

Decision Letter

Timor-Leste Health Systems Strengthening Programme

This Decision Letter forms part of the PFA and together with the PFA sets out the Programme Terms of the Programme. Any term used in this Decision Letter but not defined shall have the meaning given to such term in the PFA.

<p>1. Country: Timor-Leste</p>
<p>2. Programme payment grant number: 1418-TLS-10d-Y Performance payment grant number: 15-TLS-10e-Y</p>
<p>3. Date of Decision Letter: 6 July 2017</p>
<p>4. Date of the Partnership Framework Agreement (the “PFA”): 24 January 2014</p>
<p>5. Programme: Health Systems Strengthening (HSS)</p> <p>For further information about the Programme please refer to:</p> <ul style="list-style-type: none"> • Gavi HSS guidelines and HSS application form available by contacting your Gavi country manager; • Country’s approved grant proposal together with any responses to the HSS independent review committee (IRC’s) request for clarifications; • The workplan and budget document circulated by email 9 May 2017 describing the expected Programme Activities and Programme Budget as at the Date of the Decision Letter.
<p>6. Gavi performance based funding</p> <p>The Programme shall be subject to Gavi’s performance-based funding (PBF). Under this, the HSS support will be split into two payments: the programmed payment (based on implementation of the Programme) and the performance payment (based on improvements in immunisation outcomes). This means that in the first year, Country will receive 100% of the year one annual amount, as an upfront payment. After year one, countries will receive 80% of the annual amount, based on implementation of the grant. Note that countries whose total grant budget would fall below US\$3 million are exempt from this 80% rule.</p> <p>Country will have the opportunity to receive payments beyond the programme budget amount, for exceptional performance. Such performance payments will be based on performance on immunisation outcome indicators. For any given year, the programmed payment and performance payment may total up to 150% of the country’s year one annual amount (upfront investment).</p> <p><u>Performance payments for a given year will be made the following year, based on performance of the indicators listed and data verification.</u></p>

Given that Timor-Leste's DTP3 coverage was **below 90% at baseline**, which is defined as the year prior to the first year of HSS grant implementation, and based on WHO/UNICEF estimates, Country will be rewarded for improving coverage with:

- \$30 per additional child immunised with DTP3, if DTP3 coverage increases and
- \$30 per additional child immunised with first dose of measles containing vaccine, if measles coverage increases.

Countries with DTP3 coverage < 90% at baseline					TOTAL Performance payment to the country
Reported DTP3 coverage (WUENIC) at baseline*	Eligibility for DTP3 performance payment	Amount of DTP3 performance payment (US\$)	Eligibility for MCV1 performance payment	Amount of MCV1 performance payment (US\$)	
82%	Not eligible	\$0	Not eligible	\$0	\$0

Timor-Leste is not eligible for the DTP3 performance payment for 2016 because of failure to demonstrate sustained high coverage based on WHO/UNICEF estimates. Please contact your Gavi Senior Country Manager for further details.

Should Timor-Leste wish to request the full details of the calculation method leading to the TOTAL amount of the performance payment, please contact your Gavi Senior Country Manager: Samuel Muller at smuller@gavi.org.

7. Programme Duration: 2014-2018

8. Programme Budget: This is the amount of an estimated multi-year budget endorsed by Gavi under the Programme.

Note that with PBF, annual disbursements may be more or less than these endorsed amounts after the first year.

Programme Year	2014-2016	2017	2018	Total
Programme Budget (US\$)	US\$1,434,898	US\$ 805,192	US\$ 758,557	US\$2,998,647
Performance Payment	US\$73,020	Not eligible		

9. Annual Amounts: This is the estimated annual amount Gavi has approved to be disbursed under the Programme. The Country acknowledges that:
 (a) a proportion of the Annual Amount may be disbursed directly to an agreed implementing agency, such as WHO and UNICEF, rather than to the Country; and
 (b) each Annual Amount may be disbursed in a number of tranches at quarterly or six-monthly intervals.

Programme Year	2014-2016	2017	2018	Total

Annual Amount (US\$)	US\$1,434,898	US\$ 805,192	US\$ 758,557	US\$ 2,998,647
Performance Payment (US\$)	US\$73,020	Not eligible		
<p>10. Outstanding comments/clarifications: The Country shall provide the following clarifications to Gavi¹: Not applicable.</p>				
<p>11. Documents to be delivered: Not applicable</p>				
<p>12. Other conditions: The following terms and conditions shall apply to the Programme.</p> <p>Please see the Grant Management Requirements set out in Annex 6 to the PFA, which is attached to this Decision Letter for your reference.</p> <p>Any requested adjustments to the Annual Amounts will be subject to Gavi approval. It is essential that Country's Health Sector Coordination Committee (or its equivalent) be involved with this process both in its technical process function and its support during implementation and monitoring of the Programme. Utilisation of Gavi support stated in this letter will be subject to performance monitoring.</p> <p>If the bank account information most recently provided to Gavi has changed or changes prior to disbursement, the country will need to complete a bank account information form. Please contact gavihss@gavi.org for the form.</p>				

Signed by,



On behalf of Gavi

Hind Khatib-Othman

Managing Director, Country Programmes

6 July 2017

¹ Failure to provide the comments/clarifications requested may result in Gavi withholding further disbursements