by the ICC, should be sent to the Gavi Secretariat no later than 15 May every year. Continued funding beyond what is being approved in this letter is conditional upon receipt of satisfactory Annual Progress Reports or equivalent and availability of funds.

Somalia VACCINE SUPPORT

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

1. Country: Somalia			
2. Grant Number: 1315-SOM-04c-X			
3. Date of Decision Letter: 06/11/2014			
4. Date of the Partnership Framework Agreement: Not applicable			
5. Programme Title: NVS, Pentavalent Routine			
6. Vaccine type: Pentavalent			
7. Requested product presentation and formulation of vaccine: DTP-HepB-Hib, 10 dose(s) per vial, LIQUID			
8. Programme Duration¹: 2013 - 2015			
9. Programme Budget (indicative) (subject to the terms of the Partnership Framework Agreement):			
	2013-2014	2015	Total ²
Programme Budget (US\$)	US\$5,109,792 ³	US\$2,190,500	US\$7,300,292
10. Vaccine Introduction Grant: Not applicable			

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.

³ This is the consolidated amount for all previous years.

11. Indicative Annual Amounts (subject to the terms of the Partnership Framework Agreement):⁴

Type of supplies to be purchased with Gavi funds in each year	2013-2014	2015
Number of Pentavalent vaccines doses		1,062,000
Number of AD syringes		1,011,200
Number of re-constitution syringes		
Number of safety boxes		11,125
Annual Amounts (US\$)	US\$5,109,792 ⁵	US\$2,190,500

12. Procurement agency: UNICEF. The Country shall release its Co-Financing Payments each year to UNICEF.

13. Self-procurement: Not applicable.

14. Co-financing obligations: Reference code: 1315-SOM-04c-X-C According to the Co-Financing Policy, the Country falls within the group Low Income. The following table summarises the Co-Financing Payment(s) and quantity of supply that will be procured with such funds in the relevant year.

Type of supplies to be purchased with Country funds in each year	2015
Number of vaccine doses	117,500
Number of AD syringes	
Number of re-constitution syringes	
Number of safety boxes	
Value of vaccine doses (US\$)	US\$228,855
Total Co-Financing Payments (US\$) (including freight)	US\$236,000

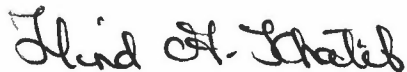
15. Operational support for campaigns: Not applicable

⁴ This is the amount that GAVI has approved.

⁵ This is the consolidated amount for all previously approved years.

16. Additional documents to be delivered for future disbursements:	
Reports, documents and other deliverables	Due dates
Annual Progress Report or equivalent	To be agreed with Gavi Secretariat in the context of GAMR Internal Appraisal for support in 2016
17. Financial Clarifications: The Country shall provide the following clarifications to Gavi*: Not applicable. <i>*Failure to provide the financial clarifications requested may result in GAVI withholding further disbursements</i>	
18. Other conditions: Not applicable.	

Signed by,
On behalf of the Gavi Alliance



Hind Khatib-Othman
 Managing Director, Country Programmes
 6 November 2014

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

1. Country: Somalia
2. Programme Payment Grant number: 1015-SOM-10a-Y
3. Performance Payment Grant number:
4. Date of Decision Letter: 06/11/2014
5. Date of the Partnership Framework Agreement: not applicable
6. Programme Title: Health Systems Strengthening (HSS)
<p>7. 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 Anne Zeindl-Cronin - acronin@gavialliance.org for the guidelines. • The relevant Gavi HSS application form - please contact your CRO at Anne Zeindl-Cronin - acronin@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), or equivalent, by the Country; • Approval of the recommendation by a High Level Alliance Review Panel 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.
<p>8. Application of Performance Based Funding (PBF): Does PBF apply:</p> <p>YES <input type="checkbox"/></p> <p>NO <input checked="" type="checkbox"/></p>

9. Programme Duration⁶: 2010 to 2015

10. Programme Budget (indicative) (subject to the terms of the Partnership Framework Agreement, if applicable):

	2010-2014	2015	Total ⁷
Programme Budget (US\$)	US\$7,806,693	US\$3,738,808	US\$11,545,501

11. Annual Amounts (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	2015
Annual Amount (\$US)	US\$3,738,808

12. Financial Clarifications: The Country shall provide the following clarifications to Gavi⁸:

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 for the form.

13. 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) or equivalent. The APRs, or equivalent, shall provide detail on the progress against milestones and targets against baseline data for indicators identified in the proposal. The APRs, or equivalent, 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) .	As agreed with the Gavi 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

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

⁶ This is the entire duration of the programme.

⁷ 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.

⁸ Failure to provide the financial clarifications requested may result in GAVI withholding further disbursements

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, or equivalent, 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.

15. Other conditions: The following terms and conditions shall apply to performance payments.

The performance payments under the performance-based funding shall be used solely for activities to be implemented in the country's health sector.

Performance payments may not be used to purchase vaccines or meet Gavi's requirements to co-finance vaccine purchases, and shall not be used to pay any taxes, customs, duties, toll or other charges imposed on the importation of vaccines and related supplies.

Signed by,
On behalf of the Gavi Alliance



Hind Khatib-Othman
Managing Director, Country Programmes
6 November 2014



Appendix C

Internal Appraisal

See document attached to the email.

Appendix D

Gavi Terms and Conditions

Countries will be expected to sign and agree to the following Gavi 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 Gavi 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 Gavi. All funding decisions for this application are made at the discretion of the Gavi Board and are subject to IRC processes and the availability of funds.

AMENDMENT TO THIS PROPOSAL

The Country will notify Gavi in its Annual Progress Report if it wishes to propose any change to the programme(s) description in this application. Gavi will document any change approved by Gavi, and this application 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 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 programmes described in this application, or any Gavi-approved amendment to this application. Gavi retains the right to terminate its support to the Country for the programmes described in this application 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 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 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 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 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.