

Decision Letter

Malawi

Health Systems Strengthening Programme

This Decision Letter forms part of the Partnership Framework Agreement and together with the Partnership Framework Agreement 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 Partnership Framework Agreement.

1. Country: Malawi

2. Grant Number: MWI-HSS-3,MWI-HSS-3-MOH,MWI-HSS-3-PBF,MWI-HSS-3-UNIC,MWI-HSS-3-UNIC SD

3. Date of Decision Letter: 31 January 2020

4. Date of the Partnership Framework Agreement (the "PFA"): 22 October 2014

5. Programme: Health Systems Strengthening (HSS)

For further information about the Programme please refer to:

- Gavi HSS guidelines and HSS application form available by contacting your Gavi senior country manager;
- Country's approved grant proposal together with any responses to the HSS independent review process request for clarifications;
- The workplan and budget document circulated by email describing the expected Programme Activities and Programme Budget as at the Date of the Decision Letter.

6. Gavi performance based funding

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 immunization 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.]

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). Performance payments for a given year will be made the following year, based on performance of the indicators listed and data verification

Gavi calculation of performance payments for immunisation achievements - TOTALS:

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.

Up to a maximum of 150% of the ceiling for any given year.

Countries with DTP3 coverage < 90% at baseline					
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\$)	TOTAL Performance payment to the country (US\$)
88%	Eligible	1,569,060	Eligible	1,622,910	3,191,970

Should the Country 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.

7. Program duration: 2017-2021

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	2017-2018	2019	2020	2021	2022	2023	Total
Programme Budget (US\$)	35,259,599	6,870,201	4,122,120	2,748,080	-	-	49,000,000
HSS Flexibility for Additional funds(US\$)	-	-	-	-	-	-	-
Performance Payment(US\$)	-	3,191,970	-	-	-	-	3,191,970

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	2019	2020
Annual Amount (US\$)	35,259,599	-	-
HSS Flexibility for Additional funds(US\$)	-	-	-
Performance Payment (US\$)	-	3,191,970	-

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.

Please note that the country must submit a budget within 3 months of being communicated the Performance Payment amount by this Decision Letter. Failure to do so will result in cancellation of the funding. The country must incorporate these funds into their operational plan and budget for the planning year.

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. Please contact gavihss@gavi.org for the form.



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 Gavi, the Vaccine Alliance