



GAVI/13/276/MK/RK

The Minister of Public Health
Ministry of Public Health
Vientiane
Lao PDR

30 May 2013

Dear Minister,

Lao PDR's Proposal to the GAVI Alliance

I am writing in relation to Lao PDR's proposal to the GAVI Alliance for New Vaccines Support for **pneumococcal vaccines**, which was submitted to the GAVI Secretariat in August 2012.

Following our correspondence 3 May 2012, we are now able to confirm the availability of vaccine supply to support an introduction starting in October 2013. Based on data provided in the original application and the new introduction timeline, we have recalculated the number of doses to be supported by GAVI and updated the co-financing requirements. Appendix B provides this information.

Please note that this document contains the following important attachments:

Appendix A: Description of approved GAVI support to Lao PDR

Appendix B: Financial and programmatic information for pneumococcal vaccine

Appendix C: The report of the Independent Review Committee for reference

Appendix D: Terms and conditions of GAVI Alliance support

The following table summarises the outcome for each type of GAVI support applicable to Lao PDR:

New Vaccines Support	Approved for 2013	Approved for 2014
Pneumococcal vaccines	US\$941,000	US\$2,914,500
Vaccine Introduction Grant	US\$ 150,000	N/A

Please do not hesitate to contact my colleague Raj Kumar rajkumar@gavialliance.org if you have any questions or concerns.

Yours sincerely,

Hind Khatib-Othman
Managing Director, Country Programmes

cc: The Minister of Finance
Director of Medical Services
Director Planning Unit, MoH
The EPI Manager
WHO Country Representative
UNICEF Country Rep.

Regional Working Group
WHO HQ
UNICEF Programme Division
UNICEF Supply Division
The World Bank

Description of GAVI support to *Lao PDR* (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 2013 and 2014 immunization programme as set out in Appendix B. Financing provided by GAVI for vaccines will be in accordance with:

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

The vaccines provided will be used for routine immunisation of children under 12 months of age. 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 2013 and 2014.

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 in 2013 and 2014.

Item number 14 of Appendix B summarises the budget and the quantity of supply that will be procured with country’s funds in 2013 and 2014. The total co-financing amount indicates costs for the vaccines, related injection safety devices 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, 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 strongly 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: Lao PDR's use of financial support for the introduction of new vaccinations with pneumococcal vaccine is subject to strict performance monitoring. The GAVI Alliance uses country systems for monitoring and auditing performance as well as 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 the delivery of funds to co-finance the vaccine.

Lao PDR 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 Coordinating 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.

Pneumococcal VACCINE SUPPORT

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

1. Country: Lao PDR					
2. Grant Number: 1315-LAO-12c-X / 13-LAO-08a-Y					
3. Decision Letter no: 3					
4. Date of the Partnership Framework Agreement: N/A					
5. Programme Title: New Vaccine Support (NVS)					
6. Vaccine type: Pneumococcal					
7. Requested product presentation and formulation of vaccine: Pneumococcal (PCV13), 1 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	2016	Total²
Programme Budget (US\$)	US\$941,000	US\$2,914,500	US\$2,313,000		US\$6,168,500
10. Vaccine Introduction Grant: US\$ 150,000 payable up to 6 months before the introduction.					
11. Indicative Annual Amounts (subject to the terms of the Partnership Framework Agreement):³					
Type of supplies to be purchased with GAVI funds in each year	2013	2014			
Number of Pneumococcal vaccines doses	149,400	577,800			
Number of AD syringes	158,500	614,700			
Number of re-constitution syringes					
Number of safety boxes	1,775	6,850			
Annual Amounts (US\$)	US\$941,000	US\$2,914,500			
12. Procurement agency: : UNICEF. The Country shall release its Co-Financing Payments each year to UNICEF.					
13. Self-procurement: 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 amount that GAVI has approved. Please amend the indicative Annual Amounts from previous years if that changes subsequently. *Ceci est le montant approuvé par GAVI. Prière de modifier les montants annuels indicatifs des années précédentes si cela change ultérieurement*

14. Co-financing obligations: Reference code: 1315-LAO-12c-X-C

According to the Co-Financing Policy, the Country falls within the Intermediate group. 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	2013	2014	2015	2016
Number of vaccines doses	9,000	32,400	30,600	
Number of AD syringes	8,900			
Number of re-constitution syringes				
Number of safety boxes	100			
Value of vaccine doses (US\$)	US\$29,399			
Total Co-Financing Payments (US\$) (Including freight)	US\$32,000	US\$122,500	US\$110,000	

15. Operational support for campaigns: Not applicable

16. Additional documents to be delivered for future disbursements: Not applicable

17. Clarifications: The Country shall provide the following clarifications prior to the disbursement of the Annual Amount in 2013:

18. Other conditions: Not applicable.

Signed by

On behalf of the GAVI Alliance

Hind Khatib-Othman

Managing Director, Country Programmes

04 June 2013

IRC NVS COUNTRY REPORT
Geneva, June 24 – July 08 2011

Country name: Lao PDR
Type of support requested: NVS
Vaccines requested: PCV-13

Country profile/Basic data (year)

Population	6,395,218
Birth cohort	175,359
Surviving infants	169,445
DTP3 coverage (administrative)	74%

Infant mortality rate (y2005)	70
Govt. Health expenditure as percent of total government expenditure	5.50%
GNI/capita (2009r)	880\$
Co-financing country group*	Low income

*low income, intermediate or graduating

1. Type of support requested/Total funding/Implementation period

Lao PDR has requested for PCV-13 in single dose/vial liquid presentation, from 2013 to 2015. The second preferred presentation is PCV-10, 2 doses per vial liquid.

2. History of GAVI support

ISS: 2002-2006
 DTP-HepB: 2002-2009
 Penta: 2009-2011
 INS: 2002-2004
 HSS: 2010

3. Composition & Functioning of the ICC

The ICC and the Technical Working Group meet regularly. It has active participation from the donors and ownership by the government. Inter-Agency Coordination Committee on immunization (ICC) established in 1992 as a stand-alone body, meeting 3-4 times per year (at least). It is composed of 8 members: government officials plus WHO and UNICEF.

The application was presented by WHO EP officer to the ICC at the May 12th (2011) meeting. According to the minutes APR was approved by ICC (to be signed by MoH, WHO and UNICEF). There is no mention of the PCV application to GAVI.

4. Status of the National Immunisation Programme

The National Immunization Program was launched in 1979 as the “Expanded Program on Immunization (EPI)” with introduction of six vaccines (BCG, Diphtheria, Tetanus,

Pertussis, Polio and Measles). The program was started as a pilot in two provinces and 10 districts and was gradually extended to all provinces by 1989.

Since 2002, GAVI Alliance has supported Lao PDR with Immunization Services Support (ISS), injection safety support and with introduction of hepatitis B vaccine as tetravalent (DTP-HepB) vaccine, followed by DTP-HepB-Hib vaccine in 2009. The DTP-HepB vaccine was rolled out to all districts by 2004 along with injection safety improvements (100% utilization of AD syringes and safe disposal). Monovalent Hepatitis B birth dose (HBBD) was piloted in 2004 and as of 2007 is being given in three central hospitals and two provincial hospitals. The joint NICEF/WHO/UNFPA initiative for maternal and neonatal tetanus elimination (MNTE) has also been introduced to all provinces. Vitamin A supplementation and de-worming services were added to the routine immunization program in 2005.

The immunization coverage as measured by DPT3 has increased from 49% in 2005 to 74% in 2010 (an increase in 25% coverage). WHO/UNICEF coverage, however, reports 57% for 2009. Measles coverage has increased from 41% to 64%. BCG coverage however has increased from only 65% to 72% (an increase of 7%), indicating that many families are either are not being reached in the first place and/or that there are fundamental problems with demand. National drop-out rate for DPT1/DPT3 for 2010 is 9%, indicating that once first contacts are made the services are for the most part continuing to be utilized.

5. *Comprehensive Multi Year Plan (cMYP) overview*

This cMYP is developed to ensure the progressive improvement and long-term sustainability of immunization services and coverage with increasing ownership by the government and improved donor coordination.

The Plan used the basic framework outlined in the Global Immunization Vision and Strategy (GIVS). It includes strategic activities to address geographic and social inequities in immunization coverage.

The plan puts immunization services in the overall context of child survival delivered as a core package of preventive and primary health care services along with services for safe motherhood, reproductive health, newborn-care, improved nutrition, and IMCI.

6. *New vaccine introduction plan*

WHO estimates that in 2008, pneumonia accounted for 27% and meningitis accounted for 4% of under 5 mortality in Laos (WHS 2010). According to these estimates, pneumonia is by far the most common disease or syndrome causing child death in Laos. In the absence of vaccination, Streptococcus pneumonia and Haemophilus influenza are the most common causes of pneumonia death in children, and are also an important cause for childhood meningitis and sepsis. Hib vaccine has already been introduced. WHO estimates that in 2000, pneumococcus caused 25,605 cases of pneumonia, 109 cases of meningitis and 541 cases of other invasive diseases among children under 5 years of age in Laos, causing 1114 deaths. Hence introduction of pneumococcal vaccine is likely to make substantial contribution to achievement of MDG-4 goal in Lao PDR. However, no country specific studies have been conducted to ascertain the burden of disease.

There is a very detailed introduction plan that has been developed after learning all the lessons from the introduction of pentavalent. Some of the important lessons were as follows:

Print new materials for the new vaccine; consider decreasing the amount of cascade training; use competency based training for health center workers; teach to supervise; reward good performance.

The detailed introduction plan has taken into account all these learning from the assessment of penta introduction.

7. *Improvement plan*

According to the EVM report (August 2010), Vaccine Management, Distribution and Stock Management scored <50%. Section 4 of the report lists recommendations to address issues revealed during the assessment. As a matter of fact it cannot be considered as an improvement plan because each recommendation needs a set of activities with the timeline and milestones.

Application Form states that “The report and improvement plan have just been released and the action will take place in the near future. Refer to cMYP section 2.1.4 for more information.” More detailed report ought to have been provided as to the action taken on the assessment.

8. *Cold chain capacity*

Based on an EVM analysis conducted in 2010, the cold room and freezer room have sufficient cold storage space to store routine vaccines in net positive storage capacity. However, the capacity needs to be expanded if more than one new vaccines is introduced simultaneously such rotavirus, pneumococcal, pandemic vaccines or human papilloma virus (HPV). The recommendation from the assessment was to add six freezers for ice pack freezing and to add a new walk-in cold room, as the current room is not well ventilated.

Vaccination activities are mostly done through outreach services due to unavailability of cold chain systems at health centers. This has limited the coverage and community’s access to immunization services. Vaccinators/health workers collect vaccines in the district vaccine store using a cold box or vaccine carrier. Vaccines in a cold box or vaccine carrier are packed with unconditioned icepacks or frozen ice in plastic bags. The practice of using frozen ice and unconditioned icepacks can put the freeze sensitive vaccines at risk. However, with the expansion of the cold chain system, there is now an increased opportunity to expand utilization of immunization services at the health centre. In fact, the percentage increase in the number of health centres with refrigerated cold chain from 22% in 2006 to 80% in 2010 is likely to have been one reason as to why routine immunization coverage has increased over the last 5 years.

The promotion of a fixed site strategy is identified by the government and its partners as the key condition to improving the performance of the immunization services. It is planned to extend the cold chain equipment to 100% of health centers during this plan period. Adequate cold chain systems at the health centers will improve both the accessibility and quality of immunization services.

9. *Financial Analysis*

The total cost for traditional four antigens (BCG, MCV1, OPV3, HepB0) for children under 1 years of age and for tetanus immunization for pregnant and CBA women as per the current immunization schedule in the base year 2012 is estimated to be about \$ 500,000 per year (Table 26). The funding of these vaccines comes from the government, UNICEF, Government of Korea, and Government of

Luxembourg. Though the vaccine financing is secured for 2012, the funding is still tentative in the subsequent years. The government has committed \$200,000 or at least 10% of all traditional vaccine cost each year. It is expected that Lux-Development will start a new funding cycle after 2012 and may continue to support a significant portion of the vaccine as they have in 2009-2011.

Among new planned introductions in the current five year plan, Lao PDR is planning to introduce pneumococcal conjugate vaccine in 2013. The cost of new introduction of pneumococcal vaccine, assuming price of one dose at \$3.50 during the whole plan period, will range from \$2,118,528 in 2013 to \$2,342,835 in 2015. The cost of pentavalent vaccine will be shared with GAVI, with government co-financing at the rate of \$0.20 per dose. In addition to GAVI, the government will continue to fund pentavalent vaccine introduced in 2009 for between \$ 123,652 in 2012 and \$136,501 in 2015. Also it is planned that the government will contribute \$ 50,000 per year for introduction of Japanese Encephalitis vaccine.

The proposed introduction of new vaccines will increase the cost of vaccines from \$ 2,355,465 in 2010 to \$ 4,128,093 in 2015—a 75% increase.

It is noteworthy that resource requirements, financing by sources and funding gaps are described separately in details for major cost categories (vaccines, injection supplies, operational costs, investment in cold chain and campaigns. Though the structure of funding gap of \$4 million (~17% of the total resource requirements) is not described and analysed, some of its aspects are described in previous sections (by major cost categories). Unfortunately, the funding gaps are not presented and analysed by type of financing (secure or secure + probable).

Sustainability strategies are general without quantitative projections of outcomes (in terms of decreasing the funding gap). It is noteworthy that switching to more fixed site delivery as well as sharing costs with other primary health programs are listed as financial sustainability strategies (along with traditional ones).

The Government of Laos is committed to increase its total health sector financing to meet its effort to strengthen the overall health system and to create greater sustainability in the health sector. This provides opportunities to increase government commitment for immunization services as well. Firstly, the government will steadily increase government commitment to vaccine financing by including a budget line to buy traditional vaccines (BCG, Measles, OPV and TT). This c-MYP includes government contribution towards traditional vaccines and injection supplies for at least 15% of total cost. The GoL has committed to spending \$ 949,000 for new vaccines over the new multi-year plan period. In addition, government will put domestic resources to meet some of the operational costs towards outreach. Regular advocacy meetings will be held with Minister of Health and Minister of Finance to advocate for increase in financing of different costs associated with immunization services to reduce the donor dependence.

10. *Co-financing arrangements*

There is a clear commitment to provide co-finance.

11. *Consistency across proposal documents*

The proposal is consistent across documents.

12. *Overview of the proposal: Strengths & weaknesses*

Strengths:

- Introduction and improvement plans are well developed.
- Post-introduction assessment of penta is useful.
- Commitment to step-up domestic funding for immunization.
- Strong integration of NIP with a broader package of MNCH services and alignment with the sectoral goals for 2015.

Weaknesses:

- Status of the implementation of the Improvement Plan (or EVM recommendations) cannot be assessed. This is critical.
- The costing tool used for financial projections does not allow analysis of the funding gap by the type of financing (secure or probable).
- Burden of disease is not very well supported

13. Recommendations

Vaccine: PCV

Recommendation: Approval with conditions

Conditions:

1. The country should provide an improvement plan with a set of necessary actions addressing major issues highlighted in the EVM report:
 - a. timeline,
 - b. responsible agencies,
 - c. budget and milestones, and
 - d. the implementation status report.
2. The country should revise its resource requirements for vaccines, indicate the financial risks (probable or secure funding), provide a detailed analysis of the funding gap, showing implications of the unfilled gap on the different programmatic areas of the NIP implementation. The country should propose an alternative funding scenario, matching resource requirements with the financing projections.

14. Review of response to conditions

Independent Review Committee, Geneva, February 6-10 2012

Condition 1:

The country should provide an improvement plan with a set of necessary actions addressing major issues highlighted in the EVM report:

- a. timeline,
- b. responsible agencies,
- c. budget and milestones, and
- d. the implementation status report.

Response:

A cold chain improvement plan based on the findings of the 2011 EVM assessment was submitted. This gives a list of cold chain items and areas that need improvement, the corresponding necessary actions in each case, the agencies responsible for taking these actions, the budget required and budget available for each improvement, and the status of implementation of each action. The plan shows that USD232,000 of the required USD424,000 is available to make the improvements listed, but there is no indication how or from where the balance of USD192,000 will be obtained. All improvements are scheduled for completion by December 2012, although progress is indicated on less than 50% of the activities listed on the plan. The plan is not dated however, so it is unclear whether the status is current, or whether it reflects the situation as it was at some point in the past. However, apart from these omissions, it appears that the IRC's condition 1 has been satisfied.

Condition 1 is met.

Condition 2:

The country should revise its resource requirements for vaccines, indicate the financial risks (probable or secure funding), provide a detailed analysis of the funding gap showing implications of the unfilled gap on the different programmatic areas of the NIP implementation. The country should propose an alternative funding scenario, matching resource requirements with the financing projections.

Response:

A revised, comprehensive financial analysis of the NIP has been carried out based on the GAVI template, and a new funding scenario has been developed. This is submitted as part of the response to IRC, and shows secured and probable funding, and the resulting funding gaps. The analysis details the implications of the funding gap by sector, and shows that only recurrent costs and logistics will be impacted by the shortfall. Figures generated are used to update the on-line GAVI application form, and to completely re-write section 5 of the cMYP. This is also submitted, and it thus appears that condition 2 has been met.

Condition 2 is met.

Recommendation: Approval

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.