

## Decision Letter

### Cambodia

#### Health Systems Strengthening (HSS) Programme

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

<b>1. Country:</b> Cambodia
<b>2. Grant number:</b> KHM-HSS-2, KHM-HSS-2-MOH, KHM-HSS-2-PBF
<b>3. Date of Decision Letter:</b> 9 December 2019
<b>4. Date of the Partnership Framework Agreement (the “PFA”):</b> 6 November 2013
<p><b>5. Programme: Health Systems Strengthening (HSS)</b>          For further information about the Programme please refer to:</p> <ul style="list-style-type: none"> <li>• Gavi HSS guidelines and HSS application form available by contacting your Gavi country manager;</li> <li>• Country’s approved grant proposal together with any responses to the HSS independent review committee (IRC’s) request for clarifications;</li> <li>• The workplan and budget document describing the expected Programme Activities and Programme Budget as at the Date of the Decision Letter.</li> </ul>
<p><b>6. Gavi performance based funding:</b>          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>Performance payments for a given year will be made the following year, based on performance of the indicators listed and data verification.</p> <p><b>Gavi calculation of performance payments for immunisation achievements:</b>          Cambodia was first assessed for PBF eligibility in 2017 (for its 2016 performance) in relation to its HSS grant 2015-2019. At that time, the country had 89% DTP3 coverage at baseline, and was therefore found to be ineligible to receive the DTP3 component of the performance payment. During the 2018 assessment however, it was noted that the 2016 and 2017 WUENIC estimates for Cambodia were revised retrospectively upward.</p> <p>Therefore, given that Cambodia’s DTP3 coverage is now <b>above 90%</b> at baseline according to WHO/UNICEF estimates, Cambodia was rewarded for sustaining high coverage with:</p> <ul style="list-style-type: none"> <li>• 20% of annual country ceiling for maintaining DTP3 coverage at or above 90% and</li> <li>• 20% of annual country ceiling ensuring that 90% of districts have at or above 80% DTP3 coverage.</li> </ul>

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 geographic equity performance payment	Amount of geographic equity performance payment (US\$)		
92%	Eligible (for 2016-2017 performance)	<b>860,000</b>	-	-		860,000
98%	Eligible (for 2018 performance)	<b>430,000</b>	-	-		430,000
					<b>1,290,000</b>	

**7. Programme Duration:** 2015-2019 (however given the delay in the implementation start date, the actual programme duration is 2016-2020).

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

Programme Year	2015-2018	2019	2020	Total
Programme Budget (US\$) Inclusive of top up #1	16,339,026	5,160,974	-	21,500,000
HSS flexibility for additional funds (US\$) - top up #2	-	5,358,508	-	5,358,508
Performance based funding	860,000	-	-	860,000
<b>Total</b>				<b>27,718,508</b>

**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	2015-2018	2019
Annual Amount (US\$)	16,339,026	5,160,974
HSS flexibility for additional funds (US\$) Top up #2	-	5,358,508
Performance based funding	860,000	-

**10. Outstanding comments/clarifications:** Not applicable

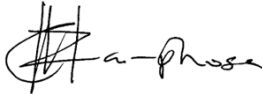
**11. Documents to be delivered:** Not applicable

**12. Other conditions:** The following terms and conditions shall apply to the Programme.

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.

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.

Signed by,



**On behalf of Gavi**

Thabani Maphosa

Managing Director, Country Programmes

9 December 2019