

**Agreement between the William J. Clinton Presidential Foundation  
and  
the Norwegian Ministry of Foreign Affairs  
regarding  
cooperation on Scaling-Up PMTCT Services in Tanzania**

WHEREAS the William J. Clinton Presidential Foundation and the Government of the Kingdom of Norway (Norway) have entered into a Memorandum of Understanding (MoU) dated 22, July 2007.

WHEREAS the Clinton Foundation HIV/AIDS Initiative (CHAI), a division of the William J. Clinton Presidential Foundation, has requested the Norwegian Ministry of Foreign Affairs (MFA) for financial support to Scaling-Up PMTCT Services in Tanzania, and

WHEREAS MFA has decided to comply with the request,

NOW THEREFORE MFA and CHAI have reached the following understanding which shall constitute an Agreement between the Parties:

**Article I - Scope and Objectives**

This Agreement sets forth the terms and procedures for MFA's support to cooperation on Scaling-Up PMTCT Services in Tanzania (the Programme) as outlined in the Agreed Programme Summary in Annex I and further described in the Programme Document dated October 2007.

The Goal of the Programme is to reduce HIV transmission to newborns and to enroll HIV positive women, children and their partners in the PMTCT + program in Lindi and Mtwara regions.

The Purpose of the Programme is to improve quantity and quality of all aspects of PMTCT.

The Parties may agree on extending existing or including new Programme elements within the Programme, as well as on reallocating funds within the Programme. Any such agreement shall be in writing, e.g. recorded in the Agreed Minutes from the consultations mentioned in Article VI.

**Article II - Cooperation – Representation**

The Parties shall communicate and cooperate fully with the aim to ensure that the Goal and Purpose are successfully achieved. The Parties further agree to cooperate on preventing corruption within and through the Programme, and undertake to take rapid legal action to stop, investigate and prosecute in accordance with applicable law any person suspected of misuse of resources or corruption. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to the Programme.

In matters pertaining to the implementation of the Programme, the Norwegian Embassy in Dar es Salaam (the Embassy) and the country office of CHAI shall be competent to represent MFA and the CHAI respectively. All communication pertaining to the Agreement shall be directed to the Embassy.

### **Article III - Contribution of MFA**

MFA shall, subject to Parliamentary appropriations, make available to CHAI a financial grant not exceeding NOK 58 500 000. (fifty-eightmillionfivehundredthousand Norwegian kroner:) ("the Grant") to be used exclusively to finance the Programme in the planned period November 2007 – December 2010.

Any accrued interests on the Grant may be used for the benefit of the Programme if agreed on by the Parties in writing.

Any unspent disbursed funds and accrued interests shall be returned to MFA upon completion of the Programme.

### **Article IV - Contributions and Obligations of CHAI**

CHAI shall be responsible for implementing the Programme, and shall hereunder:

- have the overall responsibility for the planning, implementation, reporting and monitoring of the Programme and in this respect ensure the necessary cooperation with the Ministry of Health and Social Welfare and other relevant partners in PMTCT in Tanzania;
- provide the financial and other resources required in addition to the Grant as stated in the budget in Annex I;
- ensure that the Grant is used according to approved work plans and budgets;
- ensure that Programme funds, which shall include any accrued interests, are properly accounted for, and that the Grant is reflected in the plans, budgets and accounting of CHAI;
- promptly inform MFA of any circumstances that interfere or threaten to interfere with the successful implementation of the Programme;
- ensure that representatives of Norway are permitted to visit any part of the Programme for purposes related to the Agreement and examine any relevant records, goods and documents;
- keep MFA informed about plans for major organisational changes as well as keep MFA informed as to the name of the auditor of the Programme ;
- provide copies to MFA of reports submitted to relevant authorities pertaining to the Programme.

### **Article V - Disbursements**

The Grant will be disbursed upon semi-annual written requests from CHAI based on the financial needs of the Programme and on approved work plans and budgets. The first disbursement, amounting to NOK 13 million, will be made upon signing of this Agreement and approval by MFA of an annual work plan and a budget together with a disbursement request from CHAI.

When determining the amount to request, CHAI shall take into account unspent disbursed amounts and income from all sources as well as any accrued interests which the Parties have agreed on using for the benefit of the Programme according to Article III.

Along with the requests, except the first request, CHAI shall state the cash balance of the Programme and submit a statement of bank balances for the Programme.

Upon MFA's approval of the requests, funds will be transferred to the CHAI bank account

Bank Name: Bank of America  
100 West 33<sup>rd</sup> Street  
New York, NY 10001  
Beneficiary Name: Clinton Foundation HIV/AIDS Initiative  
Beneficiary Account Number: 942937-7733  
Bank Routing Number: 026009593  
SWIFT: (international wires) BOFAUS3N  
and shall be made available to the Programme immediately.

CHAI shall immediately, in writing, acknowledge receipt of the funds. The date of receipt shall be stated as well as the exchange rate applied.

### **Article VI - Annual Meeting**

Representatives of the Parties shall have an Annual Meeting within March each each year in order to

- discuss the progress of the Programme, including results and fulfilment of agreed obligations
- discuss and approve annual work plans and budgets for the following year
- discuss issues of special concern for the implementation of the Programme, such as the major risk factors set out in the Agreed Programme Summary in Annex 1, and how to manage such risks/issues

Each of the Parties may include others to participate as observers or as advisors to their delegations.

The documentation specified in Articles VII and IX shall form the basis for the consultations.

The Annual Meeting shall be called and chaired by CHAI.

Main issues discussed and points of view expressed as well as any decisions shall be recorded in Agreed Minutes. The Agreed Minutes shall be drafted by CHAI and be submitted to MFA for comments no later than two weeks after the Annual Meeting.

### **Article VII - Reports**

CHAI shall submit to MFA the reports and documentation specified below. MFA shall respond within two weeks of receipt of the reports and documentation.

A progress report and a Financial Statement covering the period 1. January to 31. December shall be submitted annually by 28. February the following year.

A semi-annual deviation report and a statement of accounts covering the period 1. January to 30 June shall be submitted by 30. July each year.

The annual progress reports shall include the following information:

- a description of actual outputs compared to planned outputs (as defined in the work plans)
  - a brief summary of the use of funds compared to budget
  - an assessment of the efficiency of the Programme (how efficiently resources/ inputs are converted into outputs)
  - an explanation of major deviations from plans
  - an assessment of problems and risks (internal or external to the Programme) that may affect the success of the Programme
  - an assessment of the need for adjustments to activity plans and/or inputs and outputs, including actions for risk mitigation
  - a brief assessment of achievements in relation to Purpose
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The financial statement shall include

- a statement showing cash receipts/income and expenditures for the previous period structured as and compared to approved budgets for such previous period. The statement shall capture all sources of funding, with sufficient segregation of data to permit identification of individual sources of funds and disbursements on major Programme activities or types of expenditure.
- a statement of cash and bank balances
- relevant notes to the above mentioned statements including a description of the accounting policies used and any other explanatory material necessary for transparent financial reporting of the Programme.

A work plan and a budget for the following year shall be submitted within 30. November each year. The work plan shall specify planned outputs, cost estimates and time schedules.

The financial statement shall include a statement showing cash receipts/income and expenditures for the previous period structured as and compared to approved budgets for such previous period. The statement shall capture all sources of funding, with sufficient segregation of data to permit identification of individual sources of funds and disbursements on major Programme activities or types of expenditure.  
a statement of cash and bank balances  
relevant notes to the above mentioned statements including a description of the accounting policies used and any other explanatory material necessary for transparent financial reporting of the Programme

The budget for the Programme for the coming calendar year shall include estimated income from all sources and planned expenditures.

The financial statements and budget(s) shall give complete and detailed information on the financing of the Programme.

A final report shall be submitted within six months after the completion of the Programme. If the Programme is not completed by December 2010 a status report shall be submitted to MFA by the said date. The final report shall include

- the topics from the progress report for the whole Agreement period
- an assessment of the effectiveness of the Programme, i.e. the extent to which the Purpose has been achieved
- an assessment of impact (if possible), i.e. the changes and effects positive or negative, planned and unforeseen of the Programme seen in relation to target groups and others who are affected
- an assessment of sustainability of the Programme, i.e. an assessment of the extent to which the positive effects of the Programme will still continue after the external assistance has been conclude,
- a summary of main "lessons learned"

### **Article VIII – Procurement**

CHAI undertakes to effect all procurements of goods and services necessary for the implementation of the Programme.

The procurements shall be performed in accordance with generally accepted procurement principles and good procurement practices and the Tanzanian procurement rules Norwegian suppliers shall be given the same opportunities as other suppliers to compete for deliveries.

CHAI shall observe the highest ethic standards during the procurement and execution of contracts, and shall ensure adequate and effective means to deal with and prevent illegal or corrupt practices.

No offer, gift, payment or benefit of any kind, which would or could, either directly or indirectly, be construed as an illegal or corrupt practice, e.g. as an inducement or reward for the award or execution of procurement contracts, shall be accepted. Invitations to make offers as well as the procurement contracts shall, respectively, include a clause stating that the offer will be rejected and/or the contract cancelled in case any illegal or corrupt practices have taken place in connection with the award or the execution of the contract.

### **Article IX Audit**

The annual financial statements of the Programme shall be audited in accordance with international auditing standards by an independent professional accountant / accountancy firm in public practice and acceptable to MFA.

The cost of the audit shall be covered by the Grant.

The audit report shall state which auditing standards that have been applied and the auditor's opinion/findings as to:

- whether the financial statements present fairly, in all material respects, the Programme's cash receipts/income and expenditures as well as the cash/bank/financial position in accordance with an acceptable financial reporting framework
- whether the audit has uncovered any material weaknesses in relevant internal control(s)
- whether the audit has uncovered any illegal or corrupt practices
- whether funds have been used exclusively to cover Programme expenditures
- whether cash receipts/income and expenditures are properly accounted for
- whether the counterfunds from CHAI have been made available according to the budget
- whether the Grant is reflected in the budgets and accounting of CHAI
- whether the Grant has been deposited in a separate bank account and that accrued interests are reflected in the statements from the bank

CHAI shall submit to MFA the audit report and any other report from the auditor significant to the implementation of the Programme within March each year. CHAI shall comment upon the auditor's findings. MFA shall respond within two weeks upon receipt of the report.

The auditor shall also, if the auditor deems it warranted based on findings during the audit, submit a management letter upon completion of the audit. The letter should address deficiencies noted in the system of internal control.

### **Article X Reviews – Evaluation**

A mid-term and end review focusing on progress to date and the effectiveness of the Programme, i.e. the extent to which the Purpose is being / has been achieved, shall be carried out by second quarter of 2009 and fourth quarter of 2010. An assessment of the Programme's impact may also be included in the reviews.

The cost of the reviews shall be covered by the Grant.

MFA reserves the right to carry out independent reviews or evaluations of the Programme as and when MFA deems it necessary. The cost for such reviews will be covered by funds over and above the Grant.

## **Article XI - Reservations**

MFA reserves the right to withhold disbursements at any time, for example, in case:

- the Programme develops unfavourably in relation to the Goal and Purpose
- substantial deviations from agreed plans or budgets occur
- resources to be allocated by CHAI are not provided as agreed
- the documentation specified in Articles VII and IX has not been submitted as agreed
- the financial management of the Programme has not been satisfactory
- major organisational changes are found to be contradictory to the Goal and Purpose of the Programme

MFA reserves the right to reclaim all or parts of the Grant and cancel the Agreement if Programme funds are found not to have been used in accordance with the Agreement or are found not to be satisfactorily accounted for.

MFA has the right to cancel the Agreement or portion of the Agreement, and has the right to demand the cancellation of any contract financed under the Agreement, with immediate effect if it determines that corrupt or fraudulent practices were engaged in by representatives of CHAI or by a beneficiary of Programme funds during procurement or execution of the contract without CHAI having taken timely and appropriate action satisfactory to MFA to remedy the situation.

Before MFA withholds disbursements, reclaims funds or cancels the Agreement, the Parties shall consult with a view to reaching a solution in the matter.

## **Article XII - Entry into Force – Termination – Disputes**

The Agreement shall enter into force on the date of its signature, and shall remain in force until the Parties have fulfilled all obligations arising from it. Whether the obligations are fulfilled shall be determined in consultations by the Parties.

Notwithstanding the previous clause, each Party may terminate the Agreement upon three months written notice.

In case of termination of the Agreement CHAI shall exert their best efforts to bring the Programme to an end in a rapid, orderly and economical manner as to the use of funds from MFA. CHAI shall not commit the Programme economically from the date of the receipt of the notice of termination. Any unspent funds not committed by the date of the receipt of the notice of termination, shall be returned to MFA without delay.

If any dispute arises relating to the implementation or interpretation of the Agreement, the Parties shall consult with a view to reaching a solution. Any dispute that cannot be solved amicably shall be referred to the competent Tanzanian court and settled in accordance with Tanzanian law.

IN WITNESS WHEREOF the undersigned have signed the Agreement in two originals in the English language.

Done in Dar es Salaam the 20th day of November of 2007.

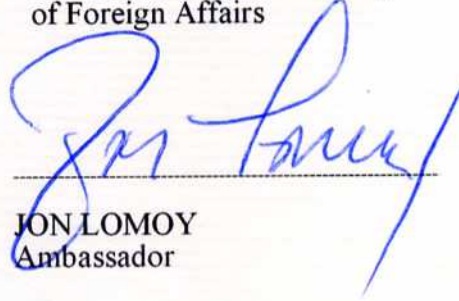
For the William J Clinton Foundation



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YAHYA IPUGE  
Country Director, Tanzania

For the Norwegian Ministry  
of Foreign Affairs



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JON LOMOY  
Ambassador

Annex:

- I. Agreed Programme Summary

## Agreed Programme Summary

Programme Title/Name: Clinton Foundation: Scaling-up Prevention of Mother-to-Child Transmission of HIV (PMTCT) Services in Tanzania

Implementing institution: Clinton Foundation HIV/AIDS Initiative / CHAI

Norwegian and/or other Partner institution: Royal Norwegian Embassy (RNE)

### Description of the Programme

#### Goal

The goal is to reduce HIV transmission to newborns and to enroll HIV positive women, children and their partners in the PMTCT + program in Lindi and Mtwara regions

#### Purpose

The purpose is to improve quantity and quality of all aspects of PMTCT

#### Outputs

Improvements are foreseen in the following areas:

- ✓ personnel, by recruiting and training health care workers and community health workers
- ✓ quality of care, both of delivery care in general and in PMTCT, by training of health staff and supportive supervision
- ✓ infrastructure, by renovation of health facilities
- ✓ PMTCT to women who do not come to clinics for delivery, by providing mobile clinics as a pilot
- ✓ provision of outreach to the communities
- ✓ provision of "emergency testing" for pregnant women delivering in the community
- ✓ community and family support, by providing services (PMTCT+) and incentives to partners, involvement of community and religious leaders, community sensitization.

#### Funds

Financial grant of USD 9,75 million not exceeding NOK 58.5 million from MFA; up to USD \$3.3 million from CHAI.

#### Major risk factors

The Programme is complex and ambitious, and has a number of components. These could, if implemented together, mutually reinforce each other. On the other hand, they are also individually sound and useful. While the success of the whole Programme is required to attain the very ambitious aim of full coverage of high quality PMTCT in Lindi by 2010 and the significant improvement in coverage foreseen in Mtwara, the individual components could, by themselves, be beneficial in the short and long run. Thus the Programme does not stand or fall with the success of all components.

*Factors inside CHAI:* A high level of managerial capacity is needed. It will also require a great deal of stability in the management and in the follow through. It is also important that CHAI sees its limitations, and that expertise is brought in when necessary, such as for operations research.

*Factors outside CHAI:* The Programme requires a high degree of commitment from the other actors. CHAI has extensive experience in dealing with the other partners involved, and will have to use all its negotiating skills to establish a good working relationship in the flexible approach which is necessary for a successful implementation.

*Recruitment of health staff.* The PD has concrete plans for how to overcome this, such as working with Mkapa Foundation. In terms of retention of staff after the Programme period is over, there are plans to get into agreement with the districts to absorb the staff after one or two years. While this constitutes a substantial risk in terms of sustainability, it is also clear that at the present time no more than plans for long term solutions can be demanded. The same goes for the 2 new posts in the PMTCT unit in NACP.

*The drug supply* is to be covered by MOH&SW, and the program has a back-up plan if that should fail. It is especially important to go through the official channels for this, in order to comply with national policy and secure continuous supply. This is important both for the individuals who are involved and for public health reasons, in order to avoid development of insufficient treatment and resistance.

Overall tentative budget

Dollar rate 6

Allocation USD 9 750 000 Annually: 3 250 000  
 58 500  
 NOK 000

Budget - Total Program

	Year 1			Year 2			Year 3			SUM USD	SUM NOK
Objective 1 Target 1	504 260	3 025 560	426 620	2 559 720	330 620	1 983 720	1 261 500	7 569 000			
Objective 1 Target 2	198 500	1 191 000	194 500	1 167 000	154 500	927 000	547 500	3 285 000			
Objective 1 Target 3	519 521	3 117 126	333 421	2 000 526	333 421	2 000 526	1 186 363	7 118 178			
Objective 2 Target 1	96 000	576 000	92 000	552 000	52 000	312 000	240 000	1 440 000			
Objective 2 Target 2	60 000	360 000	60 000	360 000	60 000	360 000	180 000	1 080 000			
Objective 3 Target 1	271 600	1 629 600	280 000	1 680 000	157 800	946 800	709 400	4 256 400			
Objective 4 Target 1	2 000	12 000	2 000	12 000	3 000	18 000	7 000	42 000			
Objective 4 Target 2	662 538	3 975 228	993 807	5 962 842	1 490 710	8 944 260	3 147 055	18 882 330			
Objective 4 Target 3	1 449 517	8 697 102	1 449 517	8 697 102	2 885 171	17 311 026	5 784 205	34 705 230			
<b>SUM</b>	<b>3 763 936</b>	<b>22 583 616</b>	<b>3 831 865</b>	<b>22 991 190</b>	<b>5 467 222</b>	<b>32 803 332</b>	<b>13 063 023</b>	<b>78 378 138</b>			

	2007/08 I	2008 II	2009 I	2009 II	2010 I	2010 II	TOTAL
RNE disbursement NOK	13 000 000	9 100 000	9 100 000	9 100 000	9 100 000	9 100 000	58 500 000
RNE disbursement in USD	2 166 667	1 516 667	1 516 667	1 516 667	1 516 667	1 516 667	9 750 000
Clinton Foundation	40 301	40 301	399 266	399 266	1 216 944	1 216 944	3 313 023
<b>Total</b>	<b>2 206 968</b>	<b>1 556 968</b>	<b>1 915 933</b>	<b>1 915 933</b>	<b>2 733 611</b>	<b>2 733 611</b>	<b>13 063 023</b>