

## Decision Letter

### Kenya 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><b>1. Country:</b> Kenya</p>
<p><b>2. Programme payment grant number:</b> 1719-KEN-10a-Y</p>
<p><b>3. Date of Decision Letter:</b> 25 May 2018</p>
<p><b>4. Date of the Partnership Framework Agreement (the “PFA”):</b> 25 November 2014</p>
<p><b>5. Programme:</b> Health Systems Strengthening (HSS)</p> <p>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></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> <p><b>Gavi calculation of performance payments for immunisation achievements – TOTALS:</b></p>

Given that Country'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\$)	
89%	Not eligible	0	Not eligible	0	0

Should Kenya 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 Antonia Pannell at [apannell@gavi.org](mailto:apannell@gavi.org).

**7. Programme Duration: 2017 to 2019**

*Note that the project will be 3 years from start of implementation.*

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

Programme Year	2017	2018	2019	Total
Total Gavi allocation to Kenya (US\$)	9,227,739	5,612,451	5,499,770	20,339,960
HSS Programme Budget (recommended for approval by IRC) (US\$)	7,303,279	5,612,451	5,499,770	18,415,500
Balance of allocation to be used for assurance (US\$)	1,924,460	0	0	1,924,460
Performance payment		Not applicable		

- 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	2017	2018
Total Gavi allocation to Kenya (US\$)	9,227,739	5,612,451
HSS Programme Budget (approved by IRC) (US\$)	7,303,279	5,612,451
Additional funds to be used for assurance (US\$)	1,924,460	0
Performance payment (US\$)		Not applicable

**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, ICC and Coordinating Unit 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. Please contact [gavihss@gavi.org](mailto:gavihss@gavi.org) for the form.

On behalf of Gavi



Hind Khatib-Othman  
Managing Director, Country Programmes

25 May 2018