



GAVI/13/235/MK/JT

The Minister of Health  
Ministry of Health  
J1. H.R. Rasuna Said  
Blok X.5 Kav. 4-9 Blok A  
Kuningan – Jakarta 12950  
Indonesia

08 April 2013

Dear Minister,

***Indonesia's Vaccine Introduction Grant approval***

As a follow up to the recent GAVI mission and a request to receive the vaccine introduction grant, please find attached a decision letter that summarises GAVI's support to Indonesia for pentavalent vaccines.

GAVI will release 50% of the Vaccine Introduction Grant in April 2013 and the remaining 50% upon confirmation of licensure of pentavalent vaccine.

For your information, this document contains the following important attachments:

Appendix A: Summary of approved GAVI support to Indonesia

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 financial and programmatic information for the approvals are detailed in the attached Appendix B1 (for vaccine support). The format of these appendices will be used in a partnership agreement that the GAVI Alliance aims to introduce to simplify information exchange between countries receiving GAVI support and the Secretariat. The Secretariat will be pleased to provide any clarifications on this process.

The following table summarises the outcome for each type of GAVI support applicable to Indonesia.

Type of GAVI support		Approved six months before introduction
<b>New Vaccines Support</b>	Pentavalent vaccine and related injection safety materials	\$10,024,000
<b>Vaccine Introduction Grant</b>	For Pentavalent vaccine introduction	US\$ 3,791,000

Please do not hesitate to contact my colleague Jacqueline Tong [jtong@gavialliance.org](mailto:jtong@gavialliance.org) if you have any questions or concerns.

Yours sincerely,



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  
              The GAVI Finance Unit

## Description of GAVI support to Indonesia (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 immunization programme as set out in Appendix B. Financing provided by GAVI for vaccines will be in accordance with:

- The GAVI Alliance Guidelines notified to the Country with the APR format; and
- The APR, as recommended by the IRC for approval for funding, 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.

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

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.

### Vaccine introduction grant

The aim of GAVI’s vaccine introduction grant is to facilitate the timely and effective implementation of critical activities in the national vaccine introduction plan in advance of a new vaccine introduction.

Pre-introduction activities that can be funded through the GAVI vaccine introduction grant may include but are not limited to health worker training, information, education and communication (IEC) and social mobilisation, microplanning, expansion or rehabilitation of cold chain equipment and additional vehicles, printing and purchase of materials (such as immunisation cards), technical assistance, and modifications to the surveillance systems. The government is encouraged to work with civil society organisations and other in-country partners to determine how these activities are best carried out.

*What are the new funding levels?*

	<b>GAVI support</b>
<b>Vaccines delivered to infants</b>	<b>\$0.80</b> (per child in the birth cohort)
<b>HPV vaccines</b>	Or lump sum of <b>\$100,000</b> , whatever is higher
	<b>\$2.40</b> (per girl in the target population)
	Or lump sum <b>\$100,000</b> , whatever is higher

### **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.

Item number 14 of Appendix B summarises the budget and the quantity of supply that will be procured with country's funds in 2013.

### **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 then-current 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: Use of financial support for the introduction of new vaccinations is subject to strict performance monitoring.

Achievements and the required support for the following year will be reported on in the APR. The APR must contain information on the number of children reported to have been vaccinated with DTP3 and with three doses of pentavalent vaccine by age 12 months, based on district monthly reports reviewed by the 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.

Please note the following conditions for future reporting:

- Signature of the APR by the Ministers of Health and Finance, and endorsement by members of the HSCC and/or ICC
- Attach minutes of all HSCC and ICC meetings held during the reporting year with the APR;
- Attach minutes of the HSCC/ICC meeting that explicitly discusses and endorses the APR submission;
- Attach financial statements with the APR as required for cash-based support, including HSS, CSO Type B and ISS. These statements should be prepared for the reporting year, and signed by the MOH chief accountant or the Permanent Secretary; and,
- Submit audit reports as required for cash-based windows of support, including HSS, CSO Type B and ISS. These audit reports are due to the GAVI Secretariat six to nine months after the close of your government's financial year.

GAVI encourages countries to continue working closely with their HSCC and/or ICC and local partners including Civil Society Organisations (CSOs). For the APR 2012 it is also recommended to share a draft report with the Regional Working Group for any technical input prior to final signatures and subsequent submission to GAVI before the 15 May 2013.

## PENTAVALENT VACCINE

## DECISION LETTER FOR VACCINE SUPPORT

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

<b>1. Country:</b> Indonesia			
<b>2. Grant Number:</b> 1314-IDN-04d-Y			
<b>3. Decision Letter no:</b> 1			
<b>4. Date of the Partnership Framework Agreement:</b> Not applicable			
<b>5. Programme Title:</b> Pentavalent vaccine			
<b>6. Vaccine type:</b> DTP-HepB-HIB			
<b>7. Product presentation and formulation of vaccine:</b> 5 dose(s) per vial, LIQUID			
<b>8. Programme Duration:</b> 2013 - 2014			
<b>9. Programme Budget (indicative) :</b>			
	2013	2014	Total
Programme Budget (US\$)	\$10,024,000	\$13,946,000	\$23,970,000
<b>10. Vaccine Introduction Grant:</b> US\$ 3,791,000			
GAVI will release 50% of the Vaccine Introduction Grant in April 2013 and the remaining 50% upon confirmation of licensure of pentavalent vaccine.			
<b>11. Indicative Annual Amounts :</b>			
Type of supplies to be purchased with GAVI funds in each year	2013		
Number of Pentavalent vaccines doses	4,079,900		
Number of AD syringes	3,439,300		
Number of re-constitution syringes	0		
Number of safety boxes	38,175		
Annual Amounts (US\$)	\$10,024,000		
<b>12. Procurement agency:</b> Government of Indonesia			
<b>13. Self-procurement:</b> 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 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.			

**14. Co-financing obligations:**

According to the Co-Financing Policy, the Country falls within the Graduating 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
Number of Penta vaccines doses	850,000	5,051,600	
Number of AD syringes	716500		
Number of re-constitution syringes	0		
Number of safety boxes	7975		
Value of Penta vaccine doses (US\$)	1,971,902		
Total Co-Financing Payments (US\$) (including freight)	2,088,500	10,888,000	

**15. Operational support for campaigns:** Not applicable.

	2013	2014
Grant amount (US\$)	N/A	N/A

**16. Additional documents to be delivered for future disbursements:** The Country shall deliver the following documents by the specified due dates as part of the conditions to the approval and disbursements of the future Annual Amounts.

Reports, documents and other deliverables	Due dates
N/A	N/A

**17. Clarifications:** The Country shall provide the following clarifications prior to the disbursement of the Annual Amount in 2013 as given in Annex C. **Completed**

## 18. Other conditions:

### 1: Quality criteria for self-procured vaccines using GAVI support

The Government shall only procure vaccines using GAVI support that: (i) are from the WHO pre-qualified list of vaccines; (ii) in the case of locally-produced vaccines purchased directly from the manufacturer, are licensed by the relevant National Regulatory Authority (NRA) which has been assessed as fully functional by WHO; or (iii) are licensed according to WHO's definition of quality vaccines (e.g. as described in WHO's Technical Report Series) by fully functional NRAs as assessed by WHO in the countries where the vaccines are manufactured and purchased.

### 2: Quality criteria for self-procured auto-disable syringes and disposal boxes using GAVI support

a. The Government shall only procure auto-disable syringes that are pre-qualified under WHO's Performance, Quality and Safety system.

b. For syringe and needle disposal boxes the Government shall either: i) procure boxes that appear on the relevant WHO list of prequalified products; or ii) submit to GAVI a certificate of quality issued by a relevant national authority.

### 3: Quality criteria for self-procured vaccines, auto-disable syringes, and disposal boxes using co-financing funds

GAVI strongly encourages countries self-procuring co-financed products to ensure they are of WHO-defined assured quality, such as those on the WHO list of pre-qualified products or as otherwise described in paragraphs 1 and 2 above.

Signed by:

  
On behalf of the GAVI Alliance

Hind Khatib-Othman  
Managing Director, Country Programmes  
08 April 2013



**Country: Indonesia**  
**Type of report: Annual Progress Report**  
**Reporting period: 2011**  
**Date reviewed: July 2012**

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### 1. Background Information

Surviving Infants (2011): 4,761,912

DTP3 coverage (2011):

- JRF Official Country Estimate: 94%
- WHO/UNICEF Estimate: 63%

History of GAVI support:

**Table 1. NVS and INS Support**

NVS and INS support	Approval Period
Hep B (mono)	2002 – 2008
INS	2002 – 2005

**Table 2. Cash Support**

Cash support	Approval Period
ISS 1	2003 – 2007
ISS2	2008 – 2009
HSS	2008 – 2014
CSO Type A	2008
CSO Type B	2008 – 2011

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

The ICC merged with the HSCC in 2011 though separate ICC and HSCC meeting minutes were provided (January, April, May, June and December 2011 and 2012). The current APR was discussed and endorsed at the May 2012 HSCC meeting.

There are no members from CSO as stated in the APR. However, HSCC includes representatives of KWARNAS (scout movement), PP IBI (midwife society organisation), Consortium (TP PKK (women movement organization) along with WHO and UNICEF representatives.

The minutes are very detailed and convey substance of the discussions. Of specific note were comments in the first of two meetings in May 2011 by: (1) WHO concerning the need for the proposed reprogramming of HSS to contain a good plan and allocation of funds and (2) the Ministry of Finance representative wanting to see audit results before endorsing the APR.

### 3. Program Management

Indonesia was not awarded an ISS award because of significant (more than 5%) difference in DTP3 coverage rates between official and WHO/UNICEF estimates. The ICC/HSCC discussed this issue and tried to prove that the discrepancy was not caused by the manipulation of coverage figures. Indonesia stated that after the 2010 Census the number of surviving infants changes from 4,538,102 (APR 2010 figures) to 4,600,582 ("though it is still less than the target from administrative reported that is 4,761,912"). Most importantly, Indonesia admits that "surviving

infants cannot be counted by districts” so the birth cohort was used as a denominator instead of surviving infants. “But, for 2012, we already committed yet with provinces and districts to apply this number of surviving infants as target of infant immunisation”.

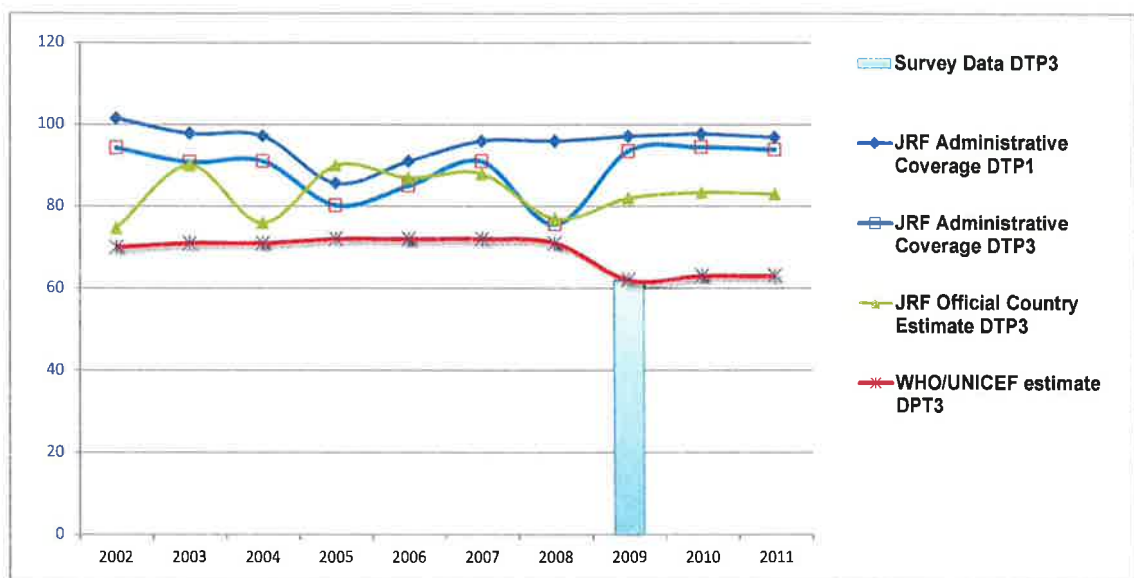
Some on-going and planned activities to improve administrative data systems are noteworthy:

- a) Introduction of an identity number for all citizens and recording and reporting tools to avoid double counting of infants;
- b) Conducting DQS on a regular basis and use it as an occasion to provide on job training to relevant staff.

The current APR does not contain updated figures on immunisation coverage rates, as the Table 4 of 2011 APR is not appropriately filled in.

According to the current APR, Indonesia achieved the targets stated in the APR 2010: 97% for BCG, 80% for HepB birth dose, 93% for OPV3, 94% for DTP-HebB3 and 92% for Measles. However, pockets with low coverage still remain.

**Figure 1 DTP3 coverage in Indonesia**



The NIP faces the challenge of growing rejection of the immunisation services due to the "issue of halal vaccines". The challenge is intended to be addressed via the establishment of advocacy and socialisation teams supported by HSS reprogramming in 5 provinces and remaining ISS funds (in addition to government funding).

#### **Adverse Events Following Immunisation Systems**

No information was provided.

#### **4. Gender and Equity Analysis**

The APR says that there are no sex disaggregated data, but that it plans to change reporting in 2012 to capture this information.

The APR indicates concern and action on underperforming areas of the country. It mentions doing trainings, EVMs, DQSs, etc. with specific mentoring of low-performance areas. It also mentions vaccine rejection as an issue (non-halal vaccines) and work with communities and religious organisations in this regard (including spending ISS and reprogrammed HSS money on these activities). The programme got help from WHO with media workshops aimed at enlisting media to support awareness-building about immunisations. Finally, the programme worked with policy makers and opinion leaders to obtain their help in making 2012 the Southeast Asia year of Intensification of Routine Immunisation (IRI).

## **5. Immunisation Services Support (ISS)**

Indonesia succeeded in integrating the ISS grant (for 2011) into the national Grant Management Mechanism. The ISS funds for 2011 (US\$ 287,584) were carried over from 2010 and US\$ 157,918 were spent at the national level in 2011, with a closing balance of US\$ 129,666.

In 2011, six major activities aimed at the strengthening the NIP were financed with ISS funds:

- 1) National planning meeting attended by all provinces including the evaluation of 2010 achievements;
- 2) Supportive supervision of 16 poor performing provinces;
- 3) Training of provincial immunisation managers in local area monitoring, planning and budgeting;
- 4) Information and socialisation campaigns (for "intensification of routine immunisation");
- 5) Development of guidelines for immunisation officers at all levels, and
- 6) Maintenance of facilities and "official equipment".

An external audit was conducted in 2011. According to the TAP Report, "Audit report states that there was a "cash deviation per December 31st, 2011 which will be completed in May 2012, as described in the audit findings point 1) and 6)". The audit findings are not attached to the translated version of the audit report." The ISS-related TAP issue pending from APR 2010 review has been resolved.

The current APR does not request an ISS award for 2011 achievements.

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

Indonesia applied for NVS for Pentavalent vaccine in 2011. The IRC reviewed the country's application and recommended "conditional approval". The country responded in a satisfactory manner and support for Penta was approved.

The TAP report indicates that no progress was made by the country in response to the DL following the APR 2010 review, which requested the country to "*Complete the NVS section of the APR and to prepare and submit a separate financial statement for all NVS expenditures to date*". The TAP report also states that the 2011 audit report related to the NVS window was not received and TAP recommends to the IRC that an "*Audit should be conducted on NVS expenditures*".

An EVM assessment was conducted in 2011 and, in response to its findings, the country intends to replace some cold chain equipment at the health centre and provincial levels in three years. The EVM Improvement plan attached to the APR refers to 11 high priority recommendations (out of the total 24 recommendations).

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

In 2013, Indonesia will belong to the graduating group of countries. According to the APR, the NIP budget is estimated at US\$ 51.6 million in 2012 and US\$ 83.1 million in 2013. The cost of vaccines and injection supplies amount to US\$ 74 million in 2013. No financing gaps are reported or expected.

An FMA was not conducted prior to or during the 2011 calendar year. However, the TAP report states that an MA was signed in November 2011 and recommends the country to implement actions outlined in this MA and to report progress to GAVI.

## **8. Injection Safety Support (INS)**

The GoI purchases safe injection supplies for all of its vaccines. There are issues around the training of newly hired service delivery personnel in safe injection practices that the programme is trying to address. A sharps waste management policy has been developed but awaits official approval. Practices vary at sites around the country from incineration to open burning and burial.

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

Indonesia cleared outstanding programmatic and financial management issues pending from the 2010 APR review as detailed by the TAP report.

As stated in the APR, HSS funds were transferred to the state owned bank (BNI) to the account of the Secretariat of DG of Nutrition, Maternal and Child Health based on the Decree of Director General of Disease Control and Environment Health and were integrated into State Budget (document) after the approval of the budget of the Secretariat of DG of Nutrition, Maternal and Child Health by the Ministry of finance. From the bank account stated above funds are transferred to the Provincial Health Office (PHO) account, and funds are further transferred to the District Health Office (DHO) bank accounts. "Letters of integrity" are signed by all actors prior to receiving the HSS funds. An external audit was conducted in 2011.

There are four objectives in the HSS programme relating to community mobilization for MCH, management capacity, NGO partnerships and operational research.

Almost all activities were fully implemented under objective 1 except one ("Assessment and mapping of existing situation including health services availability mapping"), which was 80% completed. It has to be stressed that the country provided very detailed descriptions of the different studies conducted under these activities and some of their findings. However, it is not clear what was not completed in 2011 and the reasons for this. The country does refer to the delay mentioned in the APR 2010 "which caused obstacle to utilise baseline result for current phase of project implementations". There is a minor inconsistency in the number of community health workers (cadres) trained under activity 1.2: 5,352 is mentioned in table 9.2.1 vs. 5,474 in sub-section 9.4.1. Only one out of five activities under objective 2 was not completed, "Advocacy by MoH/PHO staff to district administration", which was implemented in one province rather than in the three initially planned. Two out of three activities under objective 3 were completed by 90%. The achievements for each activity were described in detail. None of activities under objective 4, related to operational research, were conducted in 2011. These will be conducted in 2013 after HSS reprogramming, due to partial disbursement of HSS funds by GAVI. This argument is questionable considering the low budget execution rates and the balance of funds as discussed below. Although some activities have been implemented in the first quarter of 2012, only 2% of the budget was spent in this period, indicating the continuation of a low budget execution rate.

There did not appear to be a link between GAVI investment and other development programs in the health sector strategy. Although the link between activities and immunisation related services is indirectly discussed in the programme narrative, the proposed M&E framework is not instrumental in this regard. Only seven M & E output indicators were provided to measure implementation, and progress was only demonstrated in four of those indicators. However, these are not appropriate for measuring results at the level of objectives (i.e. no outcome level indicators were provided) and do not demonstrate how the HSS programme benefits immunisation-related results at impact level.

The country presented managerial and programmatic problems and corresponding solutions in section 9.4.2 of the 2011 APR. The following issues were noted:

- 1) Shortage of HSS management funds, which was enough to cover three management positions at the provincial level but not administrative staff at the district and health centre levels. The solution for this issue is not clearly articulated, and although unclear, it appears that the administrative staff at district and health centre level is also engaged in technical activities and paid correspondingly;
- 2) Due to the changes in country financial regulations, in 2011 the Government requested a project reprogramming, which caused an implementation delay. The solution refers to adjusting the Project Implementation Manual but it is not clear how it addressed the "reprogramming" issue.

According to information provided by the GAVI Secretariat, US\$ 7,961,000 were approved and disbursed in 2008. However, the APR also refers to additional amounts received in 2009 (US\$ 270,000) and 2012 (US\$ 3,722,995). The country only absorbed 58% of the available funds in 2010 and 2011. It should be noted that Total Budget for 2012 figures in Table 9.4 do not correspond to the 2012 column in Table 9.1.3a (US\$ 7,322,096). This figure corresponds to 2013 budget in Table 9.5. It is not possible to specify the dollar amount of the country's funding request and this is not consistent with GAVI secretariat report on the remaining fund release.

Reprogramming was done in 2011 and, after the review of the 2010 APR, the IRC recommended the following: "The next APR submitted to the IRC should contain an aligned workplan and a combined report (the original proposal and the reprogramming) showing baseline figures with clear targets and indicators". The plan to use the GAVI funds in 2013 is not consistent with the re-programmed and approved plan – Indonesia still used the original plan for financial projections in 2012 and 2013.

No detailed information was provided on the country's progress towards the Health System Funding Platform – in-country alignment/harmonisation. Table 9.8 in the 2011 APR just refers to two other sources of funding: HSS Aus AID in the amount of US\$ 49,415,000 for the period of 2011-2016 (for improvement of health work force, health financing and policy) and GFATM Round 10 HSS in the amount of US\$ 36,142,479 for the same period (for strengthening the national health information system and pharmaceutical and health product management).

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

### **Type A**

According to the APR, some CSO type A funds were left over in 2011 (US\$ 3,673) and were utilised for a coordination meeting, although it is not clear if this overlaps with HSS 3.1.3 activity "Coordinative meeting to strengthen the implementation of MOU".

### **Type B**

Type B support involved four CSOs: Consortium and IBI implemented activities in 2011, while Pramuka and PKK had completed the activities for GAVI phase I in December 2010. Consortium conducted a workshop to disseminate findings of the baseline survey (2010), developed integrated training modules on routine immunisation and MCH, conducted two trainings in two provinces and carried out media dissemination/public campaign. IBI also conducted a workshop to disseminate the findings of the baseline survey (2010), trained midwives and nurses, disseminated IEC media and supported community outreach (carried out by trained midwives).

Implementation of CSO activities were led by the Centre for Health Promotion of the MoH, which conducted CSO coordination meetings, monitored and evaluated CSO support implementation and produced a GAVI newsletter. The country stressed that CSO type B support helped the MoH and CSOs to strengthen their collaboration in areas of MCH and immunisation. While CSOs were sharing information and experience among each other, the MoH was using the information supplied by the CSOs in planning its programmes and interventions. Contracted CSOs involved the other CSOs in programme activities.

According to Table 10.2.4 in the 2011 APR, the country spent US\$ 692,739 on CSO type B support in 2011 and US\$ 51,275 remained in the account on 1<sup>st</sup> January 2012. Table 10.2.5, which highlights the progress of CSOs project implementation, lists activities by CSOs and current status along with targets. Not all indicators were instrumental to assess the progress. Most surprisingly, although some activity targets are set for 2012 or 2013, the IBI "endline survey" was not conducted at all.

## **11. Summary of 2011 APR Review:**

Indonesia re-programmed their HSS for 2012-2014. The IRC approved it in 2011 and recommended the disbursement of 50% of the funds requested for 2012 (US\$ 3,733,995) and the submission of a combined report in the 2011 APR. In the current APR, Indonesia reported on the HSS implementation in 2011 based on the original programme work plan/budget, but had to report on the implementation of activities in 2012 and 2013 based on the new set of objectives and activities. The country failed to do so. In addition to that, the country failed to submit the "aligned work plan" that shows clearly how the original budget (for 2012-2014) plus the retained (undisbursed) funds (US\$ 3,733,995) will be executed. It is not clear the exact amount of funds the country is requesting for 2013 considering the above mentioned issues, on top of the discrepancies in the financial projections in APR as discussed in details in section 9 of this report. Compared to previous years, Indonesia demonstrated significant progress in the HSS implementation, though the absorption of disbursed funds still remains low, with 58% budget

execution in 2010 and 2011 and only 2% in the first quarter of 2012. This still raises concerns on the ability of Indonesia to implement HSS timely and deliver results even after re-programming. Considering the above stated deficiencies, the IRC has not sufficient information to approve HSS funding for 2013.

Indonesia implemented CSO Type B support and successfully demonstrated achievement of targets in most of the program areas. The country demonstrated how this window of GAVI support contributed to the establishment of PPP and strengthening of the CSOs' role in delivery of MHC services including immunisation. It is noteworthy that the original design of HSS and CSO Type B support provided a compelling case of complementarity of CSO support to HSS program (namely to its objective 3); while HSS strived for establishing a regulatory and operational framework of collaboration between the government/health officials and CSOs, the CSO type B provided financial means to engage CSOs in actual service delivery as well as capacity building of community level health care providers.

## **12. IRC Review Recommendations**

- **ISS**

Country is requested to provide satisfactory clarifications on TAP related issues clarifications detailed in Section 13.

- **NVS**

Country is requested to provide satisfactory clarifications on TAP related issues as detailed in Section 13.

- **HSS**

Insufficient Information/Re-submission. Country is requested to provide additional information as detailed in Section 14, which will be reviewed in the next Monitoring IRC.

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

### **Short-term clarifications**

- **ISS**

The country is requested to clarify whether the cash deviation issue mentioned in the audit report has been resolved and submit a translated audit findings report to GAVI for review.

- **NVS**

The country is requested to submit the NVS Financial Statements and to conduct an audit of NVS expenditure to date and submit to GAVI.

- **HSS**

See section 14.

- **CSO**

The country is requested to clarify whether both CSO Type A and Type B were covered by the 2011 audit.

- **HSS and CSO**

The country is requested to restate numbers in US\$ in the APR and FS using the same and accurate exchange rate for the HSS and CSO programs.

#### **14. Request Re-submission of APR HSS Section**

The country is requested to re-submit the APR HSS Section, of which the funding request is to be reviewed by the next Monitoring IRC. In particular, the country is advised to:

1. Specify the amount of funds requested from GAVI for 2013;
2. Provide aligned work plan (as recommended by the IRC in 2011) that defines clearly how the remaining GAVI approved HSS funds (including the half of 2012 budget retained by GAVI) will be utilized in 2013 and 2014 (if requested);
3. Clarify discrepancies in financial figures in Table 9.1.3, 9.3 and 9.4 as detailed in section 9 above in the IRC report, and
4. Clarify why the shortage of funds was claimed for not conducted activity 4.1 (budgeted as 1.15 million USD in 2012) if the closing balance for 2011 was 1.12 million USD.

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

The IRC recommend the GAVI Secretariat to consider conducting a case study on the CSO type B support implementation with focus on the synergy with HSS interventions and institutionalisation of CSOs' engagement in immunisation service delivery.

**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.