



**GAVI/13/570/ap/rk**

The Minister of Health, Nutrition & Welfare  
Ministry of Health, Nutrition & Welfare  
385 Wimalawansa Mawatha  
Colombo 10  
Sri Lanka

21 November 2013

Dear Minister,

***Annual Progress Report submitted by Sri Lanka***

I am writing in relation to Sri Lanka's Annual Progress Report (APR) which was submitted to the GAVI Secretariat in May 2013.

Following a meeting of the GAVI Independent Review Committee (IRC) from 15 to 26 July 2013 to consider your APR, I am pleased to inform you that the GAVI Alliance has approved with clarifications Sri Lanka for GAVI support as specified in the Appendices to this letter. Failure to provide the financial clarifications requested may result in GAVI withholding further disbursements.

The Appendices includes the following important information:

Appendix A: Description of approved GAVI support to Sri Lanka

Appendix B: Financial and programmatic information per type of support

Appendix C: A summary of the IRC Report

Appendix D: The terms and conditions of GAVI Alliance support

The following table summarises the outcome for each type of GAVI support for Sri Lanka:

Type of support	Appendix	Approved for 2014
Pentavalent	B 1	US\$ 264,000
HSS	B 2	N/A <sup>1</sup>

<sup>1</sup> A no cost extension approved.



Please do not hesitate to contact my colleague Ranjana Kumar at [rkumar@gavialliance.org](mailto:rkumar@gavialliance.org) if you have any questions or concerns.

Yours sincerely,

A handwritten signature in blue 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



## Appendix A

### Description of GAVI support to *Sri Lanka* (the “Country”)

#### **New Vaccines Support (NVS)**

The GAVI 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 Alliance Guidelines governing Country’s Annual Progress Report (APR); and
- The APR 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.

GAVI is not responsible for any liability that may arise in connection with the distribution or use of vaccines and related supplies after title to such vaccines and related supplies has passed to the country, excluding liability for any defect in vaccines and related supplies, which remain the responsibility of the applicable manufacturer.

#### ***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 PAHO (whichever is applicable) and the country, and not to the GAVI Alliance. 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.gavialliance.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: 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. The GAVI Alliance uses country systems for monitoring and auditing performance and other data sources including WHO/UNICEF immunization 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). The APR 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 will also contain information on country's compliance with the co-financing



arrangements outlined in this letter. APRs 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 and availability of funds.

**Sri Lanka VACCINE SUPPORT**
**This Decision Letter sets out the Programme Terms of a Programme.**

<b>1. Country:</b> Sri Lanka				
<b>2. Grant Number:</b> 1415-LKA-04c-X				
<b>3. Date of Decision Letter:</b> 21 November 2013				
<b>4. Date of the Partnership Framework Agreement:</b> Not applicable				
<b>5. Programme Title:</b> New Vaccine Support				
<b>6. Vaccine type:</b> Pentavalent				
<b>7. Requested product presentation and formulation of vaccine:</b> DTP-HepB-Hib, 10 dose(s) per vial, LIQUID				
<b>8. Programme Duration<sup>2</sup>:</b> 2008-2015				
<b>9. Programme Budget (indicative) (subject to the terms of the Partnership Framework Agreement):</b>				
	2008-2013	2014	2015	Total <sup>3</sup>
Programme Budget (US\$)	US\$17,770,281 <sup>4</sup>	US\$ 264,000	US\$ 92,000	US\$18,126,281
<b>10. Vaccine Introduction Grant:</b> Not applicable				
<b>11. Indicative Annual Amounts (subject to the terms of the Partnership Framework Agreement):<sup>5</sup></b>				
Type of supplies to be purchased with GAVI funds in each year	2008-2013	2014		
Number of Pentavalent vaccines doses	-	153,300		
Number of AD syringes	-	153,600		
Number of re-constitution syringes	-	-		
Number of safety boxes	-	1,725		
Annual Amounts (US\$)	US\$17,770,281 <sup>6</sup>	US\$ 264,000		
<b>12. Procurement agency:</b> UNICEF. The Country shall release its Co-Financing Payments each year to UNICEF.				

<sup>2</sup> This is the entire duration of the programme.

<sup>3</sup> 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.

<sup>4</sup> This is the consolidated amount for all previous years.

<sup>5</sup> This is the amount that GAVI has approved.

<sup>6</sup> This is the consolidated amount for all previously approved years.

<b>13. Self-procurement:</b> Not applicable.		
<b>14. Co-financing obligations: Reference code:</b> 1415-LKA-04c-X-C According to the Co-Financing Policy, the Country falls within the group Graduating. 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	2014	2015
Number of vaccine doses	1,123,900	1,129,600
Number of AD syringes	1,122,400	
Number of re-constitution syringes		
Number of safety boxes	12,475	
Value of vaccine doses (US\$)	US\$1,772,063	
Total Co-Financing Payments (US\$) (including freight)	US\$1,928,500	US\$1,951,000
<b>15. Operational support for campaigns:</b> Not applicable		
<b>16. Additional documents to be delivered for future disbursements:</b> Annual Progress Report 2013 is due by 15 May 2014		
<b>17. Financial Clarifications:</b> Not applicable		
<b>18. Other conditions:</b> Not applicable		

Signed by,  
**On behalf of the GAVI Alliance**



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

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

<b>1. Country:</b> Sri Lanka
<b>2. Grant number:</b> 0813-LKA-10a-Y
<b>3. Date of Decision Letter:</b> 21 November 2013
<b>4. Date of the Partnership Framework Agreement:</b> Not applicable
<b>5. Programme Title:</b> Health Systems Strengthening (HSS)
<p><b>6. HSS terms:</b></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"> <li>• The relevant GAVI HSS/HSFP guidelines – please contact your CRO at <a href="mailto:rkumar@gavialliance.org">rkumar@gavialliance.org</a> for the guidelines.</li> <li>• The relevant GAVI HSS/HSFP application form - please contact your CRO at <a href="mailto:rkumar@gavialliance.org">rkumar@gavialliance.org</a> for the form.</li> <li>• Country’s approved grant proposal and any responses to the HSS IRC’s request for clarifications.</li> </ul> <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"> <li>• GAVI funding being available;</li> <li>• Submission of satisfactory Annual Progress Reports (APRs) by the Country;</li> <li>• Approval of the recommendation by an Independent Review Committee (IRC) for continued support by GAVI after the second year;</li> <li>• Compliance with any TAP requirements pursuant to the TAP Policy and under any Aide Memoire concluded between GAVI and the Country;</li> <li>• Compliance with GAVI’s standard terms and conditions (attached in Appendix [D] or as set out in the PFA); and</li> <li>• 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.</li> </ul>
<b>7. Programme Duration<sup>7</sup>:</b> 2008-2013

<sup>7</sup> This is the entire duration of the programme.



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

	2008-2012	2013	Total <sup>8</sup>
Programme Budget (US\$)	US\$3,447,770	US\$1,057,230	US\$4,505,000

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

No cost extension approved.

**10. Financial Clarifications:** The Country shall provide the following clarifications to GAVI<sup>9</sup>:

The Country is requested to:

- Implement the remaining actions required in the 2012 FMA report;
- Provide detailed plan to address the issues raised in the 2011 audit report of the Auditor General and implement this plan.
- Prepare and submit the 2012 Financial Statements (FS) to enable comparison between FS and APR of opening and closing balances as well as 2012 total expenditure.
- Submit the 2012 audit report

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](mailto:gavihss@gavialliance.org) for the form.

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

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

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

<sup>8</sup> 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.

<sup>9</sup> Failure to provide the financial clarifications requested may result in GAVI withholding further disbursements



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

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

In case the Country wishes to alter the disbursement schedule over the course of the HSS/HSFP programme, this must be highlighted and justified in the APR and will be subject to GAVI approval. It is essential that Country's Health Sector Coordination Committee (or its equivalent) be involved with this process both in its technical process function and its support during implementation and monitoring of the HSS/HSFP programme proposal. Utilisation of GAVI support stated in this letter will be subject to performance monitoring.

Signed by,  
**On behalf of the GAVI Alliance**

A handwritten signature in blue ink, appearing to read "H. Khatib-Othman".

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

**IRC NVS COUNTRY REPORT**  
**Geneva, July 2013**

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**Type of report: Annual Progress Report**  
**Country: Sri Lanka**  
**Reporting period: 2012**  
**Date reviewed: July 2013**

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**1. Background Information**

Surviving Infants (2012): 352,697

DTP3 coverage (2012):

- 
- 

JRF Official Country Estimate:99%  
 WHO/UNICEF Estimate: 99%

**Table 1. NVS and INS Support**

NVS and INS support	Approval Period
HepB Mono	2003-2008
DTP-HepB-Hib	2008-2015
INS	2003-2006

**Table 2. Cash Support**

Cash support	Approval Period
HSS	2008-2013

2014 request - Vaccine DTP-HepB-Hib, 1 dose(s) per vial, LIQUID

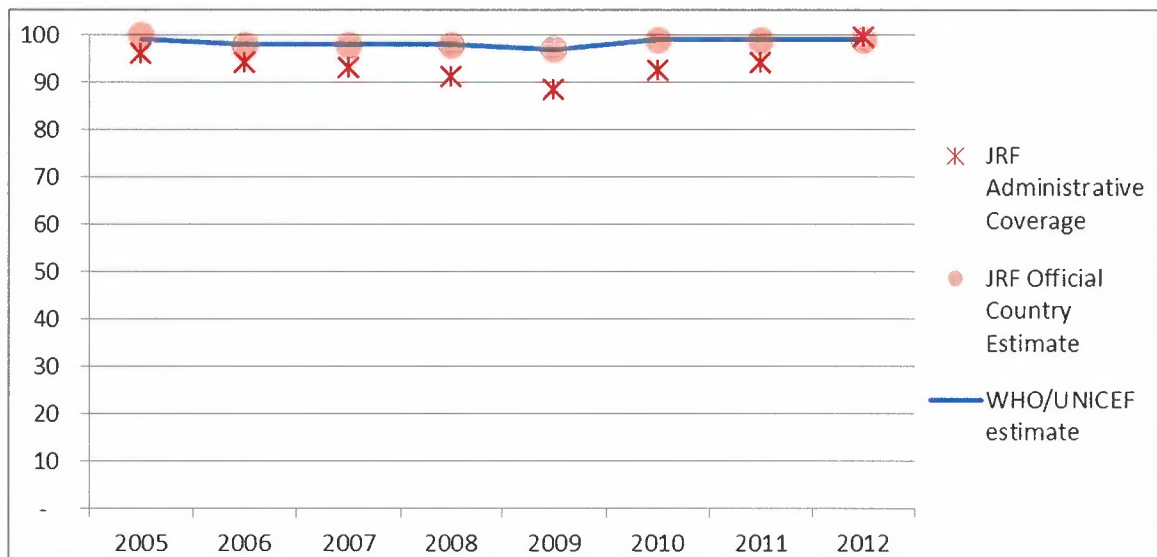
**2. Composition and Functioning of Inter-agency Coordinating Committee (ICC) / Health Sector Coordinating Committee (HSCC)**

Four (4) ICC meetings were held in 2012. In addition to government officials the APR endorsement is signed by UNICEF, WHO, World Bank, UNFPA and JICA. The APR is duly signed by both ministers of health and finance. Sri Lanka has very long established committee, National Advisory Committee on Communicable Diseases (NACCD). All issues related to communicable disease control including VPD control and immunization are discussed and decisions are taken at this committee. This committee meets regularly in every three months. VPD surveillance and immunization programme is a regular agenda item in this meeting. NACCD performs the role of an ICC and on other occasions, with an expanded membership serves as the HSCC. A 'joint' Meeting of ICC and HSCC was held on the 13<sup>th</sup> of May 2013 which endorsed the submission of the APR 2012 and the same minute is labelled separately. From the participant list there is no representation of DPs and CSO's .

### 3. Programme and Data Management

Both Official JRF and UNICEF/WHO estimates of DPT 3 coverage are recorded at 99% over the last 3 years. The apparent discrepancy between JRF coverage and the APR is due to a rounding error of 99%. Sri Lanka has a good reporting system in place and is now exploring a computerised MIS platform and SMS data tracking. The IRC Monitoring report of 2012 informs that with UNICEF assistance, a web-based immunisation information system (including an e-based immunisation registry) is under development. This should enhance the capturing of private sector immunisation data and improve accuracy. The present status is not reported.

No PIE has been performed for HepB-DTP-Hib. There is no discussion of DQA's in the APR.



### 4. Gender and Equity Analysis

Sri Lanka does not report on sex disaggregated data and from the almost 100% DTP3 coverage over the years, there does not seem to be an issue with gender discrimination or disparity in immunisation. There are no future plans to collect sex-disaggregated coverage estimates. In terms of equity, the country is making efforts to reach the unreached as exemplified by the EPI coverage survey that was conducted in Batticaloa district (district in Eastern Province, a district much affected by 30 years of internal conflict in Sri Lanka and subjected to much internal migration and re settlement)

### 5. Immunisation Services Support (ISS)

Not Applicable. Sri Lanka is not reporting on Immunisation Services Support (ISS) fund utilisation in 2012.

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

Sri Lanka introduced pentavalent vaccine in 2008 and the vaccine was suspended within 4 months after the negative impact of the AEFI that followed the initial introduction. It was reintroduced in 2010. The current window of support is from 2008 to 2015 and the request contained in the 2012 APR is for the 2014 support. Sri Lanka introduced MMR vaccine in 2011 as a 2 dose schedule without any post introduction issues.

#### 2012 performance:



Pentavalent vaccines (DTP-HepB-Hib vaccines in 1 dose vials presentation, liquid). According to UNICEF's records, the full DL quantity of 880,700 doses, as well as the full co-financing quantity, was delivered in 2012, and the country reports 1,170,225 doses delivered. Sri Lanka does not require to change any of the vaccine presentation(s) for future years. In the wake of GAVI's appeal for a feedback from countries on feasibility and interest of selecting and being shipped multiple Pentavalent vaccine presentations (1 dose and 10 dose vials) so as to optimise wastage, coverage and cost, Sri Lanka is interested in moving to 10 dose presentations provided respective manufacturers take initiative to register their products with Sri Lankan drug control authority. The APR reports that there were no problems encountered with the 2012 performance.

#### **2014 vaccine request**

**Target specification:** The increase between the reported 2012 DTP3 achievement and the projected target of 2014 is less than 10%. Target for 2014 is within GAVI limits and therefore approved by IRC.

#### **Cold Chain Capacity or Issues:**

EVM was conducted in May 2012. The overall EVM assessment demonstrates that Sri Lanka has maintained effective vaccine management practices and in general vaccine reaches intended recipients safely. Key recommendations were made for all levels. An EVM Implementation Plan has been developed. The APR states that about 95 % of the recommendations is concerned with procurements activities that requires preparatory work. The Programme is waiting for the approval of the last tranche of GAVI HSS funds to undertake procurements and installation.

#### **Surveillance systems/data**

A Post Introduction Evaluation Report (PIE) has not been carried out for the introduction of pentavalent vaccine yet. This is mainly because; due to AEFI crisis in 2008 vaccine introduction was suspended and then reintroduced in 2010. After reintroduction it was implemented without many issues and in 2011 MMR vaccine was also introduced as two dose schedule. It is essential that a PIE be conducted, especially after the AEFI incidence in 2008. The APR states that the Post Introduction Evaluation (PIE) planned for November 2013. The APR Reports that the country has put structures in place for AEFI monitoring and Surveillance systems.

### **7. Vaccine Co-financing, Financial Sustainability and Financial Management**

Sri Lanka falls in to the graduating category of the 2014 Co-financing group and the country started mandatory co-financing of pentavalent vaccine in 2010. It has been a good performer with timely payment of the co-financing obligation. In 2010, it voluntarily co-financed higher amounts than the minimum required. It has paid its co-financing dues of \$943,766 for 2012. Sri Lanka will graduate from GAVI in 2015. The 2010 audit report was provided in January 2012. No TAP issues are pending.

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

A survey / Audit on presence of AEFI was carried out in MOHH in selected 10 districts. The survey reported AEFI rates by aged group at 8.8/1000 doses of antigen administered for infants and 5.4/1000 for children aged over one year. Immunization safety practices adopted at clinics and knowledge of MOOH and PHMM on AEFI were good. AEFI related activities adopted and practiced at immunization clinics and Medical Officer of Health level were good. However, further strengthening of country AEFI surveillance system is necessary. A guideline was prepared based on the results.

Disposal of plastic wastes is an issue in Sri Lanka. Burning of plastic waste is an offence as per Sri Lankan law, recycling of plastic injection waste is a priority. Incineration in urban areas and open burning in rural areas is currently practiced however.



## **9. Health Systems Strengthening (HSS)**

### **Situation of existing HSS grant**

Sri Lanka has been approved with clarifications in Sept 2012 for re-programming of funds to strengthen cold chain capacity. The rationale for strengthening the cold chain has been provided by the EVM findings. The recommendations of EVM findings have apparently not been implemented as the transfer of HSS funds are awaited. There has been high level of achievements for all indicators. The DPT3 coverage has increased from 93.8% in 2011 to 99.6% in 2012 and 100% of districts achieve > 80% coverage. There is good equity in access as well as utilization of immunization services.

The APR is well written and the country has not faced any notable challenge during implementation of the program during 2012.

### **Objectives and Progress of HSS in 2012:**

- 1) To increase Primary Health Care staff with correct skill mix in 10 underserved districts to reach national norm by 2012. 58% of activities were completed in 2012.
- 2) To ensure availability of basic infrastructure and logistics to meet the national standards in 10 underserved districts for delivery of maternal and child health services by 2012. 66% of activities were completed in 2012.
- 3) To ensure adequate monitoring and supervision of MCH services carried out in 10 underserved districts by the middle level facility managers, by 2012. 52% of activities were completed in 2012.

There are 10 indicators, 8 with identified baselines. Improvement is noted across all 8 identified baselines, and 2012 targets are achieved for 6 indicators; data is not available for 2 and 2 targets were not achieved.

Considering that 58% activities were conducted, and 46% available funds expended, performance is very good. The APR provides good narrative of activity and challenges.

### **Funds Disbursement:**

Aggregate performance across all activities is 58%. The country expended \$816,000 of the \$1,778,000 available in 2012 to achieve this (46% of funds available)

\$961,547 is carried forward to 2013. \$1,435,845 is budgeted for the 2013 plan. A next tranche of \$1,057,230 is requested. This has already been approved in the Sept 2012 IRC however. This suggests that \$583,000 will not be expended in 2013 if the 2013 program is 100% accomplished.

The 2014 Plan proposed amounts to \$582,931 and comprises the completion of 8 activities carried over from 2013. There are no changes. Approval of the plan is recommended as a no cost extension.

The Secretariat reports that the last tranche was approved by the 2011 IRC (FMA was carried out and the Aide Memoire was recently signed.) The last tranche is being processed and will be released in the next few weeks. In the meanwhile, the country requested their already approved tranche again before the 15th May submission deadline.

There are pending HSS TAP issues as listed below:

- 2012 audit report not submitted yet
- Key issues raised in 2011 audit report not addressed
- 2012 FS not prepared and submitted by the country
- 2012 FMA recommendations not entirely implemented

## **10. Civil Society Organization Type A/Type B (CSO)**



N/A

### **11. Risks and mitigating factors**

Sri Lanka is a graduating country and demonstrates its commitment to sustainability. This was emphasised in the EVM report of 2012. No specific risks are identified.

### **12. Summary of 2012 APR Review**

There are no major issues relating to NVS. Coverage levels are excellent and have been maintained for several years. The country has expressed interest in shifting to a 10 dose presentation if NRA approvals can be obtained. This would reduce vaccine costs for the future as it absorbed the 100% burden with graduation.

Recognising that the final tranche of HSS funds were disbursed in July 2013, an HSS no cost extension for 2014 is requested. A plan and budget is provided. HSS achievements are generally good although off take has been slow in preceding years. Good progress is being made to achieving targets. IRC congratulates Sri Lanka for being chosen to be presented as a success story for the GAVI mid-term review.

### **13. IRC Review Recommendations**

- **ISS**

NA

- **NVS**

#### **HepB-DTP-Hib:**

Approve 2014 NVS support based on country request target,

- **HSS**

N/A. (Funding Request already approved)

No Cost extension (2014) approved.

### **14. Clarification Required with Approved Funding**

#### **Short-term clarifications**

#### **(a) Financial clarifications/outstanding TAP issues**

##### **a. HSS**

Country is requested to:

- Implement the remaining actions required in the 2012 FMA report;
- Provide detailed plan to address the issues raised in the 2011 audit report of the Auditor General and implement this plan.



- Prepare and submit the 2012 Financial Statements (FS) to enable comparison between FS and APR of opening and closing balances as well as 2012 total expenditure.
- Submit the 2012 audit report

#### **15. Other issues**

1. With the first HSS window closing in 2014, the IRC recommends that an HSS completion report is provided by the country for 2014 APR.
2. IRC considers it essential that a PIE be conducted, especially after the AEFI incidence in 2008. APR states that the Post Introduction Evaluation (PIE) planned for November 2013. The country is urged to take advantage of the technical and financial support that can be provided by the partners in conducting the PIE.





## Appendix D

### **GAVI Alliance Terms and Conditions**

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

#### ***FUNDING USED SOLELY FOR APPROVED PROGRAMMES***

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

#### ***AMENDMENT TO THIS PROPOSAL***

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

#### ***RETURN OF FUNDS***

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

#### ***SUSPENSION/ TERMINATION***

The GAVI Alliance may suspend all or part of its funding to the Country if it has reason to suspect that funds have been used for purpose other than for the programmes described in this application, or any GAVI Alliance-approved amendment to this application. The GAVI Alliance retains the right to terminate its support to the Country for the programmes described in this application if a misuse of GAVI Alliance funds is confirmed.

#### ***ANTICORRUPTION***

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

#### ***AUDITS AND RECORDS***

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

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



will maintain such records until the audit findings are final. The Country agrees not to assert any documentary privilege against the GAVI Alliance in connection with any audit.

***CONFIRMATION OF LEGAL VALIDITY***

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

***CONFIRMATION OF COMPLIANCE WITH THE GAVI ALLIANCE TRANSPARANCY AND ACCOUNTABILITY POLICY***

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

***ARBITRATION***

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

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

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

***USE OF COMMERCIAL BANK ACCOUNTS***

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