

ACTION MEMORANDUM

TO: SDAA/GH, Gloria D. Steele

FROM: Admiral R. Timothy Ziemer, Coordinator, PMI



SUBJECT: Approval for Cooperative Agreement with UNICEF for the Malaria Control Partnership

Recommendation

That you:

- Approve a new five-year, \$200 million Malaria Control Partnership cooperative agreement with UNICEF, and
- Obligate \$685,000 in FY 2007 core funding and field support committed to Global to obligate as shown below:
 - \$100,000 from the Bureau for Global Health
 - \$470,000 from USAID/Malawi
 - \$115,000 from USAID/Senegal

Background

On June 30, 2005, President Bush challenged the world to reduce the burden of malaria dramatically as a major killer of children in Sub-Saharan Africa and pledged to increase funding of malaria prevention and treatment by more than \$1.2 billion over five years. This effort, called the President's Malaria Initiative (PMI), eventually will cover more than 175 million people in 15 or more of the most affected African countries. The Malaria Control Partnership will support malaria programming including commodity procurement, supply, and distribution as part of PMI.

All USAID-funded malaria programs are designed to function in a similar fashion with an increased emphasis on scaling up proven preventive and treatment interventions through the provision of lifesaving commodities. These commodities may include long-lasting insecticide treated nets (LLINs); mosquito net re-treatment kits; indoor residual spraying (IRS); antimalarials, including artemisinin-based combination therapies (ACTs); and other severe malaria drugs as appropriate, including sulfadoxine-pyrimethamine

(SP), for use in intermittent preventive treatment (IPT), severe malaria drugs, rapid diagnostic tests (RDTs), and laboratory supplies.

The PMI's efforts complement UNICEF's ongoing efforts and activities in the fight against malaria. UNICEF's support to malaria programming is through integrated programming for child survival and development. UNICEF Country Offices make strategic use of its relatively limited funds to test strategies and document best practices for national scale-up. UNICEF also supports national strategic plan and policy development; monitoring and evaluation; and supply, procurement, and distribution of essential malaria commodities through the UNICEF Supply Division. The UNICEF Supply Division is the largest institutional buyer of insecticide treated nets (ITNs) and has emerged as a leader in assisting countries to procure ACTs that meet stringent quality, safety, and efficacy standards.

This cooperative agreement with UNICEF is to support its malaria programming, particularly commodity procurement, supply, and distribution as part of the PMI and other USAID malaria programs. The agreement primarily focuses on malaria commodities that support prevention and treatment programs in both PMI focus countries and non-focus countries. USAID will support UNICEF's procurement, supply, and distribution of malaria commodities that will be used by Ministries of Health, NGOs, social marketing programs, and other UN organizations. Our partnership with UNICEF also can provide programmatic support including monitoring and evaluation, training, capacity building, logistics, behavior change, and information/education/communication activities. Other types of malaria interventions also may be supported by USAID under this cooperative agreement. This cooperative agreement will complement the Deliver II task order because it can support provision of commodities to countries that have existing arrangements for procurement of commodities through UNICEF and allows for the support of UNICEF's in-country logistics, distribution, and programmatic functions.

1. Justification for Authorizing a PIO Grant or Cooperative Agreement

Under ADS 308.3.2, grants (or cooperative agreements) with Public International Organizations (PIOs) are appropriate when a pre-award determination is made that certain conditions are met. By signing below, the attached letters you will be making this pre-award determination. The conditions to be met and the justification for how they are met follow:

- a. *“Support for a PIO's program or activity (either an expansion of its current program or the initiation of a new program or activity) is considered to be an effective and efficient way to achieve a particular development assistance objective;”*

UNICEF has the capability of directly supporting the objectives of the President's Malaria Initiative through the provision of lifesaving malaria commodities and in-country

support on logistics, distribution, monitoring and evaluation, and other programmatic capabilities. UNICEF is an active partner in the Roll Back Malaria (RBM) initiative with the goal of halving the world's malaria burden by 2010. UNICEF country offices have been key implementing partners in assisting countries to scale up ITN coverage and transition to ACTs. UNICEF country offices also tend to have logistics capability, warehousing space, and the ability to clear commodities on a tariff-free basis.

As indicated above, the UNICEF Supply Division is the world's largest institutional buyer of ITNs and offers a complete catalogue of lifesaving malaria commodities including ACTs, SP, RDTs, and severe malaria drugs. The UNICEF Supply Division has negotiated institutional contracts with major manufacturers of malaria commodities through a transparent, worldwide tendering process. The Division also has a comprehensive quality assurance and quality control system for the procurement of essential medicines including ACTs and antimalarial drugs.

Hence, support for UNICEF's malaria program in areas that support or complement PMI or other USAID assistance objectives should be both effective and efficient in achieving these objectives.

b. "The program and objectives of the PIO are compatible with those of USAID;"

USAID and UNICEF share common goals and approaches in the fight against malaria. The President's Malaria Initiative will complement UNICEF ongoing efforts and activities in the fight against malaria. As an active partner in the Roll Back Malaria (RBM) initiative with the goal of halving the world's malaria burden by 2010, UNICEF and USAID have been supporting the efforts of countries to take effective, sustainable action against malaria by focusing on proven tools and strategies.

c. "There is no reason to consider the PIO not responsible and"

UNICEF is a fully responsible PIO that has consistently and effectively utilized USAID and other donor funding. UNICEF has been a permanent member of the United Nations System since 1953 with annual estimated expenditures of \$1.2 billion.

d. "Grants are made for specific programs of interest to USAID"

The grant is made to support specific aspects of UNICEF's malaria control program that are consistent with the President's Malaria Initiative and USAID malaria objectives.

2. Legal and Administrative Constraints:

The legal and administrative constraints in ADS 308.3.6.1 and 308.3.6.2 apply to USAID grants to PIOs and are addressed in (a) and (b) below. A further issue relating to the Standard Provision “Reporting of Foreign Taxes” also is discussed at (c) below.

a. Trust Funds and GAO Audit Rights:

USAID is not the sole contributor to a trust fund of malaria funds for UNICEF and may, therefore, under ADS 308.3.6.1 rely on the international organization’s audit policies and procedures. Malaria funding available to UNICEF country programs has increased steadily over the years. Estimates indicate that approximately \$115 million was programmed in 2005 globally for malaria programs and commodities procurement originating from various sources such as the Global Fund for AIDS, Tuberculosis, Malaria, DFID, JICA, and CIDA.

b. Application of USAID’s Procurement Policies to a PIO:

For planning purposes, USAID may obligate up to \$70 million into the Malaria Control Partnership Cooperative Agreement in FY2007. This could potentially make USAID the largest contributor of malaria funding to UNICEF and permit it to elect to apply selected procurement and audit policies with the PIO to protect U.S. interests. Under these circumstances, the procurement of malaria commodities will be authorized through a waiver of the requirements of Section 636(i) of the Foreign Assistance Act (FAA) of 1961, as amended, and source-origin waivers (either through a blanket or individual waivers) from Geographic Code 000 to Geographic Code 935 to permit procurement.

c. Reporting of Foreign Taxes:

In addition, with the agreement of OAA/Policy, a special provision has been negotiated with UNICEF pertaining to the Standard Provision on “Reporting of Foreign Taxes,” whereby UNICEF will represent that it is a PIO exempt from the application of “foreign taxes,” such that the Standard Provision will not apply to this grant, provided however that UNICEF will report to USAID consistent with the Standard Provision in the event any such foreign tax is ever finally assessed and paid by UNICEF.

3. Justification: In accordance with ADS 308.3.3, competition is not required for grants to Public International Organizations (PIOs).

4. Environmental Determination: In accordance with 22 CFR 216.2, an initial environmental examination (IEE) has been conducted (see attachment B).

Authority:

Under ADS 103.3.8.2, the AA/PPC has delegated to Assistant Administrators, for their respective areas of responsibility, the program implementation authorities in ADS

103.3.5, including the authority to sign grants and other agreements with PIOs. Pursuant to GH Delegations of Authority, ADS 103.3.16.1 paragraph (i) the SDAA/GH is authorized to sign grants to PIOs.

It is recommended that you approve by signing the attached letters to UNICEF to award:

- A new five-year, \$200 million Malaria Control Partnership cooperative agreement with UNICEF, and
- Obligate \$685,000 in FY 2007 core funding and field support committed to Global to obligate as shown below:
 - \$100,000 from the Bureau for Global Health
 - \$470,000 from USAID/Malawi
 - \$115,000 from USAID/Senegal

ATTACHMENTS

- A. Cooperative Agreement Letter and Appropriation Data Sheet
 - 1. Program Description with Budget
 - 2. Schedule
 - 3. Standard Provisions
- B. Initial Environmental Examination (IEE)
- C. Country Proposals
 - 1. Senegal Country Proposal
 - 2. Malawi Country Proposal
 - 3. GH Country Proposal

CLEARANCE PAGE: New UNICEF Cooperative Agreement for the Malaria Control Partnership

Clearances:

GH/HIDN/ID: SKorde_____	Date _____
GH/HIDN/ID: LHarley_____	Date _____
GH/HIDN/ID: IKoek_____	Date _____
GH/HIDN: JIce_____	Date _____
GC/G: CRyder_____	Date _____
GH/HIDN: EFox_____	Date _____
GH/HIDN: RGreene_____	Date _____
GH/SPBO/OPS: LWhite_____	Date _____
GH/SPBO: KHiiliard_____	Date _____

Drafter: GH/HIDN: CDeery: (202) 661-0376:2-06-2007:
P:/GH.HIDN.PUB/PMI/UNICEF/ACTION MEMORANDUM Malaria
Control Partnership Grant.

Program Description for UNICEF/USAID Malaria Control Partnership

As part of an integrated approach to child survival and development, this Program Description outlines the nature of the partnership entered into by USAID and UNICEF for the implementation of malaria prevention and control programs, with particular focus on provision of commodities. This program description will serve as the framework for specific country proposals (see **Annex 1** for the country templates) that will detail activities, responsibilities, timeframe, and budget on a country basis.

1. Background:

On June 30, 2005, U.S. President Bush challenged the world to reduce the burden of malaria dramatically as a major killer of children in sub-Saharan Africa, and pledged to increase funding of malaria prevention and treatment by more than \$1.2 billion over five years. The goal of this effort is reduce malaria deaths by 50 percent in each of the target countries after three years of full implementation.

To launch this initiative, the United States will significantly expand resources for malaria. This effort will eventually cover more than 175 million people in 15 or more of the most affected African countries.

United States Agency for International Development (USAID) will work closely with a wide array of international and country partners to support interventions aimed at the prevention and treatment of malaria including the purchase and distribution of commodities. Key commodities may include long lasting insecticidal nets (LLINs); mosquito net re-treatment kits; indoor residual spraying (IRS); antimalarials including artemisinin-based combination therapies (ACTs) and other combination drugs as appropriate; sulfadoxine pyrimethamine (SP), for use in intermittent preventive treatment (IPT); artemether; quinine; rapid diagnostic tests (RDTs) and laboratory supplies.

The Goals and Targets of the President's Malaria Initiative are:

- 85% of children under 5 will have slept under insecticide treated nets (ITN) the previous night
- 85% of pregnant women will have slept under and ITN the previous night
- 85% of pregnant women will have received two or more doses of intermittent preventive treatment (IPT) during their pregnancy
- 85% of houses targeted for insecticide residual spraying (IRS) will have been sprayed
- 85% of children under five with suspected malaria have received treatment with an anti malarial drug in accordance with national malaria treatment policies within 24 hours of the onset of their symptoms.

The President's Malaria Initiative will complement UNICEF ongoing efforts and activities in the fight against malaria. As an active partner in the Roll Back Malaria (RBM) initiative with the goal of halving the world's malaria burden by 2010, UNICEF has been supporting the efforts of countries to take effective, sustainable action against malaria by focusing on proven tools and strategies.

UNICEF support to malaria programming is through integrated programming for child survival and development. UNICEF Country Offices make strategic use of their relatively limited funds to test strategies and document best practice for national scale-up. UNICEF also focuses on leveraging additional resources to ensure child survival and development (and the realization of rights). UNICEF also supports national strategic plan and policy development, monitoring and evaluation and supply, procurement and distribution of essential malaria commodities. Insecticide Treated Nets make up a significant part of UNICEF's support to malaria programming, with ITNs integrated through Expanded Program on Immunization (EPI), Antenatal Care (ANC), and maternal and child health programmes.

In fact, one of the most effective strategies in malaria prevention as well as one of UNICEF priorities particularly in sub-Saharan African countries has been the provision of insecticide treated nets (ITNs) to all pregnant women, and children under the age of five. As the largest institutional buyer of ITNs in the world, UNICEF procured a total of 19 million mosquito nets in 2005. At the same time, UNICEF Supply Division emerged as a leader in coordinating the transition to the use of artemisinin-based combination therapies (ACTs) for malaria, and in procuring millions ACT treatments.

Malaria funding available to UNICEF country programmes has increased steadily over the years. Estimates indicate that approximately USD \$115 million were programmed through UNICEF in 2005 from various sources such as GFATM, DFID, USAID, JICA and CIDA.

2. General Program Description

USAID and UNICEF agree to enter into this partnership to support malaria programming including commodity procurement, supply and distribution for the President's Malaria Initiative (PMI) and other USAID malaria programs. The agreement will primarily focus on malaria commodities that will support prevention and treatment programs in both PMI focus countries and other USAID-assisted countries. USAID will support UNICEF's procurement, supply and distribution of malaria commodities intended for Ministry of Health counterparts, NGOs, social marketing programs, and UN organizations in accordance with the terms set forth below. The partnership may also become more programmatic and include other types of activities such as monitoring and evaluation, training, capacity building, logistics, behavior change, and information/education/communication activities. Therefore, other types of malaria interventions may be supported by USAID under this agreement.

Under the Malaria Control Partnership, USAID and UNICEF will have distinct responsibilities:

2.1 USAID will have the following responsibilities

- Provide a detailed scope of need, including estimated budget, quantities, and delivery timeline for specific commodities based on the specific USAID country programs;
- Ensure a consultative process at the country level between USAID missions, UNICEF Country Offices and other stakeholders;
- Designate consignees,
- Approve final country budgets, quantities, and delivery schedules;
- Provide camera ready, soft files and written specifications of corresponding USAID branding requirements in a timely manner;
- Confirm host government acceptability of commodities in the event that UNICEF is not the consignee,
- Ensure timely and sufficient obligation of funds,
- Support funding of dedicated UNICEF staff to manage specific USAID related activities (see Section 6)

2.2 UNICEF will have the following responsibilities:

- Provide detailed country budgets based on commodity requirements and scope of work within budget parameters provided by USAID,
- Advise USAID on issues such as availability of commodities, timing of deliveries, in-country logistics (e.g. storage, inventory, and stock management) and transportation capacity as specified and budgeted in the country proposal;
- Confirm host government acceptability of commodities in the event UNICEF is the consignee,
- Upon availability of funds, process and manage USAID commodity requirements according to UNICEF Supply Division's procedures, including selecting sources of supply, placing timely and firm orders with suppliers, transferring USAID funds to supplier, provide USAID required markings, arranging shipments, freight transport, insurance; quality assurance and quality control support; supporting documentation on shipment, delivery, and confirmation of receipt; and consignment.
- In the event UNICEF is consignee and as specified and budgeted on a case by case basis in the country proposal, arrange for such services as customs clearance, temporary storage, pre-acceptance quality testing, consignment, in-country logistics, and payment of fees related to any such activities. When UNICEF is not the consignee, specific roles and responsibilities will be reviewed and specified in the country proposal.
- In the event UNICEF is not the consignee, assume responsibility and title for commodities until final consignment in country and ownership is transferred to consignee;
- Liaise with UNICEF country offices, USAID country missions, and other partners, as needed, to facilitate consignments, customs, in-country technical assistance, etc.;

- Ensure adequate reporting as specified in Section 9,.
- Provide documentation certifying delivery of commodities to designated consignee as and when requested,
- Liaise with designated USAID contractor to facilitate commodity procurement, information, and reporting;
- Ensure that quality assurance/quality control is in place as per UNICEF procedures and provide documentation on malaria commodity manufacturers as and when needed,
- Ensure that USAID funds are used for the designated country as specified in the country proposal, unless otherwise agreed between UNICEF and USAID.

3. Description of Commodities

The following commodities may be considered under this program and are shown in **Table 1** below:

Table 1 -	
Commodity	Comments
1. Long lasting insecticidal nets	WHOPES-recommended or UNICEF selected long lasting insecticidal nets
2. Untreated nets to be bundled with approved insecticide	To be used in the event LLINS are not available; social marketing programs and other circumstances;
3. Insecticide Kits / Single dose	To be used to treat untreated nets; retreatment campaigns; social marketing
4. Rapid Diagnostic Tests	Brands with proven quality and conforming to country specifications.
5. Sulfadoxine-Pyrimethamine	Used in IPT treatment. Number of suppliers have been pre-approved by UNICEF.
6. Artesunate-amodiaquine	First line and interim therapy in a number of countries. Number of suppliers have been pre-approved by UNICEF. Co-blistered.
7. Sulfadoxine-pyrimethamine + amodiaquine	Interim therapy in a number of countries. Number of suppliers have been pre-approved by WHO/UNICEF. (Note: separate product formulations are readily available; if blister-packaging is required there may be minimum quantity requirement from the supplier.) This co-blistered is not officially recommended by WHO in cases of uncomplicated malaria. In the new WHO updated treatment guidelines dated January 2006, it can be considered as an interim option where ACTs cannot be made available, provided that efficacy of both is high.
8. Artemether-lumefantrine	First line treatment therapy in many PMI countries.
9. Artesunate+sulfadoxine pyrimethamine	First line and interim therapy in a number of countries. Co-blistered.
10. Artesunate+mefloquine	Recommended in uncomplicated P. falciparum for Asian countries mainly and not for Africa. Co-blistered.
11. Quinine	Second line treatment therapy in many PMI countries. Treatment for malaria in pregnancy.
12. Injectable artemether	For treatment of severe/complicated malaria
13. Artesunate suppositories	For initial treatment of severe malaria awaiting transport/referral to higher level facility
14. Artemotil	For treatment of severe/complicated malaria
15. Laboratory supplies	Equipment such as microscopes, slides, reagents

The list of commodities is not deemed exhaustive and may be amended as and when needed.

4. Procurement of commodities and other in-country programmatic support

The procurement and delivery plans of specific commodities and other in-country programmatic support will be detailed in the country proposals. Annex 1

5. Labeling and Packaging of Commodities

Labeling and packaging will be done in accordance to UNICEF standard procedures and practices as applicable for each specific commodity. Annex 2 provides a reference list of UNICEF standard policies.

In the event of any specific requirement, USAID will provide camera ready, soft files and written specifications of corresponding USAID branding/labeling requirements in a timely manner to UNICEF/SD. The cost of branding/labeling will be factored into the overall cost of the commodity. The impact of any such labeling/packaging on costs and delivery lead times will be reflected in the country proposal.

6. Shipping of commodities:

The shipment of commodities will be done in accordance to UNICEF standard procedures as implemented through UNICEF Global Freight Forwarding agreement, reference provided in Annex 2.

Any specific requirement that may be applicable for specific commodities will be reflected in the country proposal.

7. Budget ceiling and term

The term of this cooperative agreement is five years, beginning on the date of signature until five years hence. The overall ceiling for this cooperative agreement is set at \$200 million. Total amount of funding is subject to availability of funds. USAID will provide an annual estimated budget for each fiscal year. Expenditures on this budget will be authorized by the USAID CTO upon receipt of individual country proposals.

8. Staffing Needs

USAID agrees to provide funding for one-half FTE in FY2007 to manage activities related to the Partnership. The term of this appointment will be one year, renewable for an additional two years based on the volume of transactions and performance. Additional staff persons may be funded and approved if there is need. USAID and UNICEF will jointly develop the final scope of work for the staff but key areas may include inter alia managing USAID commodity requirements and deliveries, provide programmatic

backstopping to headquarters and country missions, reporting, and serving as point of contact for USAID CTO and missions,.

9. Reporting Requirements

Reports and documentation will be provided to USAID as follows.

1. Certificate of receipt of goods: documentation certifying delivery of commodities to consignee to be submitted to USAID as and when needed ;
2. Financial Activity Report: quarterly report detailing status of obligations, expenditures, and remaining balance of USAID funds; by country;
3. Shipment History Report: quarterly report detailing status of commodity shipments by country. Fields may include inter alia country recipient, procurement status, commodity, quantities, freight mode, shipping date, receipt date.
4. Progress Report: annual report detailing status of in-country activities when UNICEF country office is the consignee and providing other programmatic or logistics support.

10. Process for Addressing Lost, Damaged Commodities; Severe Delays Resulting in Programmatic Consequences

In the event that commodities are damaged, lost, expired or do not meet in-country pre-acceptance quality standards, UNICEF standard procedures will apply, reference provided in Annex 2.

11. Modification of Scope of Work

The scope of this agreement may be modified through an amendment depending on the needs of the PMI and in the event of changed or unforeseen circumstances that may arise during the implementation of the program.

In such an event, the scope of work will be modified as agreed by USAID and UNICEF and the allocation of funds will be revised accordingly.

11. Financial Management for Commodities

Because of the speed, responsiveness and flexibility required to deliver lifesaving commodities and minimize lead times, USAID may obligate country-specific commodity funds prior to providing exact specifications and development of country proposals. Expenditures on obligated funds will be authorized by the Cognizant Technical Officer as country specific requirements and proposals are finalized. The financial activity report will detail the status of obligations and expenditures on a country specific basis.

Annex 1--Country Proposal Template—SAMPLE

1. Background

USAID and UNICEF agree to enter into this partnership to support malaria programming including commodity procurement, supply and distribution for the President’s Malaria Initiative (PMI) and other USAID malaria programs. The agreement will primarily focus on malaria commodities that will support prevention and treatment programs in both PMI focus countries and other USAID-assisted countries. USAID will support UNICEF’s procurement, supply and distribution of malaria commodities in accordance with the terms set forth below. The partnership may also become more programmatic and include other types of activities such as monitoring and evaluation, training, capacity building, logistics, behavior change, and information/ education/communication activities. Therefore, other types of malaria interventions may be supported by USAID under this agreement .

1.1 Responsibilities

Under the Malaria Control Partnership, USAID and UNICEF will have distinct responsibilities:

1.1.1 USAID will have the following responsibilities:

- Provide a detailed scope of need, including estimated budget, quantities, and delivery timeline for specific commodities based on the specific USAID country programs;
- Ensure a consultative process at the country level between USAID missions, UNICEF Country Offices and other stakeholders;
- Designate consignees;
- Approve final country budgets, quantities, and delivery schedules;
- Provide camera ready, soft files and written specifications of corresponding USAID branding requirements in a timely manner;
- Confirm host government acceptability of commodities in the event that UNICEF is not the consignee;
- Ensure timely and sufficient obligation of funds;
- Support funding of dedicated UNICEF staff to manage specific USAID related activities (see Section 6).

1.1.2 UNICEF will have the following responsibilities:

- Provide detailed country budgets based on commodity requirements and scope of work within budget parameters provided by USAID;
- Advise USAID on issues such as availability of commodities, timing of deliveries, in-country logistics (e.g. storage, inventory, and stock management) and transportation capacity as specified and budgeted in the country proposal;
- Confirm host government acceptability of commodities in the event UNICEF is the consignee;

- Upon availability of funds, process and manage USAID commodity requirements according to UNICEF Supply Division’s procedures, including selecting sources of supply, placing timely and firm orders with suppliers, transferring USAID funds to supplier, provide USAID required markings, arranging shipments, freight transport, insurance; quality assurance and quality control support; supporting documentation on shipment, delivery, and confirmation of receipt; and consignment;
- In the event UNICEF is consignee and as specified and budgeted on a case by case basis in the country proposal, arrange for such services as customs clearance, temporary storage, pre-acceptance quality testing, consignment, in-country logistics, and payment of fees related to any such activities. When UNICEF is not the consignee, specific roles and responsibilities will be reviewed and specified in the country proposal;
- In the event UNICEF is not the consignee, assume responsibility and title for commodities until final consignment in country and ownership is transferred to consignee;
- Liaise with UNICEF country offices, USAID country missions, and other partners, as needed, to facilitate consignments, customs, in-country technical assistance, etc.
- Ensure adequate reporting as specified in Section 9;
- Provide documentation certifying delivery of commodities to designated consignee as and when requested;
- Liaise with designated USAID contractor to facilitate commodity procurement, information, and reporting;
- Ensure that quality assurance/quality control is in place as per UNICEF procedures and provide documentation on malaria commodity manufacturers as and when needed;
- Ensure that USAID funds are used for the designated country as specified in the country proposal, unless otherwise agreed between UNICEF and USAID.

1.2 Labeling and Packaging of Commodities

USAID will provide camera ready, soft files and written specifications of corresponding USAID branding/labeling requirements in a timely manner to UNICEF/SD. The cost of branding/labeling will be factored into the overall cost of the commodity. Specifications for primary, secondary and tertiary packaging (as required) will be provided by USAID in consultation with UNICEF/SD and will designate where and how labels, over packaging, inserts/leaflets or other materials will be printed onto, affixed, or inserted. (At a minimum, to the top and/or front surface of the package).

Specify labeling details

1.3 Shipping and Arrival procedures of commodities:

Given the critical importance of smooth arrival of a shipment, its subsequent clearance through customs and transportation to a national storage facility, the shipping and arrival procedures of the commodities are detailed below.

Specify shipping and arrival procedures

2. Program Description (Country)

Specify program description, commodities to be purchased, context, etc.

Specify role of UNICEF country office, if any—Missions must discuss procurement with UNICEF country office

2.1 Commodity Provision

Provide short introduction below

USAID/XXX or UNICEF will provide written evidence that the specific products being requested below are acceptable to the recipient country government and conforms to the host country's requirements. The designated consignee will be contacted per the guidelines above.

USAID/XXXX will provide information on branding/labeling in Annex X and X, as well as any specific written specifications or special instructions.

2.1.1. Specification

Include exact specification, shelf life, and packaging

2.1.2 Quantity

Specify quantity

2.1.3 Airfreight--

Sample instructions below.....

Consignee must be informed well in advance of shipment and goods should be dispatched at the beginning of a week (depending on the destination) so the goods do not arrive on Friday afternoon or Saturday where they would be left in the airport.

Commodity shall be kept in the temperature range 4° - 30°C (four to thirty degrees Centigrade), DO NOT FREEZE, during transport to destination and not be loaded close to airplane walls as the commodity may freeze rendering it inactive. Temperature instructions shall be marked on the outside packaging in bold and distinctive letters at least on top and two sides of the outermost package.

Supplier will initiate shipment ONLY when the consignee confirms the shipping notification is received.

2.1.4 Delivery time

Specify annual schedule.....

2.1.5 Price

Specify unit pricing

2.1.6 Packaging

Sample instructions below:

Temperature requirements for storage: +4 to +30 degrees Celsius. DO NOT FREEZE

2.1.7 Labeling

Sample instructions below:

Primary, secondary and tertiary packaging shall be labeled with the standard USAID logo and the XXXX logo.

Cost of additional labeling is.....

2.1.8 Quality Assurance

Specify instructions below for any QA procedures required

2.1.9 Designated Consignee and Responsibilities

Sample instructions below

The consignee will be responsible for any quality testing, custom clearance, storage, and distribution of the commodity XXXX and related fees.

Consignee details

3. Other Program Support

Describe any other program support that will be provided by the country office. Activities, results, timing, and indicators

4. Budget

To be filled in by UNICEF based on USAID parameters

Scope of Need and Budget for Malaria Activities in Countries in US\$										
Country Commodities (as applicable to each country)	a. Cost of Goods	b. Freight, Insurance	c. Program Support Costs (PSC) 7% (a+b)	d. Subtotal cost commodities A+b+c	e. Other in-country support (TA, transport)	f. PSC of other in-country support (e) % (±)	g. Subtotal other in-country support f+e	h. Total Costs a+b+e	i. Total PSC c+f	Total Budget* (d+g)
Total										

5. Reporting requirements

- a) Certificate of receipt of goods: documentation certifying delivery of commodities to consignee to be submitted to USAID as and when needed ;
- b) Financial Activity Report: quarterly report detailing status of obligations, expenditures, and remaining balance of USAID funds; by country;
- c) Shipment History Report: quarterly report detailing status of commodity shipments by country. Fields may include inter alia country recipient, procurement status, commodity, quantities, freight mode, shipping date, receipt date;
- d) Progress Report: annual report detailing status of in-country activities when UNICEF country office is the consignee and providing other programmatic or logistics support.

Annex 2—Reference list of UNICEF standard policies and procedures

1. UNICEF Standard Procedures for Labeling and Packaging Commodities

The following UNICEF Procedure shall apply:

DP 107 – Handling supplier non-conformance with packing and labeling requirements

2. UNICEF Guidelines for Shipping and Arrival Procedures for Commodities

The following sections of UNICEF Book G will apply:

Chapter 9: Shipment of Supplies

Section 1: Overview of Shipping and Receiving UNICEF Supplies

Section 2: Shipping, International Procurement

Section 4: Receiving UNICEF Supplies

Section 5: Insurance and Claims

3. UNICEF Standard Procedures for Addressing Lost, Damaged, or Rejected Commodities

The following UNICEF Procedures shall apply:

DP 105 - Handling insurance claims for loss and damage in transit;

DP 031 - Handling complaints about Pharmaceutical Products;

DP 044 - Handling recalls of Pharmaceuticals

DP 047 - Handling complaints in Supply Division