



GAVI/13/593/ar/sc

Minister of Community Development  
Mother and Child Health  
Ministry of Community Development  
Mother and Child Health  
Lusaka  
Zambia

14 November 2013

Dear Minister,

***Annual Progress Report submitted by Zambia***

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

In July 2013 your APR was reviewed by the GAVI Independent Review Committee (IRC) which recommended "Approval with Clarifications" of your APR. We have since received your response to the programmatic clarifications, which were deemed satisfactory, and consequently are pleased to inform you that the GAVI Alliance has approved Zambia for GAVI support as specified in the Appendices to this letter.

The Appendices includes the following important information:

Appendix A: Description of approved GAVI support to Kenya

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 Zambia:

Type of support	Appendix	Approved for 2014
NVS – Pneumococcal	B-1	US\$7,880,000
NVS – Pentavalent	B-2	US\$1,404,500
NVS – Measles Second Dose	B-3	US\$216,000
NVS – Rotavirus	B-4	US\$3,010,500

We would like to highlight that Zambia received a Partnership Framework Agreement in March 2013. To date, we have not received the signatures of the Ministry of Health and Ministry of Finance on the Partnership Framework Agreement. Please be advised that the GAVI Alliance will no longer disburse subsequent cash funds until the Partnership Framework Agreement has been signed between the GAVI Alliance and Zambia.

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

Yours sincerely,

Hind Khatib-Othman  
Managing Director, Country Programmes

GAVI Alliance

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cc: The Minister of Finance  
The Director of Medical Services  
Director Planning Unit, MoH  
The EPI Manager  
WHO Country Representative  
UNICEF Country Representative  
Regional Working Group  
WHO HQ  
UNICEF Programme Division  
UNICEF Supply Division  
The World Bank

## Description of GAVI support to Zambia (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 cannot 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.

**ZAMBIA – PNEUMOCOCCAL VACCINE SUPPORT**  
**This Decision Letter sets out the Programme Terms of a Programme**

<b>1. Country:</b> Zambia				
<b>2. Grant Number:</b> 1215-ZMB-12b-X				
<b>3. Date of Decision Letter :</b> 14 November 2013				
<b>4. Date of the Partnership Framework Agreement:</b> N/A (not signed yet)				
<b>5. Programme Title:</b> New Vaccine Support				
<b>6. Vaccine type:</b> Pneumococcal				
<b>7. Requested product presentation and formulation of vaccine:</b> Pneumococcal (PCV10), 2 dose(s) per vial , LIQUID				
<b>8. Programme Duration<sup>1</sup>:</b> 2012-2015				
<b>9. Programme Budget (indicative) :</b>				
	2012-2013	2014	2015	Total <sup>2</sup>
Programme Budget (US\$)	US\$12,116,850 <sup>3</sup>	US\$7,880,000	US\$12,382,000	US\$32,378,850
<b>10. Vaccine Introduction Grant:</b> N/A				
<b>11. Indicative Annual Amounts :</b>				
Type of supplies to be purchased with GAVI funds in each year	2012-2013	2014		
Number of Pneumococcal vaccines doses			1,518,900	
Number of AD syringes			1,491,100	
Number of safety boxes			16,575	
Annual Amounts (US\$)	US\$12,116,850 <sup>4</sup>	US\$7,880,000		
<b>12. Procurement agency:</b> UNICEF. The Country shall release its Co-Financing Payments each year to UNICEF.				
<b>13. Self-procurement:</b> N/A				

<sup>1</sup> This is the entire duration of the programme.

<sup>2</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>3</sup> This is the consolidated amount for all previous years.

<sup>4</sup> This is the consolidated amount for all previously approved years

**14. Co-financing obligations: Reference code:** 1215-ZMB-12b-X-C - According to the Co-Financing Policy, the Country falls within the group Intermediate. 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	120,000	211,400
Number of AD syringes	117,800	
Number of safety boxes	1,325	
Value of vaccine doses (US\$)	US\$407,039	
Total Co-Financing Payments (US\$) (including freight)	US\$426,500	US\$742,000

**15. Operational support for campaigns:** N/A

	2014	2015
Grant amount (US\$)		

**16. Additional documents to be delivered for future disbursements:**

Reports, documents and other deliverables	Due dates
Annual Progress Report	15 May 2014

**17. Financial Clarifications:** N/A

**18. Other conditions:** N/A

Signed by,



**On behalf of the GAVI Alliance**

Hind Khatib-Othman

Managing Director, Country Programmes

14 November 2013

**ZAMBIA – PENTAVALENT VACCINE SUPPORT**  
**This Decision Letter sets out the Programme Terms of a Programme**

<b>1. Country:</b> Zambia															
<b>2. Grant Number:</b> 0715-ZMB-04a-X															
<b>3. Date of Decision Letter :</b> 29 October															
<b>4. Date of the Partnership Framework Agreement:</b> N/A (not signed yet)															
<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, 1 dose(s) per vial, LIQUID															
<b>8. Programme Duration<sup>5</sup>:</b> 2005-2015															
<b>9. Programme Budget (indicative) :</b>															
<table border="1"> <thead> <tr> <th></th> <th>2005-2013</th> <th>2014</th> <th>2015</th> <th>Total<sup>6</sup></th> </tr> </thead> <tbody> <tr> <td>Programme Budget (US\$)</td> <td>US\$49,349,637<sup>7</sup></td> <td>US\$1,404,500</td> <td>US\$4,134,000</td> <td>US\$54,888,137</td> </tr> </tbody> </table>		2005-2013	2014	2015	Total <sup>6</sup>	Programme Budget (US\$)	US\$49,349,637 <sup>7</sup>	US\$1,404,500	US\$4,134,000	US\$54,888,137					
	2005-2013	2014	2015	Total <sup>6</sup>											
Programme Budget (US\$)	US\$49,349,637 <sup>7</sup>	US\$1,404,500	US\$4,134,000	US\$54,888,137											
<b>10. Vaccine Introduction Grant:</b> N/A															
<b>11. Indicative Annual Amounts :</b>															
<table border="1"> <thead> <tr> <th>Type of supplies to be purchased with GAVI funds in each year</th> <th>2005-2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Number of Pentavalent vaccines doses</td> <td></td> <td>667,000</td> </tr> <tr> <td>Number of AD syringes</td> <td></td> <td>647,600</td> </tr> <tr> <td>Number of safety boxes</td> <td></td> <td>7,225</td> </tr> <tr> <td>Annual Amounts (US\$)</td> <td>US\$49,349,637<sup>8</sup></td> <td>US\$1,404,500</td> </tr> </tbody> </table>	Type of supplies to be purchased with GAVI funds in each year	2005-2013	2014	Number of Pentavalent vaccines doses		667,000	Number of AD syringes		647,600	Number of safety boxes		7,225	Annual Amounts (US\$)	US\$49,349,637 <sup>8</sup>	US\$1,404,500
Type of supplies to be purchased with GAVI funds in each year	2005-2013	2014													
Number of Pentavalent vaccines doses		667,000													
Number of AD syringes		647,600													
Number of safety boxes		7,225													
Annual Amounts (US\$)	US\$49,349,637 <sup>8</sup>	US\$1,404,500													
<b>12. Procurement agency:</b> UNICEF. The Country shall release its Co-Financing Payments each year to UNICEF.															
<b>13. Self-procurement:</b> N/A															

<sup>5</sup> This is the entire duration of the programme.

<sup>6</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>7</sup> This is the consolidated amount for all previous years.

<sup>8</sup> This is the consolidated amount for all previously approved years.

**14. Co-financing obligations: Reference code: 0715-ZMB-04a-X-C** - According to the Co-Financing Policy, the Country falls within the group Intermediate. 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	94,000	326,700
Number of AD syringes	91,300	
Number of safety boxes	1,025	
Value of vaccine doses (US\$)	US\$183,132	
Total Co-Financing Payments (US\$) (including freight)	US\$198,000	US\$687,500

**15. Operational support for campaigns: N/A**

	2014	2015
Grant amount (US\$)		

**16. Additional documents to be delivered for future disbursements:**

Reports, documents and other deliverables	Due dates
Annual Progress Report	15 May 2014

**17. Financial Clarifications: N/A**

**18. Other conditions: N/A**

Signed by, 

**On behalf of the GAVI Alliance**  
Hind Khatib-Othman  
Managing Director, Country Programmes  
14 November 2013

**ZAMBIA – MEASLES SECOND DOSE VACCINE SUPPORT**

This Decision Letter sets out the Programme Terms of a Programme

<b>1. Country:</b> Zambia				
<b>2. Grant Number:</b> 1215-ZMB-09a-X				
<b>3. Date of Decision Letter :</b> 14 November 2014				
<b>4. Date of the Partnership Framework Agreement:</b> N/A (not signed yet)				
<b>5. Programme Title:</b> New Vaccine Support				
<b>6. Vaccine type:</b> Measles Second Dose				
<b>7. Requested product presentation and formulation of vaccine:</b> Measles, 10 dose(s) per vial, LYOPHILISED				
<b>8. Programme Duration<sup>9</sup>:</b> 2012-2015				
<b>9. Programme Budget (indicative) :</b>				
	2012-2013	2014	2015	Total <sup>10</sup>
Programme Budget (US\$)	US\$429,597 <sup>11</sup>	US\$216,000	US\$356,000	US\$1,001,597
<b>10. Vaccine Introduction Grant:</b> N/A				
<b>11. Indicative Annual Amounts :</b>				
Type of supplies to be purchased with GAVI funds in each year	2012-2013	2014		
Number of measles vaccines doses			589,200	
Number of AD syringes			419,500	
Number of re-constitution syringes			64,900	
Number of safety boxes			5,375	
Annual Amounts (US\$)	US\$429,597 <sup>12</sup>	US\$216,000		
<b>12. Procurement agency:</b> UNICEF				
<b>13. Self-procurement:</b> N/A				
<b>14. Co-financing obligations:</b> N/A				

<sup>9</sup> This is the entire duration of the programme.

<sup>10</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>11</sup> This is the consolidated amount for all previous years.

<sup>12</sup> This is the consolidated amount for all previously approved years.

**15. Operational support for campaigns: N/A**

	2014	2015
Grant amount (US\$)		

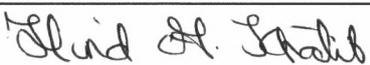
**16. Additional documents to be delivered for future disbursements:**

Reports, documents and other deliverables	Due dates
Annual Progress Report	15 May 2014

**17. Financial Clarifications: N/A**

**18. Other conditions: N/A**

Signed by,



**On behalf of the GAVI Alliance**

Hind Khatib-Othman

Managing Director, Country Programmes

14 November 2013

**ZAMBIA – ROTAVIRUS VACCINE SUPPORT**  
**This Decision Letter sets out the Programme Terms of a Programme**

<b>1. Country:</b> Zambia				
<b>2. Grant Number:</b> 1315-ZMB-13b-X				
<b>3. Date of Decision Letter :</b> 14 November 2013				
<b>4. Date of the Partnership Framework Agreement:</b> N/A (not signed yet)				
<b>5. Programme Title:</b> New Vaccine Support				
<b>6. Vaccine type:</b> Rotavirus				
<b>7. Requested product presentation and formulation of vaccine:</b> Rota, 2 dose(s)				
<b>8. Programme Duration<sup>13</sup>:</b> 2013-2015				
<b>9. Programme Budget (indicative) :</b>				
	2013	2014	2015	Total <sup>14</sup>
Programme Budget (US\$)	US\$944,000 <sup>15</sup>	US\$3,010,500	US\$3,372,500	US\$7,327,000
<b>10. Vaccine Introduction Grant:</b> N/A				
<b>11. Indicative Annual Amounts :</b>				
Type of supplies to be purchased with GAVI funds in each year	2013	2014		
Number of Rotavirus vaccines doses			1,195,400	
Annual Amounts (US\$)	US\$944,000 <sup>16</sup>		US\$3,010,500	
<b>12. Procurement agency:</b> UNICEF. The Country shall release its Co-Financing Payments each year to UNICEF.				
<b>13. Self-procurement:</b> N/A				

<sup>13</sup> This is the entire duration of the programme.

<sup>14</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>15</sup> This is the consolidated amount for all previous years.

<sup>16</sup> This is the consolidated amount for all previously approved years.

**14. Co-financing obligations: Reference code: 1315-ZMB-13b-X-C** - According to the Co-Financing Policy, the Country falls within the group Intermediate. 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	120,400	154,400
Value of vaccine doses (US\$)	US\$287,225	
Total Co-Financing Payments (US\$) (including freight)	US\$303,000	US\$388,500

**15. Operational support for campaigns: N/A**

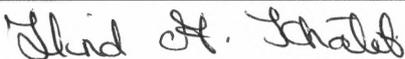
	2014	2015
Grant amount (US\$)		

**16. Additional documents to be delivered for future disbursements:**

Reports, documents and other deliverables	Due dates
Annual Progress Report	15 May 2014

**17. Financial Clarifications: N/A**

**18. Other conditions: N/A**

Signed by, 

**On behalf of the GAVI Alliance**  
Hind Khatib-Othman  
Managing Director, Country Programmes  
14 November 2013

**Type of report: Annual Progress Report****Country: Zambia****Reporting period: 2012****Date reviewed: 18 July 2013**

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**1. Background Information**

Surviving Infants (2012): 567,567 (UNPD), 648,005 (APR), 629,638 (JRF)

DTP3 coverage (2012):

- JRF Official Country Estimate: 78 %
- WHO/UNICEF Estimate: 78%

**Table 1. NVS and INS Support**

NVS and INS support	Approval Period
DTP-Hib	2004-2004
Penta	2007-2015
Pneumo	2012-2015
Measles 2 <sup>nd</sup> dose	2012-2015
INS	2002-2004

**Table 2. Cash Support**

Cash support	Approval Period
ISS	2001-2010
HSS	2007-2013

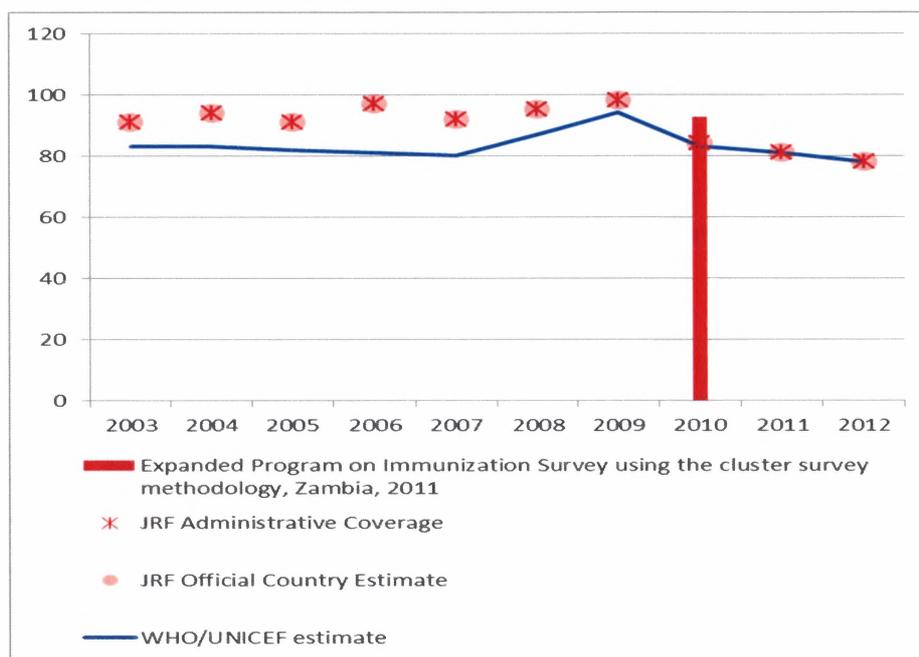
**2. Composition and Functioning of Inter-agency Coordinating Committee (ICC) / Health Sector Coordinating Committee (HSCC)**

The APR says that three meetings of the ICC were held in 2012. The minutes of the May 8, 2013 ICC meeting approving the APR is provided. The minutes indicate that the ICC covers the immunization program and many other broader issues in the health sector. The minutes show discussion of the postponement of the launch of a donation of HPV vaccine for a demonstration, coverage issues, drop-out rates, rota vaccine introduction, and the draft APR. Comments on the draft APR included addressing sustainability, monitoring and evaluation, the presentation used for PCV, and adding an explanation for not having gender disaggregated data. The meeting also discussed IMCI, reproductive health, and nutrition issues. No CSO was shown in attendance, but World Vision, CHAZ, and the Pediatrics Association of Zambia are shown as signatories of the APR. The APR also mentions Rotary, CARE, the Zambia Anglican Council, and Center for Infectious Disease Research as other CSO members. Given the set of complex issues and challenges faced by the immunization program, it might benefit from a more-focused approach by the ICC, rather than including the immunization program along with the broader health sector issues.

**3. Programme and Data Management**

The decline in DTP3 (penta) coverage in 2012 is blamed on the changeover of responsibility for the vaccination program from the MOH to the Ministry of Community Development and Mother and Child Health (MCDMCH) during the year and the related release of funds for vaccinations from the MOH to the MCDMCH. For 2013 this should not be a problem since the funds for the vaccination program have gone directly to the MCDMCH budget. There also are problems related to shortages and skewed geographical distribution (in favour of urban areas) of human resources and to inadequacies of transport and cold chain at the district and facility levels. Measles outbreaks also disrupted routine work.

The administrative numbers often are higher than the survey figures because of migrant populations and differing sampling methods according to the APR. The APR says a DQS was conducted in 2012. No report from this accompanies the APR but the recommendations and some key actions planned as a result are summarized in the APR. One action is to enhance civil registration and vital statistics. The results of the 2010 national census became available in March 2013. A DHS was conducted in 2012, but results are not yet available. The DHS will provide data at the district level (v. provincial level in the past). Efforts are being made to link using ICT a variety of ministries and agencies that collect survey data.



#### 4. Gender and Equity Analysis

The APR says that there is no recent gender disaggregated data available. The recently-revised HMIS does not collect this information. There are no plans now to collect such information.

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

Zambia is not eligible for ISS rewards in 2012.

There are carryover ISS funds in the MOH GAVI account. No funds have been spent because of incompletely resolved TAP issues. Additional funds received in 2012 came from interest earned. The USD amount fell because of exchange rate changes.

A plan for the use of the funds (USD 268K) has been submitted to the ICC for approval.

Following the Financial Management Assessment (FMA) carried out by TAP in October 2013, the ISS funds will be used in accordance with the funding mechanism established in the Aide Memoire to be signed.

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

Achievements in 2012 included improvements in the cold chain, training of managers, conduct of campaigns for measles and polio, and four districts trained for a RED approach. There was a specific mobilization of external funds for the supplemental measles program. There will be line items in district budgets for outreach activities beginning in 2013. Supplemental funding for immunizations has been mobilized from UNICEF, CIDA, and the US, along with MCH funding from the European Union. JICA and World Bank support has been obtained for improvements in the cold chain at the facility level. All of the additional resources would be welcome, as long as their use is coordinated and fills important gaps.

Targets were revised downward for penta and pneumo as recommended by the decision letter of December 2012.

Objectives for 2013 include: reach 80% DTP3 in 80% of districts, improve vaccine availability and cold chain, improve HRH capacity, strengthen surveillance and social mobilization, and prepare for new vaccine introduction. Planned actions to attain these objectives include applying RED in 20 underperforming districts and printing and distributing U5 cards.

The APR says that local records of penta doses received do not agree with the amounts that UNICEF says it shipped. It also says that late release (July v. May) of GOZ funding meant late shipment of BCG, polio, and DTP vaccine and some stock outs. The APR shows more doses of MSD received than shown in the GAVI decision letter or in the UNICEF pre-review.

Expansion of the national cold storage equipment means that a single delivery of vaccines per year now can be handled.

Introduction funds for both pneumo and MSD and initial shipments of vaccine were received in late 2012, so both will be introduced in 2013. About \$100K of about \$1 million received was used to train three of ten provinces in the use of revised HMIS tools.

The APR says that a PIE for was planned for December 2012 but probably not conducted since no new vaccine was introduced in recent years. No report from the PIE was submitted with the APR.

The last EVM was done in 2011 and plan and progress report to follow up on the EVM recommendations are included with the APR. The next EVM is planned for 2014. The progress report dated April 2013 shows only about a quarter to a third of recommended actions completed. Many incomplete items cover increasing cold chain equipment at peripheral levels.

The request for vaccines in the APR is based on 2014 coverage of 96% for penta, 91% for MSD, and 92% for pneumo. These targets look to be too high, given the achievement of 78% coverage with penta in 2012. An exchange of emails between the immunization program and the GAVI CRO indicated a willingness to drop the penta (DTP3) target for 2014 to 88%. This looks more reasonable, but may still be a bit high. The drop-out rate shown in the request is 1% versus the 10% shown for 2012. No reason is cited to expect this improvement. In addition the projected wastage rates look to be too low (note that in discussion with the CRO, Zambia already agrees to raise wastage for pneumo to 10 from 5 percent) and the introduction of MSD and pneumo only was expected to begin in mid-2013. Thus, there are numerous reasons to re-look at the quantities of all three vaccines requested.

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

Zambia pays for all traditional vaccines out of its own resources.

The GOZ made required co-financing payments as an intermediate group country in 2012, but details were not provided in the APR because the assistance of UNICEF is needed and the officer is out on medical leave.

An FMA is planned for 2013.

Several TAP issues were resolved in 2012/2013. Remaining issue is shown in the ISS section.

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

The GOZ purchases all injection safety materials not supplied by GAVI.

There is a safe injection plan.

Wastes are put into safety boxes for burning and burial, but incineration facilities are inadequate and burial often is incomplete.

The APR response is “yes” to all of the questions on AEFIs and surveillance.

The APR says that a baseline survey of intussusceptions was conducted in nine hospitals. It found a high case fatality rate (32%) at a peak age of 5-6 months, related to late diagnosis and similar symptoms to common dysentery.

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

This APR does not report on HSS. No request is made for HSS funds. The CRO informs the IRC that in September 2013 Zambia will propose a reprogramming of HSS funds already approved and some of which had already been disbursed, but not yet spent.

An FMA carried out in October 2013 will determine the disbursement modalities for the balance of HSS funds not disbursed.

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

Not applicable.

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

The risks faced by Zambia are that it is taking on new vaccines while trying to restore coverage levels and improve the cold chain.

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

It is disappointing that DTP3 coverage fell again in 2012 (as it did in 2010 and 2011). The APR does not identify the root causes of the persistent declines in coverage. It is disappointing that there were stock-outs of BCG, polio, and DTP. It is disappointing that so few of the actions on the EVM recommendations have been completed.

It is good that additional external funding has been lined up, especially for cold chain equipment at the district and facility levels. The intention to take a RED approach to under-performing districts is good.

The program faces big challenges in turning around sinking coverage, improving the cold chain, and introducing two new vaccines alongside other competing activities, insufficient resourcing at the central level and perhaps some over-training. These same issues were raised by the IRC's 2011 APR review and little to no progress has been made at the same time that the decline in performance continues.

The IRC makes the following suggestions:

- The discrepancies on penta and MSD deliveries between Zambia and UNICEF in 2012 should be resolved.
- The reprogramming of HSS funds should be used as an opportunity to diagnose and address the root causes of the decline in coverage.
- The IRC recommends that the ICC give specific attention to the confluence of challenges faced by the immunization program (declining coverage, adding new vaccines, improving the cold chain, conducting a lot of training while also facing a shortage and skewed distribution of HRH, reprogramming of HSS funds, etc.).
- The GAVI Secretariat should closely monitor how Zambia does in meeting its multiple challenges in the next year.

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

- **ISS**

Not eligible for ISS in 2014. Fewer children were immunized.

The balance of ISS funds with MoH will be spent in line with the funding mechanism established by the FMA and Aide Memoire to be signed between GoZ and GAVI.

- **NVS**

Penta: Approve 2014 NVS target adjusted as per GAVI rules and as per clarification in section 14.

MSD: Approve 2014 NVS target adjusted as per GAVI rules and as per clarification in section 14

PCV13: Approve 2014 NVS target adjusted as per GAVI rules and as per clarification in section 14

- **HSS**

Not applicable.

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

Following the FMA, the balance of US\$3.8m will be disbursed by GAVI in line with the established funding mechanism as stipulated in Aide Memoire to be signed between GoZ and GAVI.

A reprogrammed work plan, budget and procurement plan for the balance of the HSS grant not disbursed will be required. Approval from the ICC (signed meeting minutes) will have to be attached.

Concerning all three vaccine requests: reconsider the targets, they look too high compared to past DTP3 achievement

Concerning penta: Reconsider the projected drop-out rate for 2014 (1% v. 10% reported in 2012)

Concerning MSD and pneumo: reconsider the wastage rates shown (they look too low), reconsider the number of doses requested given likely mid-2013 introduction and thus likely carryover stocks

### **15. Request Re-submission of APR HSS Section (if applicable)**

Not applicable.

### **16. Other issues**

Not applicable.

### **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.

