



REPUBLIC OF SOMALILAND

**AGREEMENT BETWEEN
THE MINISTRY OF HEALTH AND
HADIA MEDICAL SWISS FOR THE SUPPORT OF GEBILEY HOSPITAL
IN GEBILEY DISTRICT, MAROODIJEEX REGION-SOMALILAND**

APRIL 2013

HARGEISA SOMALILAND

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ARTICLE 1

COOPERATING PARTNERS

THIS PROJECT AGREEMENT AND THE ANNEXES IS MADE ON APRIL 2013

BETWEEN: MOH, THE MINISTRY OF HEALTH, hereafter referred to as MOH, a governmental organization established in Somaliland having its office Hargeisa, Somaliland.

AND: HADIA MEDICAL SWISS, an international non-governmental organization having its offices at Hargeisa, Somaliland

ARTICLE 2

PROJECT DATA

PROJECT NAME:	Support for Gebiley Hospital
LOCATION:	Gebiley Region
COMMENCEMENT DATE:	1 April 2013
COMPLETION DATE:	30 APRIL 2017
TOTAL COST:	US \$ 300,000 (three hundred thousand USD for first year budget only)
REPORTING	BASELINE ASSESSMENT REPORT MONTHLY MONITORING REPORT QUARTERLY MONITORING REPORT MID-TERM REVIEW REPORT FINAL EVALUATION REPORT
ANNEXES	PROJECT PLAN (ANNEX A) PROJECT BUDGET (ANNEX B) LIST OF ESSENTIAL EQUIPMENTS/DRUGS/SUPPLIES (ANNEX C) LIST OF STAFF (ANNEX D)



ARTICLE 3

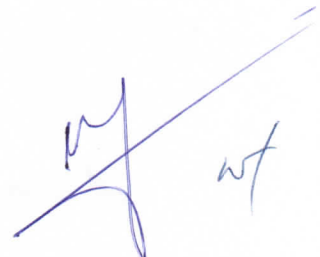
LEGAL FORMALITIES

- 3.1 Given that the participation of HADIA MEDICAL SWISS in the provision of funding to this intended project is in accordance with the principles of the humanitarian and non-political mandate of International Non- Governmental Organizations.
- 3.2 Given that the nature of this project is such that both parties will jointly implement in a spirit of solidarity to address the health care needs of the target beneficiaries.
- 3.3 The National Health Policy, the HSSP and the EPHS framework establish the agreed framework within which MOH and HADIA MEDICAL SWISS will cooperate. The Project Plan of Action provides more detailed project framework for MOH and HADIA MEDICAL SWISS cooperation in the project.
- 3.4 Given that HADIA MEDICAL SWISS shall strive to raise additional funds and, subject to the availability and the progress of the project, shall work towards increasing activities beyond the stated period in the Project or expand into new areas of intervention.
- 3.5 Given that funds have been made available by HADIA MEDICAL SWISS to the MOH (Gebiley Regional Health Authority and Gebiley Hospital Management Team) in the amount stated as the initial obligation of HADIA MEDICAL SWISS for the purpose specified in the Project Plan (ANNEX A) and Project Budget (ANNEX B).
- 3.5 Within these frameworks, MOH and HADIA MEDICAL SWISS have developed the [Gebiley Hospital Support Project}. The Project is covered by this Agreement and is more fully described in the project document attached to this agreement as Annex A (the "Project Plan").
- 3.6 Both HADIA MEDICAL SWISS and MOH are committed to the principles of participatory and sustainable development and to providing assistance impartially. They are mindful of culture and custom, and of building national, regional, district health system capacity as well as empowering the community and of their respective accountabilities to their funding partners and to those whom they assist.
- 3.7 MOH affirms that HADIA MEDICAL SWISS is a non profit-oriented and non-partisan, and that it has the capacity to carry out the activities as outlined in this agreement.
- 3.8 HADIA MEDICAL SWISS and MOH have agreed to cooperate to implement the Project, in accordance with the Project Plan and the agreed-upon budget which is attached to this agreement as Annex B (the "Project Budget), and [any other document of relevance, i.e. list of essential equipments and drugs to be procured], attached to this Agreement as Annex (C). They will carry out their respective responsibilities in the spirit of partnership and in consultation.

ARTICLE 4

GENERAL PROVISIONS

- 4.1 MOH and HADIA MEDICAL SWISS will work together in the implementation of the Project, and complete the tasks identified as their respective responsibility in the Project Plan, in conformity with the Project Budget.
- 4.2 The term of this agreement shall commence on the day the agreement is signed and end once all the obligations under this agreement have been fulfilled. The project shall commence and end in accordance with the time frame or schedule set out in the Project Plan.
- 4.3 Should either party. during the implementation of the project considers that a revision of any terms of this agreement or the annexes thereto becomes advisable; including its extension beyond the planned termination date indicated in the Project Plan, then such revisions shall be made prior to the expiration of the agreement and only with the written consent of the parties of this agreement. The revision shall be made in the prescribed form for Supplementary Project Agreement.
- 4.4 MOH will designate a person to act as contact person for HADIA MEDICAL SWISS operations while HADIA MEDICAL SWISS has a designate person overseeing the Project on its behalf.
- 4.5 MOH and HADIA MEDICAL SWISS will keep each other informed on the progress of their work in connection with the Project. Consultation meetings will take place at least every three (3) months or more frequently as circumstances demand. Both parties shall make all relevant information and advice available to each other.

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- 4.6 MOH owned assets; properties including health facilities will not be used for identification by the HADIA MEDICAL SWISS name, logo, and emblem, without the prior written consent and approval of MOH.

ARTICLE 5

OBLIGATIONS AND RESPONSIBILITY OF HADIA MEDICAL SWISS

- 5.1 Provide assistance to the target hospital in accordance with the Project Plan (Annex A) and Project Budget (Annex B). More specifically,
- Salary top ups for the health workers,
 - Procurement of equipments, supplies and drugs for the hospital based on the needs of the hospital,
 - Rehabilitation of the hospital infrastructure,
 - Training of health workers and support staff,
- 5.2 Promote sustainability of the project by ensuring the ability of the community and the Ministry of Health to assume responsibility for maintaining the project's output.
- 5.3 In the event that the terms of the Project Agreement must be altered, sign an amendment with the Ministry of Health.
- 5.4 Hire competent and qualified project staff in line with the country labour law
- 5.5 Upon expiry or termination of the project, handover the project activities and its assets to the Ministry of Health.

ARTICLE 6

OBLIGATIONS AND RESPONSIBILITY OF MOH

- 6.1 Guide and lead the baseline assessment, planning, implementation, supervision, monitoring and evaluation of the project activities through its own mandated portfolios by the government of the Republic of Somaliland.
- 6.2 In the event that the terms of the Project Agreement must be altered, sign an amendment with the HADIA MEDICAL SWISS.
- 6.3 MOH and HADIA MEDICAL SWISS are responsible for performance audit of the project activities and services prescribed in the project plan.
- 6.4 Facilitate securing exemptions from custom duties, levies and direct or indirect taxes (including value added tax), on all services rendered by HADIA MEDICAL SWISS described in the Project Plan (Annex A) and on all goods, supplies and any other materials imported or domestically purchased for use in the implementation of the project activities.

ARTICLE 7

PROJECT INPUT

- 7.1 The Project Budget identifies certain inputs that will be funded by HADIA MEDICAL SWISS. HADIA MEDICAL SWISS will meet the costs of those inputs through transfers to MOH or through other appropriate and established accountable procedures consistent with the status quo of the MOH and the supporting organization.
- 7.2 HADIA MEDICAL SWISS and MOH will jointly account project inputs. HADIA MEDICAL SWISS will provide certified financial statement to the MOH project designated officer. MOH may review the acceptability of the documents as proof of the use of the funds as agreed.
- 7.3 MOH and HADIA MEDICAL SWISS may not vary the budgeted cost of any single input in the Project Budget, provided that (a) the variation is no more than ten percent (10%); (b) If variation happens, the variations are within the scope of the Project Budget objectives; and (c) the total Project Budget is not exceeded. Any variations exceeding ten percent (10%) require the prior written consent of the donor agency and HADIA MEDICAL SWISS national director.
- 7.4 Within three (3) months of either the termination of this Agreement or completion of the Project, whichever happens first, HADIA MEDICAL SWISS is subject to return balance of money to the MOH.



**ARTICLE 8
PERSONNEL**

- 8.1 MOH is responsible for all work and services which its personnel, and any contractors, perform. It affirms that its employees and any contractors meet the standards of qualification and technical and professional competence necessary for the achievement of the Project Objectives. MOH will ensure that all relevant national labor laws are observed.
- 8.2 Employees of MOH, its contractors or anyone else working for MOH in the execution of the Project or otherwise, are not employees of HADIA MEDICAL SWISS and are not covered by the privileges and immunities applying to HADIA MEDICAL SWISS and its expatriate and national staff.
- 8.3 Whereas HADIA MEDICAL SWISS - will employ a few of the national staff in the positions specified in the Project Plan, the terms and conditions of employment shall be in line with the country's labour law.
- 8.4 The staff seconded to HADIA MEDICAL SWISS supported projects will continue to be employees of the MOH including the time they are delivering services for HADIA MEDICAL SWISS supported project. Seconded staff will receive incentives as per the project budget.

ARTICLE 9

RECORD KEEPING AND REPORTING

- 9.1 MOH agrees to keep separate records with respect to funds provided to it by HADIA MEDICAL SWISS. They will be accurate, complete and up to date in respect to funds received and expenditure incurred with funds provided by HADIA MEDICAL SWISS, and shows that all disbursements are made in conformity with the project plan and project budget. Original bills, invoices, receipts and any other pertinent documentation can be kept by MOH.
- 9.2 In addition to reports in this agreement, MOH will prepare acceptably certified statements of expenditure in US currency and submit them to HADIA MEDICAL SWISS every quarter (3 months) in which it receives or spends funds provided by HADIA MEDICAL SWISS under this agreement.
- 9.3 MOH will normally retain all records relating to the funds provided by HADIA MEDICAL SWISS under this agreement for a period of at least four (4) years after either the termination of this agreement or the completion of the project, whichever happens first.
- 9.4 HADIA MEDICAL SWISS staff, including internal auditors and operating officers, and its agents, or evaluators may review and /or copy the records of MOH relating to the project, upon mutual agreement on date and time.
- 9.5 From two (2) weeks after signature of this Agreement, and every (3) month thereafter, unless where otherwise agreed, HADIA MEDICAL SWISS will produce a quarterly progress report on their work in connection with the Project. Such report should contain an assessment of the achievements and outcome of the Project to date, an assessment of whether the project is being implemented in accordance with the Project Plan and the Project Budget, and a description of any obstacles to the full and timely implementation of the project activities.



**ARTICLE 10
PROCUREMENT PROCEDURES**

Both Ministry of Health and HADIA MEDICAL SWISS shall ensure that procurement practices are in conformity with the following practices;

- 10.1 Detailed specifications of the goods or services required shall be prepared.
- 10.2 Procurement procedures of drugs, medical supplies and other material assistance under the project shall meet the specifications of the government and HADIA MEDICAL SWISS standards, as established.
- 10.3 Defined selection of suppliers should safeguard the principle of awarding contracts based on competitive bidding.
- 10.4 Any exemptions from competitive bidding procedures, such as availability from a sole supplier, must be justified in writing.
- 10.5 Evaluation and comparison of bids shall include the recording of the criteria and deciding factors leading to the award of the contract to the selected supplier.
- 10.6 Satisfactory delivery and compliance with the specifications and warranties agreed with the supplier shall be documented by inspection and receiving records; and,
- 10.7 Payment to suppliers shall be conditional upon the fulfillment of their contractual agreements.

**ARTICLE 11
RESPONSIBILITY FOR CLAIMS**

- II.1 MOH and HADIA MEDICAL SWISS are each responsible for their own acts or omissions, and those of their employees, contractors or any other personnel engaged by them in the execution of the Project. Each Party is responsible for its own grossly neglectful or intentionally harmful actions.

**ARTICLE 12
TERM AND TERMINATION**

- 12.1 This Agreement will become effective once both MOH and HADIA MEDICAL SWISS sign it. It will continue until the date identified in the Project Plan for completion of the Project, unless terminated before then by either Party in accordance with this Agreement or extended by written agreement between the Parties.
- 12.2 If either Party cannot meet its obligations or in the view of the other Party this would seriously endanger the achievement of the project objectives, such other party will have the right to terminate this Agreement. Unless consultations have resolved the problem, this Agreement will terminate thirty days (30) after such other Party sends a written notice of termination. When such a notice of termination is received, the Party receiving it will immediately take all steps to terminate its activities so that expenses are kept to a minimum.

**ARTICLE 13
RESOLUTION OF DIFFERENCES**

- 13.1 In the case of any dispute, controversy or claim, the Parties will attempt to reach agreement amicably by direct negotiations. If no agreement can be reached within thirty (30) days the dispute will be referred to the (neutral body) Arbitration Rules then in force. The arbitration award will bind the Parties rendered.



ARTICLE 14
MONITORING AND EVALUATION

- 14.1 Baseline assessment will be jointly carried out to identify programme needs and priority areas of intervention as well as to resolve issues of concern through evidence-based consensus and agreement prior to the implementation of the project.
- 14.2 MOH in collaboration with HADIA MEDICAL SWISS will carry out regular supervision and monitoring of the project performance at timely intervals by central and regional levels during the lifespan of the project.
- 14.3 MOH and HADIA MEDICAL SWISS will jointly organize mid-term review against the Project Plan to identify performance level, best practices and lessons learned during the first-term of the Project Plan thereby accommodating these factors into the second-term of the Project-Plan.
- 14.4 MOH and HADIA MEDICAL SWISS will carry out final evaluation during the last month of the Project Plan.

ARTICLE 15
GENERAL

- 15.1 This Agreement and its Annexes can only be modified by written agreement between the parties.
- 15.2 Neither Party has the authority to make decisions for the other, or to enter into obligations on behalf of the other.

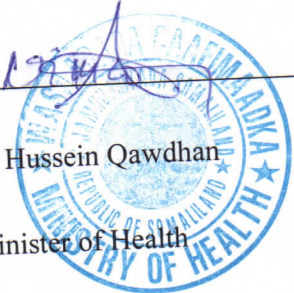
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**ARTICLE 16
SIGNATURE**

**SIGNED IN ORIGINALS BY THE DULY AUTHORIZED SIGNATORIES
ON BEHALF OF THE PROJECT COOPERATING PARTIES**

MINISTRY OF HEALTH

Signature _____



Name: Nimco Hussein Qawdhan

Title: Vice-Minister of Health

Date: 01/04/2013

HADIA MEDICAL SWISS

Signature _____

Name: Hassan Aideed

Title: Program Coordinator, HADIA MEDICAL SWISS

Date: 01/04/2013

PLACE: HARGEISA, SOMALILAND

PLACE: HARGEISA SOMALILAND

STAMP

STAMP

Witnesses:

Walter Thoni

President of Hadia Medical Swiss

Witness:

Jurgen Weber

Controller, Hadia Medical Swiss