GAVI/13/597/dlc

The Minister of Health
Ministry of Health
148 Moskovskaya Str
Bishkek 720405
Kyrgyz Republic

28 October 2013

Dear Minister,

Annual Progress Report submitted by Kyrgyzstan

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

Following a meeting of the GAVI Independent Review Committee (IRC) from 15 to 26 July 2013 to consider your APR, I am pleased to inform you that the GAVI Alliance has approved Kyrgyzstan 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 Kyrgyzstan
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 same appendices are also used in the Partnership Framework Agreement (PFA) – a new simplified arrangement that we are working to agree with your colleagues – that will replace this 'decision letter' format.

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

Type of support	**Appendix**	**Approved for 2014**
New Vaccines Support (Pentavalent vaccine)	B-1	US$1,002,000
Immunisation Services Support (ISS)	B-2	US$ 82,380

Please do not hesitate to contact my colleague Nilgun Aydogan (naydogan@gavialliance.org) if you have any questions or concerns.

Yours sincerely,

Hind Khatib-Othman
Managing Director, Country Programmes

GAVI Alliance | 2 chemin des Mines 1202 Geneva Switzerland | Tel. +41 22 909 6500 Fax +41 22 909 6555 | www.gavialliance.org info@gavialliance.org

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

Appendix A

Description of GAVI support to Kyrgyzstan (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-1 summarises the details of the approved GAVI support for vaccines in the years indicated.

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

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

Country Co-financing

In accordance with the GAVI Co-financing Policy, the Country has agreed to make the required contribution to co-financing vaccine doses as indicated in Appendix B. Item number 14 of Appendix B summarises the budget and the quantity of supply that will be procured with country's funds in the corresponding timeframe. The total co-financing amount indicates costs for the vaccines, related injection safety devices (only applicable to intermediate and graduating countries) and freight.

Countries may select to co-finance through UNICEF Supply Division, PAHO's Revolving Fund, or self-procure their co-financing requirement following their own procedures, except for the Pneumococcal vaccine that needs to be procured through UNICEF.

If the purchase of the co-financed supply is carried out through UNICEF or PAHO, the payment is to be made to UNICEF or PAHO (whichever is applicable) as agreed in the Procurement Services Memorandum of Understanding between UNICEF or PAHO (whichever is applicable) and the country, and not to the GAVI Alliance. Please keep in contact with UNICEF or PAHO (whichever is applicable) to understand the availability of the relevant vaccine(s) and to prepare the schedule of deliveries.

The total co-financing amount expressed in item number 14 of Appendix B does not contain costs and fees of the relevant Procurement Agency, such as contingency buffer and handling fees.

Information on these extra costs and fees will be provided by the relevant Procurement Agency as part of the cost estimate to be requested by the country. UNICEF/PAHO will share information with GAVI on the status of purchase of the co-financed supply. In accordance with the GAVI Co-financing Policy (http://www.gavialliance.org/about/governance/programme-policies/co-financing/), the co-financing contribution is payable annually to UNICEF/PAHO.

If the purchase of the co-financed supply is carried out by the Government, following its own procurement procedures and not procuring from UNICEF Supply Division or PAHO's Revolving Fund, the Government must submit to GAVI satisfactory evidence that it has purchased its co-financed portion of the vaccines and related supplies, including by submitting purchase orders, invoices, and receipts to GAVI. GAVI encourages that countries self-procuring co-financed products (i.e.auto-disable syringes and syringe and needle disposal boxes) ensure that products appear on the applicable WHO list of pre-qualified products or, for syringe and needle disposal boxes, that they have obtained a certificate of quality issued by a relevant national authority.

GAVI support will only be provided if the Country complies with the following requirements:

Transparency and Accountability Policy(TAP): Compliance with any TAP requirements pursuant to the GAVI TAP Policy and the requirements under any Aide Memoire concluded between GAVI and the country.

Financial Statements & External Audits: Compliance with the GAVI requirements relating to financial statements and external audits.

Grant Terms and Conditions: Compliance with GAVI's standard grant terms and conditions (attached in Appendix D).

Country Co-financing: GAVI must receive proof of country co-payment from the Country such as invoices or shipment receipts if neither UNICEF nor PAHO is the procurement agent for country co-financed vaccine for the prior calendar year.

Monitoring and Annual Progress Reports: Country's use of financial support for the introduction of new vaccinations with the vaccine(s) specified in Appendix B is subject to strict performance monitoring. The GAVI Alliance uses country systems for monitoring and auditing performance and other data sources including WHO/UNICEF immunization coverage estimates. As part of this process, National Authorities will be requested to monitor and report on the numbers of children immunised and on co-financing of the vaccine.

Country will report on the achievements and request support for the following year in the Annual Progress Report (APR). The APR must contain information on the number of children reported to have been vaccinated with DTP3 and 3 doses of pentavalent vaccine by age 12 months, based on district monthly reports reviewed by the Immunisation Coordination Committee (ICC), and as reported to WHO and UNICEF in the annual Joint Reporting Form (JRF). The APRs will also contain information on country's compliance with the co-financing

arrangements outlined in this letter. APRs endorsed by the ICC, should be sent to the GAVI Secretariat no later than 15 May every year. Continued funding beyond what is being approved in this letter is conditional upon receipt of satisfactory Annual Progress Reports and availability of funds.

Appendix B-1

Kyrgyz Republic VACCINE SUPPORT
This Decision Letter sets out the Programme Terms of a Programme.

1. **Country:** Kyrgyz Republic

2. **Grant Number:** 1115-KGZ-04a-X

3. **Decision Letter date: 28/10/2013**

4. **Date of the Partnership Framework Agreement:**
   Not applicable

5. **Programme Title:** New Vaccine Support

6. **Vaccine type:** Pentavalent

7. **Requested product presentation and formulation of vaccine:** DTP-HepB-Hib, 1 dose(s) per vial, LIQUID

8. **Programme Duration**[1]**:** 2009-2015

9. **Programme Budget (indicative) (subject to the terms of the Partnership Framework Agreement):**

	2009-2013	2014	2015	Total[2]
Programme Budget (US$)	US$5,998,672[3]	US$1,002,000	US$850,500	US$7,851,172

10. **Vaccine Introduction Grant:** Not applicable

[1] This is the entire duration of the programme.
[2] This is the total amount endorsed by GAVI for the entire duration of the programme. This should be equal to the total of all sums in the table.
[3] This is the consolidated amount for all previous years.

16. Additional documents to be delivered for future disbursements:

Reports, documents and other deliverables	Due dates
Annual Progress Report 2013	15 May 2014

17. Financial Clarifications: The Country shall provide the following clarifications to GAVI*:

Not applicable

**Failure to provide the financial clarifications requested may result in GAVI withholding further disbursements*

***18.* Other conditions:** Not applicable

Signed by,
On behalf of the GAVI Alliance

for Hind Khatib-Othman
Managing Director, Country Programmes

28 October 2013

11. Indicative Annual Amounts (subject to the terms of the Partnership Framework Agreement):[4]

Type of supplies to be purchased with GAVI funds in each year	2009-2013	2014
Number of Pentavalent vaccines doses		472,300
Number of AD syringes		584,500
Number of re-constitution syringes		
Number of safety boxes		6,500
Annual Amounts (US$)	US$5,998,672[5]	US$1,002,000

12. Procurement agency: UNICEF. The Country shall release its Co-Financing Payments each year to UNICEF

13. Self-procurement: Not applicable.

14. Co-financing obligations: Reference code: 1115-KGZ-04a-X-C According to the Co-Financing Policy, the Country falls within the low-income 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	2014	2015
Number of vaccine doses	81,100	69,200
Number of AD syringes		
Number of re-constitution syringes		
Number of safety boxes		
Value of vaccine doses (US$)	US$157,886	
Total Co-Financing Payments (US$) (including freight)	US$166,000	US$141,500

15. Operational support for campaigns: Not applicable

[4] This is the amount that GAVI has approved.
[5] This is the consolidated amount for all previously approved years.

Annex B2

DECISION LETTER FOR CASH SUPPORT
Immunisation Support Services (ISS)

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

1. **Country:** Kyrgyz Republic
2. **Grant number:** 0812-KGZ-02-Y
3. **Decision Letter date : 28/10/2013**
4. **Date of the Partnership Framework Agreement:** Not applicable
5. **Programme Title:** Immunisation Services Support (ISS)
6. **ISS terms:** The Country is entitled to an ISS reward for 2012 achievement of the immunisation programme. The ISS reward is calculated by taking the number of children less than one year immunised with DTP3 as reported in the 2012 WHO/UNICEF Joint Reporting Form (N=137,953) and subtracting the number of children vaccinated in 2011 (N=133,834) which was the highest amount previously achieved. The country is awarded US$20 for each additional child vaccinated (N=4,119).
7. **Programme Duration**[6]**:** 2006 to 2013
8. **Indicative Annual Amounts (indicative) (subject to the terms of the Partnership Framework Agreement)**[7]**:**

	2006 – 2012	2013	Total
Annual Amount(s) (US$)	US$ 753,640[8]	US$ 82,380	US$ 836,020

9. **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 approval and disbursements of the future Annual Amounts.

Reports, documents and other deliverables	Due date
Annual Progress Report 2013	15 May 2014

[6] This is the entire duration of the programme.
[7] This is the amount that GAVI has approved. Please amend the indicative Annual Amounts from previous years if that changes subsequently.
[8] This is the consolidated amount for all previously approved years.

10. **Financial Clarifications:** The Country shall provide the following clarifications to GAVI*:

Not Applicable

**Failure to provide the financial clarifications requested may result in GAVI withholding further disbursements*

11. **Other conditions:** Not applicable.

Signed by,

On behalf of the GAVI Alliance
Hind Khatib-Othman
Managing Director, Country Programmes

28 October 2013

Appendix C

Type of report: Annual Progress Report
Country: Kyrgyzstan
Reporting period: 2012
Date reviewed: July 2013

1. Background Information

Surviving Infants (2012): 143,555 (JRF)

DTP3 coverage (2012):

- JRF Official Country Estimate: 96%
- WHO/UNICEF Estimate: 96%
- DHS (2011): 81%

Table 1. NVS and INS Support

NVS and INS support	Approval Period
DTP-HepB-Hib *(1 dose vials liquid)*	2009-2015
HepB monoval	2001-2008
INS	2006-2012

Table 2. Cash Support

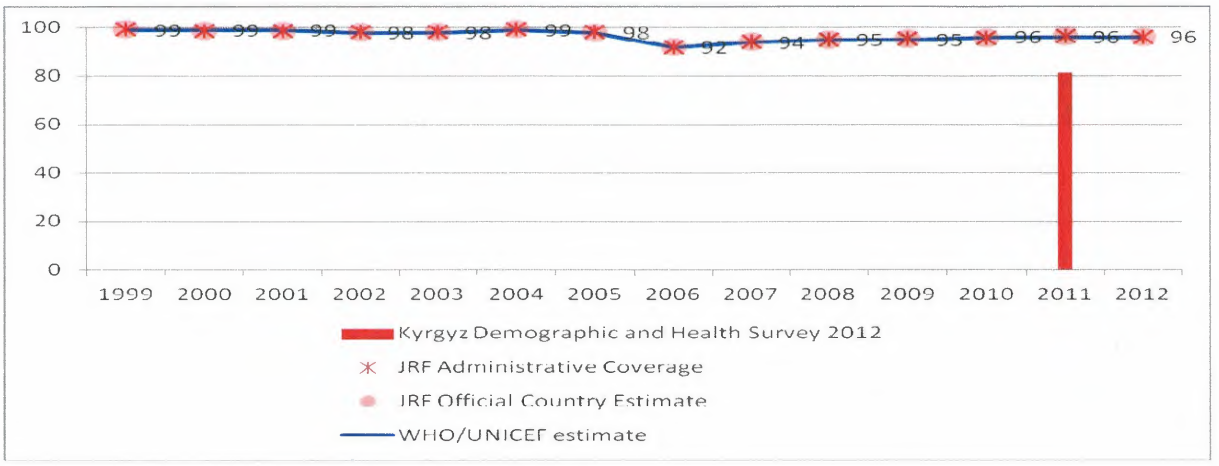
Cash support	Approval Period
ISS	2006-2012
HSS	2007-2011

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

Kyrgyzstan has separate ICC and HSCC. At the ICC meeting where the APR was approved participants consisted of staff of the MoH plus representatives of UNICEF, USAID and the humanitarian assistance program FFZ of the "HOPE" PROJECT. At the HSCC meeting where the APR was approved only staff of the MoH attended. Issues discussed included financing of the immunization program and follow up to an AEFI crisis in 2012.

Kyrgyzstan has separate ICC and HSCC entities. The latter is called the Board of Healthcare Protection and is entirely made up of Kyrgyz public health officials, with no CSO representation. Minutes from a meeting in 2013 show that the group discussed a range of health-sector-wide issues. Signatures of ICC and HSCC members as well as of delegated officials of the ministries of health and finance (all from May 2013) were submitted.

3. Programme and Data Management



The programme has achieved quite high levels of immunization coverage for more than a decade. WHO/UNICEF agrees with estimates based upon administrative data although the 2012 DHS (assessing coverage in 2011) found DPT3 coverage to be only 81%. This is a significant gap from all previous estimates. The sample size of the DHS was modest (856 children). For 85% of these children, the data are based upon immunization cards located at the neighbourhood health centre, and for the rest of the children the finding is based on recall of the mother. On the other hand, the APR mentioned that in certain areas, the coverage is less than optimum (2012, National Statistics Institute) and this was attributed to insufficient quantity of educational materials for the health providers and the community. There is also the description of a "high risk" groups such as urban migrants, hard-to reach districts and socially hard-to-reach persons with religious convictions and drug dependence. The APR made no mention of the DHS report findings. It is important to clarify how the results will be considered and the gaps identified addressed in the immunization programme. With the APR for next year, the country should clarify how the results of the DHS (2012) will be considered and the gaps identified addressed in the immunization programme.

Pockets of hard-to-reach mountainaous areas have been a challenge and with GAVI-HSS support, mobile teams were organized to 20 most remote districts, providing > 200 villages with immunization and other medical assistance. As a result, coverage for all vaccines was said to have increased by 2.2 – 2.4%. It is important to carify how coverage in underperforming areas will be monitored going forward. The European immunization week (April 2012) provided another boost to coverage figures. It was possible to reach internal migrants not registred in the formal health system immunizing a total of 17,553 people, including 8,528 children under the < 14 years (48.5% of the target group) and 9,025 unregistered residents.

As for data issues, there were changes in the newborn number upwards to 147,162 from original estimates of 144,885, reflecting new data from the national statistics committee. This reflects an increase of 2,277 infants born. The difference in the number of surviving infants of 2,286 was attributed to internal and external migration. The wastage rate for pentavalent for 2012 was increased from 5% to 25% to reflect the supply of multi-dose presentation. To improve on data issues, a computerized informational system for immunization (KISI) was developed and tested in 2012. It is hoped this can be scaled up eventually. The country has been a good performer however in 2012 there was an increased number of AEFIs from pentavalent vaccine which generated a lot of backlash in the media as well as in the populace with many people refusing vaccinations.

4. Gender and Equity Analysis

The 2012 DHS showed no statistically significant difference in immunization coverage by sex (97% for boys vs. 96% for girls). According to the preliminary report, the 2012 DHS found that 3 of 9 regions had DPT3 coverage below 80%: Osh Oblast (71%), Chui (77%) and Bishkek City (63%). The APR does not mention these findings from the DHS (which was completed less than a year ago) but does note that a 2012 survey conducted by the National Statistics Bureau (the 2012 DHS?) found the immunization coverage to vary from 80% to 97% depending upon the region. Activities funded with GAVI's HSS grant are to focus particularly on children in rural areas, poor families and vulnerable groups.

5. Immunisation Services Support (ISS)

A total of US$ 680,130 was available for 2012 comprising funds received and a carry-over from 2011. Expenses were US$ 133,230 with a sizeable balance to carry forward to 2013.

The ISS funds were apparently used for meetings and seminars for health care providers on safe immunization, awareness, transportation, travel and improving infrastructure of the cold chain partially in support of response to the AEFI crisis. However, no financial statement or further details were provided concerning the expenditure. There are also TAP issues relating to non-submission of bank statement as well as financial statement neither duly signed nor submitted. 4,119 more children were immunized in 2012 than in any previous year.

Kyrgyzstan is eligible and qualified to get ISS rewards of US$ 82,380.

New and under-utilised Vaccines Support (NVS)

DTP-HepB-Hib (1 dose vials liquid)

- 2012 DPT3 coverage nationwide was 96%. According to the APR, 100% of districts achieved a DPT3 coverage of more than 80%. However, the preliminary report of the 2012 DHS suggests, that coverage in the urban areas was around 75.6% compared to 82.9% in the rural areas, in certain districts (Osh Blast, Chui, Biskek City) and among the highly educated (79.1%) compared to those with basic education (84%). It would appear that the coverage situation in the country is more complicated than acknowledged in the APR.
- In 2010, the GoK requested a change from Penta 1-dose to a 10-dose presentation to reduce co-financing costs and to save cold chain storage space. Because of AEFI issues in 2012 (described below), it was decided to revert to the one dose presentation.
- The wastage rate of Penta vaccine increased from 5% to 25% (the maximum appropriate) with the switch to 10 dose vials;
- However, the APR reports 5% wastage for 2012 and projects 5% for future years. This may be possible if the country switches back to 1 dose vials as requested.

A PIE was to be conducted in November 2012 but this did not take place. It is necessary to share a copy of the report as soon as it is done. US$ 59,286 of VIG funds were carried over from 2011 and expended for cold chain parts and maintenance, training, social mobilization, programme management and response to AEFI.

The last EVM was conducted in 2011. The country needs to clarify which of the activities of the EVM improvement plan were completed in 2012 as Kyrgyzstan is planning to apply for new vaccines in 2013. No stock-outs or other logistic issues were reported. A report lists progress with EVM improvement plan through July of 2012. The AEFI investigation (see below) revealed significant problems with cold chain management at the central cold rooms and provincial levels. The cold room capacity in the central levels has been increased and new temperature monitoring devices have been installed.

The figure for surviving infants in JRF (143,555) is different from the figure in the APR (144,071) a difference of 2,286 attributed to internal and external migration and new figures from unpublished report by the national statistics institute. The number of children immunized with DTP3 in 2012 (137,593) and the number of children to be immunized in

2014 (144,280) are within the GAVI 10% limit. The wastage rates are in order. The order is for DTP-HepB-Hib *(1 dose vials liquid)*. It is necessary to explain the difference in penta stock of 19,000 between Dec 31st 2012 and Jan 1st 2013.

6. Vaccine Co-financing, Financial Sustainability and Financial Management

Kyrgyzstan is in the low income co-financing group. The country pays its entire co-financing obligation. The APR reports that the country pays for 62% of traditional vaccines, 12% of new vaccines and 29% of the overall annual costs of the EPI programme. Other donors supporting immunization in APR 2011 were reported as WHO and UNICEF. There is no updated cMYP to analyse funding gaps. No FMA report is available for comments.

7. Injection Safety Support (INS) and Adverse Events Following Immunisation Systems

All syringes used for immunizations are auto-destruct. The APR describes sharps disposal as burn and bury except at a few hospitals with incinerators. There is no system of direct pharmacovigilance for vaccines. There is a national expert committee for the consideration of AEFI cases and there is an official plan for improving vaccine safety. Surveillance is conducted for diphtheria, measles and polio

The APR notes that in 2012, it was particularly challenging to maintain immunization coverage at the achieved level because of the public response connected with increased number of adverse effects due to the switching the use of Pentavalent vaccine ten dose vial. Apparently there was increased incidence of "a focal reaction of variable intensity". The general public was worried as there was considerable negative coverage by the media. This apparently resulted in plummeting public confidence in immunization. Two teams of experts investigated the situation led by WHO. A briefing note provided to IRC indicated that most of the adverse reactions were reported from Bishkek, Chuy region, Osh and Osh region. Also there was no indication of problems with the vaccine. Subsequent findings of the investigations (from CRO briefing) apparently revealed problems at various levels:

- Injection practices that were not of standard (e.g. wrong site, wrong needles)
- Poor vaccine distribution, exposure to heat which had impact on the vaccine potency (vaccines discarded)
- Contamination of vaccine vials, poor implementation of open vial policy
- Poor AEFI case management and reporting
- Hesitancy to communicate the correct information on the AEFIs to media and public.

The country is yet to submit a formal acknowledgement of the findings of the independent investigation. This is a risk for addressing the root cause(s) of the crisis. If there is a more complete report on the investigation of the AEFIs, please translate into English and submit to GAVI.

196,500 doses of single vial doses of penta were purchased in 2012. There is a reported under-supply of the 10-dose formulation in 2012 (65,000 doses). There was no interruption in supply. There were no stock-outs reported. However Table 7.11.1 shows a difference of 19,000 doses between December 31st 2012 and January 1, 2013. This needs to be explained.

8. Health Systems Strengthening (HSS)

All HSS funding (US$ 1,155,000) has now been fully disbursed, with the final two tranches being disbursed at the end of 2011. There was a 2012 balance of US$ 193,043. Approximately US$ 150,000 of this was spent during 2012. The original goal of the GAVI HSS proposal is to remove health system barriers in order to improve health status, particularly for children from rural areas, poor families and vulnerable groups, through enhancing the effectiveness of primary care and public health services to provide high quality preventive and curative services and to improve and maintain immunization coverage.

According to the APR, out of 14 HSS activities planned for 2012, 11 were 100% completed, while "Monitoring of immunization timeliness and quality within the National Immunizations Schedule" was postponed as it was dependent on a computerized system to be implemented at the national level. The funds were used for social mobilization to counteract the effect of the AEFI crisis in 2012.The development of guidelines and information materials for NGOs was 25% completed. Table 9.3 (annual progress against indicators) suggests that most targets of the grant were achieved prior to 2012. The APR notes that the WHO" and UNICEF advisers currently have no alternative methods to evaluate the immunization timeliness and quality within the National Immunizations Schedule and so cannot provide technical maintenance of national specialists in this question".

According to the APR, the HSS support appears to have achieved most of the objectives it set out. DTP3 coverage has increased from 95.6% in 2011 to 96.1% in 2012. "Number/% of districts achieving DPT3 coverage rate ≥80%" has been maintained at 100%. Infant mortality and child mortality has reduced from 27.1/1000 live births and 31.5/1000 live births to 20 and 23.2 respectively. On the other hand, in spite of the significant investment in supervision and training under the HSS, the AEFI crisis and the ensuing investigation revealed that there are problems with health care staff skills and training. Same can be observed in cold chain and logistics.

A major HSS activity involved performance-based incentives for medical personnel. The APR concluded that the performance-based incentives mechanism had less than optimum effects on motivation and migrational attitudes. Reasons given relate to the size of bonus, which was relatively insignificant compared to salaries. There were also problems relating to poor understanding of the objective of the scheme and poor intra-institutional management. The current HSS programme has been concluded and the country is preparing a new proposal for HSS. .

9. Civil Society Organization Type A/Type B (CSO) N/A

Although there is no open CSO support window from GAVI, the APR notes that CSOs (District Health Committees) were involved in the execution of activities under the HSS support for which guidelines and informational materials have been developed and replicated. A programme of small grants was developed to implement health promotion activities such as community mobilization on immunization issues, improvement of school meal and prevention of infectious diseases.

10. Risks and mitigating factors

The recent DHS suggested that immunization coverage may be lower than suggested by administrative data. This gives cause for concern about underlying problems concerning data quality and management. A lot of investments went into training, yet basic skills of health professionals appear to have failed in implementing the open vial policy and keeping the vaccines under optimum conditions in the cold chain.

11. Summary of 2012 APR Review

Kyrgyzstan is commended for its continued achievement of high immunization coverage rates at the national level. There also appears to be progress in reaching the hard to reach population. The DHS coverage data at 81% as opposed to 96% (Administrative) and identified one region (Bishkek City) with coverage of 63%. This puts a damper on the achievements. The discrepancies were not acknowledged in the report nor were explanations provided.

It is somewhat of concern that the reasons for the AEFI of 2012 and the underlying weaknesses unearthed by the ensuing investigation do not appear to have been fully apprehended in the APR. The report still implies that the vaccine quality was the main reason for the events. It is hoped that existing GAVI ISS funds will be used in a focused manner to address some of the issues unearthed by the investigation. Considering the level of investments from the GAVI HSS grant, it is unclear how resources and activities will be synchronised in future grants for greater effectiveness and value for money. An updated or new cMYP will be useful to better understand the funding gaps in order to see what the

plans will be for supporting EPI activities into the near future. APR 2011 requested the country to produce an HSS completion report. The report has not been received. As the country is looking forward to introducing new vaccines (Rota and PCV) as well as support under the GAVI HSFP it will be imperative that the activities are implemented in a more systematic and holistic manner and the report could be the first logical step.

13. IRC Review Recommendations:

ISS: Kyrgyzstan is eligible and qualified to get ISS rewards.
NVS: Approve 2014 NVS support based on country request target
HSS: N/A

14. Clarification Required with Approved Funding

Short-term clarifications

(a) **Financial clarifications/outstanding TAP issues**: None

16. Other issues

- The country is encouraged to provide a report of the investigation and a plan for addressing the issues identified by the independent investigation into AEFI crisis of 2012.
- Provide an HSS completion report as requested in APR 2011. The report should provide information about the lessons learned from the GAVI HSS support, how they will inform future EPI programming and address issues that arose during the period of the support.
- If the method of economic incentive to workers used in the current HSS support will be tried in the future, the procedures will need to be revised taking into account lessons learned from the implementation of this HSS support.

Appendix D

GAVI Alliance Terms and Conditions

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

FUNDING USED SOLELY FOR APPROVED PROGRAMMES

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

AMENDMENT TO THIS PROPOSAL

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

RETURN OF FUNDS

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

SUSPENSION/ TERMINATION

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

ANTICORRUPTION

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

AUDITS AND RECORDS

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

The Country will maintain accurate accounting records documenting how GAVI Alliance funds are used. The Country will maintain its accounting records in accordance with its government-approved accounting standards for at least three years after the date of last disbursement of GAVI Alliance funds. If there is any claims of misuse of funds, Country will maintain such records until the audit findings are final. The Country agrees not to assert any documentary privilege against the GAVI Alliance in connection with any audit.

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

CONFIRMATION OF COMPLIANCE WITH THE GAVI ALLIANCE TRANSPARANCY AND ACCOUNTABILITY POLICY
The Country confirms that it is familiar with the GAVI Alliance Transparency and Accountability Policy (TAP) and will comply with its requirements.

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

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

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

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