



Revised GAVI HSS Guidelines for:

GAVI Alliance Health System Strengthening (HSS) Applications

2009 application deadlines: 1st May and 11th September

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Abbreviations and Acronyms

APR	Annual Progress Report
ARI	Acute Respiratory Infection
cMYP	Comprehensive Multi-Year Plan for Immunisation
CSO	Civil Society Organisation
DAC	Development Assistance Committee
DFID	Department for International Development
DTP	Diphtheria Tetanus and Pertussis
FMA	Financial Management Assessment
GAVI	Global Alliance for Vaccines and Immunisation
GEP	Gender Equity Policy
GNI	Gross National Income
HMIS	Health Management Information System
HMN	Health Metrics Network
HSCC	Health Sector Coordination Committee
HSS	Health System Strengthening
ICC	Inter-Agency Coordinating Committee for Immunisation
IRC	Independent Review Committee
ISS	Immunisation Services Support
M&E	Monitoring and Evaluation
MDG	Millennium Development Goal
MOF	Ministry of Finance
MOH	Ministry of Health
MTEF	Medium Term Expenditure Framework
NGO	Non Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
PMU	Project Management Unit
PRSP	Poverty Reduction Strategy Paper
RED	Reach Every District
SWAp	Sector Wide Approach
TAP	Transparency and Accountability Policy
UNICEF	United Nations Children's Fund
WB	World Bank
WHO	World Health Organisation

Guidelines for GAVI Alliance Health System Strengthening Applications

Rationale

Between 2000 and 2005, the GAVI Alliance made significant investments to improve immunisation in many GAVI-eligible countries. Countries used GAVI resources to introduce new and under-used vaccines, to strengthen immunisation services, and to improve injection safety.

By the end of 2005, the Alliance recognized that investing in immunisation programs alone was necessary but not sufficient to increase and sustain immunisation coverage or contribute to achievement of the Millennium Development Goals (MDGs). Health system constraints also needed to be addressed. These include: poorly motivated health workers, inadequate management skills and unpredictable financing in the periphery. Such system constraints impede progress toward improved immunisation coverage, health care delivery for mothers and children and other health outcomes¹.

In December 2005 and again in January 2008, the GAVI Alliance Board decided that a share of GAVI Alliance resources would be devoted to investing in health system strengthening.

Introduction

These guidelines describe the objectives of GAVI Health Systems Strengthening Support, the guiding principles, eligibility criteria and activities the funds can be used to support. It also outlines the application development, review and approval processes and the funding, monitoring, evaluation and reporting arrangements.

These GAVI HSS guidelines and accompanying application form represent a revision to the two previous versions of GAVI HSS guidelines and application form. This revised version is based on feedback from the first countries that submitted applications (through September 2008), GAVI Alliance partners, the GAVI HSS and monitoring Independent Review Committees (IRCs) and the GAVI Alliance Secretariat. They include a new section related to the GAVI Alliance Terms and Conditions for support, a revised section on Financial Arrangements based on the new Transparency and Accountability Policy (TAP) and revision related to the new Gender Equity Policies (GEP).

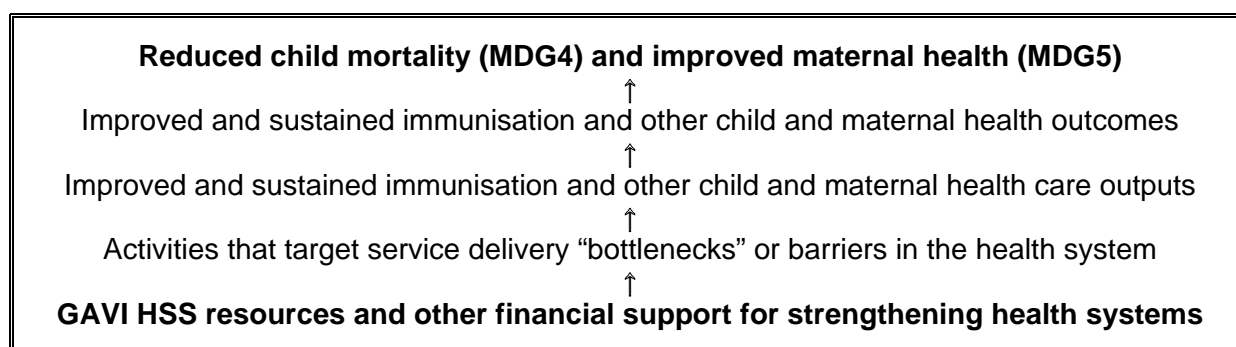
Objective

The objective of GAVI HSS is to achieve and sustain increased immunisation coverage, through strengthening the capacity of the health system to provide immunisation and other health services (with a focus on child and maternal health).

Countries are encouraged to use GAVI HSS funding to target the prioritised “bottlenecks” or barriers in the health system that impede progress in improving the provision of and demand for immunisation and other child and maternal health services. The investment should look at addressing the various issues and determinants that prevent the health systems achieving equitable access for identified hard to reach or marginalised populations.

¹ Highlighted in a 2004 study, commissioned by GAVI and led by Norwegian Agency for Development Cooperation, into system barriers to sustainably increasing immunisation coverage, available at www.gavialliance.org

Figure 1: GAVI HSS Conceptual Framework



Amongst other benefits, GAVI HSS support will contribute to the reduction in child and maternal mortality in line with the Millennium Development Goals.

Guiding principles

Country-driven

GAVI HSS should address problems identified by countries based upon recent; government led health sector and immunization programme reviews², the National Health Sector Plan³ and similar documents to identify critical areas for GAVI HSS support and to target gaps in current funding.

Country-aligned

GAVI HSS support should be consistent with the objectives and strategies of existing government health sector policies and frameworks⁴.

The HSS proposal should be aligned with the timeframe of the current National Health Plan (NHP). If the current costed comprehensive Multi Year Plan for immunization cMYP (or its equivalent) does not cover the duration of the proposed HSS support period, countries should initiate a process to update the cMYP so that HSS support period is also covered by the updated cMYP.

GAVI HSS support should be in line with government management systems, including the financial management and reporting procedures, and should be reflected in the national budget. In countries with established joint financing mechanisms in the health sector they should be used for managing GAVI HSS funds. The detailed arrangements for how best to channel HSS funding to countries will be finalized based on the GAVI Financial Management Assessments (FMAs).

² Useful immunisation program and health sector analyses may include a recent health sector review, a recent report or study on sector constraints, a situation analysis (such as that conducted for the immunisation cMYP), review of fund flow mechanisms, a human resource policy or gender / human rights analysis of the health sector or any combination of these.

³ If national health sector plans are not available, GAVI HSS funding may be used to develop these plans. However a ratified or endorsed version needs to accompany the application form

⁴ Policies and frameworks include the National Health Sector Plan or equivalent; fully costed Comprehensive Multi-Year Plan for Immunisation (cMYP); Poverty Reduction Strategy Paper (PRSP); Medium Term Expenditure Framework (MTEF), human Resource Policies and national Gender or Health and Human Rights Policies.

Harmonized

GAVI HSS should complement and be coordinated with other Development Partner efforts to strengthen the health system. GAVI HSS support should not be allowed to stimulate the creation of stand-alone or independently managed projects or units.

Predictable

GAVI HSS support is available for the duration of the National Health Sector Plan (or country equivalent) or until 31 December, 2015 (whichever is sooner). Any possible future applications for GAVI HSS support from 2010 will depend on the outcome of an evaluation taking place in 2009.

Additional

GAVI HSS funds must be additional to the government's health budget – and the funds should not displace resources allocated to the health sector.

Please note that Table 8.3 in the application form is now mandatory. It outlines the sources of all expected funding for Health Systems activities and should summarise the overall funding for Health System Strengthening, from Government, Development Partners and other sources, including Non-Governmental Organisations. Immediately following the table, include a concise explanation to show how the proposed GAVI HSS funding will be used to complement these existing and/or planned sources of funding for overall national efforts to strengthen health systems in support of improved immunization coverage.

Inclusive and collaborative

It is crucial that all key stakeholders in health system strengthening should be involved in the planning and implementation of GAVI HSS support. Development Partners, Civil Society Organisations, and representatives from the private sector and marginalised groups (including hard to reach population groups) are expected to be informed and involved with GAVI HSS support. This will help increase the sense of national ownership and aid implementation with monitoring of the support.

Catalytic and Innovative

Countries are expected to target the GAVI HSS support to catalytic initiatives where possible, such as support to new national health system strengthening initiatives or pilot initiatives in a geographically discrete area that could subsequently be scaled up to cover the whole country. Likewise the GAVI Alliance encourages countries to use the HSS support to develop new innovative models or approaches for national health system strengthening.

Results-oriented

The proposal must show a logical link between the bottlenecks, gaps or problems identified, the objectives and activities proposed, and the indicators used to measure progress. The indicators must be measurable, link to increased immunisation coverage. Other indicators can be used to measure changes in other relevant child and maternal health outcomes, especially at the service delivery level.

It is recommended that at least one indicator should be identified to specifically measure how hard to reach population groups that have low immunization coverage (such as remote populations or other marginalized groups) could benefit from the GAVI HSS support. The ultimate impact and results of the GAVI HSS support should be reflected in health data at the peripheral level (i.e. changes in population and health facility data at the district level and below). However this does not preclude measuring effects of overcoming those 'upstream' health systems bottlenecks such as those above district level.

Focus on sustainability

Countries should consider the medium to long-term financial implications of GAVI HSS support. In this context it will be important to consider and describe how the need for future financing for issues such as maintenance, hiring of new staff, new staff allowances or salary top-ups will be sustained after the GAVI HSS funding has come to an end. This is especially important for major capital expenditures related to new infrastructure, transport, equipment, hiring of new staff and staff allowances or incentives.

Focus on equity and universal coverage, including gender

GAVI HSS encourages approaches to achieve sustainable universal coverage within the context of Primary Health Care approaches. This includes identifying hard to reach groups, marginalised populations and addressing issues of inequity (including those based on gender). The GAVI Alliance's Gender Policy aims to promote increased coverage, effectiveness and efficiency of immunisation and related health services by ensuring that all girls and boys, women and men, receive equal access to these services. To attain the MDGs there is a need to address gender inequalities and their impact on access to and use of essential health services, including immunisation and child health services.

Eligibility

All 72 GAVI-eligible countries can apply for HSS support **if:** 1) the country has a National Health Plan (or equivalent national health strategy) that covers the duration of the requested HSS support; **and** 2) the country has a fully costed Comprehensive Multi-Year Plan for Immunisation (cMYP) or can justify that they will have a final cMYP prior to the start of funding, which covers the duration of the requested HSS support. This would need to include an endorsed or officially approved draft at the time of application.

The National Health Plan, cMYP, and the GAVI HSS proposal may be developed simultaneously, but a written final draft endorsed by the Health Sector Coordinating Committee (HSCC), or equivalent national body is a prerequisite for applying for GAVI HSS support.

Only national governments can submit applications. Exceptions may apply for countries in emergency situations⁵.

Countries that apply for GAVI Immunisation Services Support (ISS) or support for the introduction of new and under-utilized vaccines can also apply for GAVI HSS support⁶.

Countries that have been officially notified by the GAVI Secretariat they are in default regarding co-financing of new vaccine requirements can apply for HSS. However, approval of HSS support is conditional on the country coming out of default status and fulfilling co-financing requirements.

Use of GAVI HSS support

GAVI HSS should be targeted to health system barriers that, when removed or reduced, will have the greatest impact on the access, demand and utilization of immunisation and other child and maternal health services. Countries may identify a wide range of health systems barriers, but in most cases it will only be possible to prioritise and address a few of them with the available GAVI HSS resources. The challenge is to make the best use of GAVI HSS support within the context of national health systems strengthening efforts.

⁵ In special cases where the Government is unable to produce an application, the GAVI Alliance may accept applications developed and signed by key national partners.

⁶ Countries applying for ISS or new vaccine support should use the application forms developed for those purposes.

Although the impact of GAVI HSS support should be seen at the district level and below, it is recognised that health system barriers may need to be overcome at all levels in order to result in better immunization outcomes. National support functions such as commodity management (procurement, storage and distribution), financial management (including disbursement of funds to the periphery) and health information systems are all essential for the provision of services at the sub-national level. Applications for support in these areas will therefore also be accepted if the application clearly shows how the support will lead to increased and sustained immunisation coverage.

Figure 2: Examples of areas for GAVI HSS support

Area 1: Health workforce

- Pay for performance and other incentive-based schemes
- Basic and in-service training
- Quality assurance initiatives

Area 2: Organization and management of health services

- Performance-based contracting with NGOs, CSOs or private health sector providers at district level and below
- Overcoming administrative hurdles that impede flow of funds from national to peripheral levels
- Improving the Health Management Information Systems (HMIS): for example, by developing the capacity of the system to generate immunization data disaggregated by sex, age group, income level and other relevant characteristics.
- Strengthen routine monitoring and evaluation of health sector performance
- Improved use of facility based and survey data at district level and below
- Strengthening the management performance and supervision practices at all levels
- Identifying and improving service provision and utilization for 'hard to reach' populations
- Supporting implementation of more coordinated and integrated delivery of services, including immunization and other child health services

Area 3: Supply, distribution and maintenance systems (at various administrative levels)

- Supplies management, including vaccines and related supplies
- Equipment management, including cold chain equipment
- Transport management
- Infrastructure development

GAVI HSS support can, as indicated in Figure 2, be used for one-off expenditures that increase the health system capacity (such as pay for performance, contracting with non-government organizations, incentive grants to districts that improve their performance, basic and in-service training, technical support, purchase of equipment, or development of maintenance systems) and for recurrent expenditures (such as fuel, maintenance, and per diems for outreach). The application should, however, show how these expenditures (especially the use of funds to cover recurrent costs) will be sustained when the funding from GAVI HSS is no longer available.

The WHO six Health Systems Building Blocks (health workforce, service delivery, information, products, health financing, and governance/leadership) is a helpful framework

for identifying strategies and activities for HSS support, details are available at www.who.int/healthsystems/topics/en/

GAVI HSS support **cannot** be used to purchase vaccines. GAVI's window of support for new and under-utilized vaccines is reserved for this purpose.

GAVI HSS funds **can** be used for cold chain equipment, **if** identified as one of the key Health Systems barriers to increasing or sustaining immunisation coverage.

Although the emphasis of GAVI HSS is on capacity building, countries can use GAVI HSS funds to support operational research, as long as they can show how it can contribute to increasing and sustaining high immunization coverage. This could include research related to identifying the main socio-economic, demographic, political, and ethnic or gender barriers to accessing and utilizing immunisation services or other maternal child health services. Countries may also use GAVI HSS funds to strengthen country level monitoring and evaluation systems where these are deficient.

GAVI HSS support differs from GAVI ISS support in a number of important ways, including:

- A National Health Sector Coordination Committee (HSCC) or equivalent⁷, in collaboration with the Ministry of Health planning department (or similar), has overall responsibility for GAVI HSS application preparation, review, approval, submission, implementation, monitoring, and evaluation. Responsibility for GAVI ISS lies with the immunisation program and the Inter-Agency Coordinating Committee (ICC).
- GAVI HSS funds are allocated based on the birth cohort and per capita income, for the duration of the National Health Sector Plan. The release of ISS rewards is based on the increase in the number of children vaccinated over the previous year (hence limited predictability).

Application Development and Review Process

Leadership

Under the guidance of the HSCC, the Ministry of Health Planning Department (or its equivalent) should take the lead in preparing and submitting the GAVI HSS application and oversee the implementation of the support. This should be done in close collaboration with the national immunisation program and other relevant departments in the Ministry of Health. The Ministry of Finance, and relevant departments in other ministries, related to Human Rights and Gender equity should also be consulted in the process.

Application preparation

Development of an appropriate GAVI HSS application takes time (team building, consultation, proposal design and formulation, revision, review, and endorsement). Countries applying for GAVI HSS support are encouraged to prepare a realistic timetable for the process and mobilise the needed resources to complete the task. The application form constitutes the proposal and there is no need to prepare a separate narrative proposal.

Countries are expected to take the lead in developing and completing their GAVI HSS applications. Additional information, clarification, and guidance may be obtained from in-

⁷ Most countries have a forum for partners and Government planners who make decisions that affect the health sector (not restricted to immunisation). This group is known by different names in different countries (such as the health donor coordination group or national steering committee) but for GAVI purposes is referred to as the 'Health Sector Coordination Committee'. A new committee should not be created if an existing committee fulfils the required functions.

country and regional partners including World Health Organization (WHO), United Nations Children's Fund (UNICEF), World Bank (WB), bilateral donors or civil society organisations.

Inclusion of civil society and private sector

Civil society in the context of GAVI HSS support is defined as voluntary civic and social organizations and institutions that provide or are involved in:

- i) immunisation or child health care services; or
- ii) technical advice or
- iii) social mobilisation and advocacy for immunisation and child healthcare and women's health and maternal health services.

Support for the role of these organizations in increasing and sustaining immunization coverage is encouraged and can be included in the HSS proposal, where relevant.

Additional GAVI support is available to all GAVI eligible countries to strengthen civil society coordination and representation through a separate civil society support window using a CSO specific application form. Additional GAVI support is also available for use by civil society organisations in 10 pilot countries⁸ (2007 – 2010) to support activities identified in the GAVI HSS proposal or cMYP, using a separate CSO specific application form.

Technical support

If a Country wishes to use external technical support for developing the GAVI HSS proposal, it is highly recommended that the support used has not only experience with HSS, but also with immunisation programs and preferably GAVI HSS and immunization programme support. Country based expertise with in depth knowledge of the health sector is often better placed to provide timely and appropriate inputs to the application process.

The GAVI Alliance Secretariat can provide countries with **one-time** financial support to assist with the application process. Requests for funds for technical support should describe:

- The nature of technical support required (this can include contracting expert advice to help with the preparation of the application, funds to hold necessary stakeholder meetings etc);
- The planned activities that the technical support will be focused on;
- A detailed budget (not to exceed 50,000 US\$); and
- The preferred account or agency (Government, HSCC, SWAp, WB, UNICEF, WHO or other) through which funds should be channelled to the country.

Any country wishing to access this support should contact the country specific officer in the GAVI Alliance secretariat, use the following email address: proposals@gavialliance.org or write to:

**Technical support application, New Proposals,
GAVI Alliance Secretariat,
Chemin de Mines 2,
CH 1202 Geneva,
Switzerland**

Request for resources for technical support to *implement and monitor* the GAVI HSS support should be made within section 7.5 of the application form.

⁸ Afghanistan, Burundi, Bolivia, DR Congo, Ethiopia, Georgia, Ghana, Indonesia, Mozambique and Pakistan

Application peer review

Prior to the Ministers of Health and Finance signing the completed application form, countries should have the application reviewed by a group of stakeholders at country level who have the skills and knowledge to ensure that the application adheres to the guiding principles of GAVI HSS. This 'country level peer review' should be coordinated by the HSCC, and examine a number of aspects of the application (illustrated in Figure 2), which is also a framework used by the Independent review Committee when assessing proposals. Proposals that met these criteria have had a much higher approval rate than those that did not meet these criteria.

Figure 2: Country level peer review considerations

The country level peer review should look at a number of aspects, including whether:

- ✓ the development process was inclusive, and involved all major stakeholders and included groups from the hard to reach populations with an appropriate balance of men and women;
- ✓ the application is based on recent immunisation and health sector analyses;
- ✓ the application is aligned with major policy and planning frameworks;
- ✓ it adds value to or complements current or planned health system strengthening activities;
- ✓ the proposed strategy is appropriate and addresses priority 'bottlenecks' or barriers that impede the achievement of immunisation and other child and maternal health outcomes;
- ✓ the activities can be implemented in the suggested timeframe and in a sustainable manner;
- ✓ the application adequately addresses how progress will be monitored;
- ✓ the financial management is robust and well aligned with national financial management systems and reflect the outcome of the GAVI Financial Management Assessment;
- ✓ the application makes a compelling case for GAVI HSS investment.

Countries are encouraged, but not obliged, to invite external reviewers to participate in this peer review. Arrangements for identifying and securing external peer reviewers (if required) can be made through partners at country or regional level, or by contacting the GAVI Secretariat. Regions may wish to consider a 'regional peer review' process before countries submit their proposals, which may not only add to technical robustness, but also to regional technical capacity and information exchange at regional levels.

Independent External Review

A GAVI Joint Grant Application Independent Review Committee⁹ (IRC) will evaluate all applications and make recommendations to the GAVI Alliance Board on the suitability of each application for funding. The four IRC decision options are as follows:

- Approval;
- Approval pending minor clarification;
- Conditional approval pending additional information;
- Resubmission.

⁹ This review committee also reviews a countries potential new vaccine or ISS proposal at the same time, if applicable

The mandate of the IRC is to confirm that each submission meets the application requirements and the guiding principles of GAVI HSS (in a similar way to the country level peer review).

Approved proposals and identification of best practices

All HSS proposals that have been approved by the GAVI Board are available at: www.gavialliance.org/performance/country_results/index.php.

A review of best practices, identified by the IRC is also available at: www.gavialliance.org/resources/GAVI_HSS_proposals_good_examples_Oct_2008.pdf

This information may help inform the GAVI HSS proposal development process. A question and answer paper and country update is also available on the GAVI website: www.gavialliance.org//information/faqs/index.php

Funding arrangements

Allocation

All GAVI eligible countries may apply for GAVI HSS. Two levels of funding are available:

1. Countries that had a GNI per capita below \$360 in 2006 are eligible for \$5 per newborn child per year for the duration of the GAVI HSS support. These countries are:

Central African Republic, Tanzania, Togo, Zimbabwe, Nepal, Mozambique, Uganda, The Gambia, Madagascar, Niger, Rwanda, Sierra Leone, Malawi, Eritrea, Guinea Bissau, Ethiopia, DR Congo, Liberia, Burundi, Afghanistan, Korea, DPR and Somalia.

2. All other countries are eligible for \$2.50 per newborn child per year for the duration of the GAVI HSS support.

Duration

GAVI HSS support is available for the duration of the National Health Sector Plan (or country equivalent) or up until 31 December 2015, whichever is sooner. Countries whose GAVI HSS support expires in 2009 may re-apply for GAVI HSS support in 2009. Any further applications for GAVI HSS support after 2009 will depend upon the results of a mid-term evaluation taking place in 2009.

If the National Health Sector plan expires in 2009, it is recommended to apply for GAVI HSS support based on the subsequent plan, since support for periods of less than one year is unlikely to be recommended for funding.

Financial Management

The GAVI Alliance adopted a Transparency and Accountability Policy (TAP) for cash-based support, including GAVI HSS, which took effect as of 1 January 2009.

The Transparency and Accountability Policy outlines a set of minimum requirements for the financial management of GAVI HSS support:

- a) Funding should be used for objectives stated within a proposal;
- b) Funds must be managed in a transparent manner, and accurate and verifiable financial reports should be provided on a regular basis, as specified by individual funding arrangements;

- c) Funds must be managed within accounts that meet national legal requirements for auditing, accounting and procurement.

Besides these minimum financial management requirements:

- a) Funds should be reflected in the national budget (be on budget); and
- b) Funds should be additional to the government allocation to the health sector, as well as to the contributions of other partners: i.e. no funding should be diverted away from the health sector if HSS funds are received.

It is also a GAVI Alliance requirement that all countries receiving HSS support will need to go through a GAVI Financial Management Assessments (FMA) prior to the release of the first years support.

The FMA will focus on the following key areas:

- a) Credibility of the budget;
- b) Comprehensiveness and transparency of the budgeting process;
- c) Policy-based budgeting;
- d) Predictability and control in budget execution;
- e) Accounting, recording and reporting; and
- f) External scrutiny and audit.

The findings of the FMA will assist countries in identifying the best financing mechanism(s) to manage GAVI HSS funds, and allow GAVI to determine what additional fiduciary assurance activities (if any) are needed in order to rely upon the selected financing mechanism(s). The FMA will be informed by, and benefit from other financial management assessments carried out in the country.

Countries will be able to determine the timing of FMA, with the understanding that funds will not be transferred until the FMA has been completed. The FMA should, if possible, be harmonised with other development partner missions.

Once the FMA has been complete, the Secretariat and the country will agree upon and sign an aide memoire which will stipulate arrangements for funds management, including any additional assurance activities needed, as indicated by the FMA. FMAs will be repeated as a minimum every three years.

If the FMA is completed prior to the IRC review, the report and aide memoire will be submitted for together with the GAVI HSS proposal. If the FMA is completed after the proposal review, the IRC will only be able to recommend the proposal for “approval with clarifications” if all the other requirements are fulfilled. In this case, the final review of the FMA report and aide memoire will be delegated to the GAVI Secretariat.

Countries will be able to determine the exact timing of their in-country review, with the understanding that, for new HSS proposals, funds will not, as a rule, be transferred until the FMA has been completed. The GAVI Secretariat will make efforts to harmonise in-country reviews with relevant development partner missions. The GAVI Alliance Secretariat and the eligible countries will agree upon the in-country review process, which depending on the level of information that already exists on public financial management in the health sector, are expected to take between one to two weeks to complete.

In principle, countries will be able to select the financing mechanism for management of HSS funds that best suits their individual needs, as long as this financing mechanism meets the minimum standards listed above. However, countries are strongly encouraged to use the

most harmonised and aligned financing mechanism available. If a joint financing mechanism is operational in the health sector (for instance, the type of pooled financing mechanism used in many Health SWAps), GAVI strongly recommends that the country use this mechanism. If another mechanism is selected, the country will need to provide substantial justification for selecting that particular option.

When the funding has been approved by the GAVI Alliance Board, and the financial management assessment has been completed, the first year of support will be transferred through the funding mechanism selected by the country.

It currently takes around 6 months from the time of submission to funds arriving in countries. This period could be reduced, if countries ensured that the banking details¹⁰, included in the application form, were submitted and endorsed upon the submission of the GAVI HSS Proposal.

Subsequent annual funding will be based on the achievements highlighted in the Annual Progress Report (APR), provision of financial and audit reports as agreed on an individual basis, and the assessment by the Independent Review Committee. The committee will recommend whether or not to continue funding for a given country. The most common issues which have prevented countries from receiving continued GAVI HSS funding have been:

- a) Incomplete APRs: e.g. missing signatures; limited or missing programmatic and financial reporting; and failure to request for funding for the coming year etc.;
- b) Failure to submit the APR by the required deadline (15 May);
- c) Operational problems: e.g. delays in the utilization of the funds, or implementing activities that are not corresponding with the specified activities and objectives in the proposal.

Budgeting

A budget must be prepared for all major activities for the duration of the GAVI HSS support. Countries should ensure that all costs for the implementation of GAVI HSS support, including technical assistance, are included in the budget. All budget figures should be provided in US\$ (at the current exchange rate), and countries should ensure that the GAVI Alliance deflators are used for future costs (see guidelines on the GAVI website: www.gavialliance.org).

The GAVI Alliance will not be in a position to cover additional cost over and above the country allocation and the technical support already specified in this document.

Audit

Unless other procedures have been stipulated in the FMA Aide Memoire, GAVI should receive external audit reports (e.g. Auditor General's Report or equivalent) of the account(s) holding the GAVI HSS funds within one year of the close of the financial year. GAVI reserves the right to request an external audit of the accounts to be conducted at any time during or after the duration of the GAVI HSS support. GAVI in-country partners, the Government and the HSCC can communicate any concerns they might have about the use of funds to the GAVI Alliance Secretariat at any time.

Monitoring, evaluation and operational research

All data reported in the GAVI HSS proposal and Annual Progress Report should be consistent with reports that country makes on other GAVI support windows. This is

¹⁰ Including bank account number, IBAN code, name and address of beneficiaries bank and corresponding US bank details, SWIFT code which all need to be verified by a UNICEF representative

especially important for coverage rates, birth cohorts and target populations. If there are discrepancies between figures in the proposal and those quoted in official documents or other GAVI applications reports, these should be justified and explained in detail.

A Government official should be designated as the focal point for programmatic monitoring and evaluation.

Monitoring

The selected indicators should be able to document the outputs, outcomes and impact of the GAVI HSS support. Countries should preferably identify a set of SMART¹¹ indicators (with baseline data) that already used in the existing Health Information System.

Three outcome and impact indicators are mandatory for the monitoring of the GAVI HSS support:

1. National DTP 3 coverage rate (%);
2. Numbers / % districts¹² achieving $\geq 80\%$ DTP3 coverage; and
3. Under five mortality rate (per 1000).

Three additional impact or outcome indicators that can be used to document the impact and/or outcome of the GAVI HSS support. Each indicator must clearly be link to a specific GAVI HSS support objective. For all the indicators, the data source, the baseline value of the indicator and date, a target level and date, as well as a numerator and denominator should be provided in the application form.

Up to six **output indicators** may be included but at least one output indicator must be included for each objective and its related activities. These indicators need to be chosen carefully to ensure that baseline data are available, milestones and targets are achievable as they need to be reported in the annual progress report.

Process indicators should be identified to document the progress in implementing the GAVI HSS supported activities.

Efforts to disaggregate data, including information on geographic, gender, and income differences are encouraged where relevant and feasible.

Weaknesses in the Health Information System (HIS) should be identified. GAVI HSS support can be used to strengthen the HIS. Any support to the HIS should be harmonised with the support from other donors (such as the Health Metric Network or the Global Fund for AIDS, HIV and TB). Countries can also seek GAVI HSS support for including relevant geographic, gender, and income disaggregated data in their Health Information System.

Evaluation

The continuation of applying for further GAVI HSS support after 2009 will depend on the outcome of an evaluation taking place in 2009.

Countries are also encouraged to evaluate the impact and relevance of the GAVI HSS activities being proposed at least at the end of the funding period. This will help inform other donors potentially investing in Health Systems Strengthening.

Operational research

¹¹ Specific, Measurable, Achievable, Realistic and Time-bound

¹² Or equivalent administrative unit

GAVI HSS Support can be used for operational research such as analyzing reasons why populations are not able to access and utilize immunisation services (whether this is due to social, economic, political or gender factors). GAVI HSS funds can also be used to test specific strategies for reaching marginalized population groups.

Reporting arrangements

Implementation of GAVI HSS supported activities will be monitored by GAVI through the Annual Progress Report (APR) process. The report will provide information on progress in reaching targets set in the GAVI HSS Application Form. The APR will also provide financial management information on the use of GAVI HSS funds. In countries where GAVI HSS funds are channelled through joint financing mechanisms, the Annual Health Sector Report, including the annual joint financial report should be attached to the GAVI APR.

The deadline for the submission of the Annual Progress Report for the previous calendar year is 15 May of each year. All countries should submit an APR, even if the GAVI HSS support was received towards the end of the previous year.

ANNEX 1: 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:

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.