

HE Saira Afzal Tarar  
The Minister of National Health Services, Regulations and Coordination  
Government of Pakistan  
Islamabad  
Pakistan

28 May 2018

***Decision Letter: Pakistan Renewal Request to Gavi, the Vaccine Alliance for Health Systems Strengthening (HSS) support***

Your Excellency,

On behalf of the Secretariat of Gavi, the Vaccine Alliance, I am writing to you regarding Pakistan's request for renewal of Health System Strengthening (HSS) cash support, which was reviewed by the High Level Review Panel on 4-5 October 2017.

Following the recommendations made by the Panel, I am pleased to inform you that Gavi has **approved** Pakistan's request to renew cash support for Health Systems Strengthening, subject to several conditions and requirements as specified in the Appendix to this letter.

Furthermore, I would like to draw your attention to additionally approved funds that constitute part of programme budget increased to the full ceiling. These funds make an integral part of the amount of funds approved for 2018 and are subject to the same conditions and requirements as specified in the Appendix to this letter.

The Appendix includes the following important information:

Appendix A: Financial and Programmatic information – Support for Health Systems Strengthening Programme in Pakistan

For any question or request for additional information, feel free to contact my colleague Hamidreza Setayesh at address [hsetayesh@gavi.org](mailto:hsetayesh@gavi.org).

Please accept, Your Excellency, the expression of my high regards.



Hind Khatib-Othman  
Managing Director, Country Programmes, Gavi

cc: Minister of Finance  
Secretary, Ministry of National Health Services, Regulations and Coordination  
Director General, Health, Ministry of National Health Services, Regulations and Coordination  
Federal and Provincial EPI Managers  
WHO Country Representative  
UNICEF Country Representative  
World Bank Country Director  
Regional Working Groups  
WHO Headquarters  
UNICEF Headquarters

**Decision Letter**  
**Pakistan - 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> Pakistan</p>
<p><b>2. Programme payment grant number:</b> 1618-PAK-10a-Y</p>
<p><b>3. Date of Decision Letter:</b> 28/05/2018</p>
<p><b>4. Date of the Partnership Framework Agreement (the "PFA"):</b> 19/05/2015</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> </ul> <p>Annual Amounts communicated under this Decision Letter shall be transferred to the Pakistan National Immunization Support Project (the "NISP") Multi-Donor Trust Fund (the "Trust Fund"). The purpose of the NISP is to facilitate and incentivize timely transactions and implementation of activities at provincial level. The Trust Fund is maintained by the International Bank for Reconstruction &amp; Development ("IBRD" or the "World Bank"). The Trust Fund serves as a common platform to finance the implementation of the Government's comprehensive multi-year national immunisation plan. It is expected that activities to be performed with the Annual Amounts will be carried out by the Government, the World Bank and UN agencies and that the World Bank shall enter into agreements with the Government and UN agencies for the transfer of funding from the Trust Fund.</p>
<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).</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 as chosen by country at the time of application. The programmed payment and performance payment may total up to 150% of the country's communicated ceiling of US\$100 million.</p> <p><u>Performance payments will be made following the verification of improved coverage by a Coverage Evaluation survey in accordance with the following principles:</u></p> <ul style="list-style-type: none"> <li>• Data source for baseline – PDHS 2012-2013</li> <li>• Data source for evaluation – CES 2018</li> </ul> <p>Given that Country's DTP3 coverage, based on WHO/UNICEF estimates, was <b>below 90% at baseline</b>, which is defined as the year prior to the first year of HSS grant implementation for which there is a reliable coverage survey available, Country will be rewarded for improving coverage with:</p> <ul style="list-style-type: none"> <li>• \$30 per additional child immunised with DTP3, if DTP3 coverage increases and</li> <li>• \$30 per additional child immunised with first dose of measles containing vaccine, if measles coverage increases.</li> </ul> <p>Population assumptions will be according to UN population estimates for the applicable years.</p>
<p><b>7. Programme Duration:</b> 2016 to 2018</p>

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

Programme Year	2016-2017	2018	Total
Previously approved Programme Budget (US\$) <sup>1</sup>	59,000,000	25,000,000	
Increased programme budget to the full ceiling (US\$) <sup>2</sup>		16,000,000	
<b>TOTAL (US\$)</b>	<b>59,000,000</b>	<b>41,000,000</b>	<b>100,000,000</b>

Note 1 – To fund Eligible Expenditures Programme of the Trust Fund contribution to the NISP  
 Note 2 – To fund urban immunisation component of the Trust Fund contribution to the NISP

**9. Annual Amounts:** This is the estimated annual amount Gavi has approved to be disbursed under the Programme. The Country acknowledges that:  
 (a) the Annual Amount will be disbursed directly to the World Bank, rather than to the Country; and  
 (b) a proportion of the Annual Amount will be retained by Gavi to be used for an evaluation of the grant

Programme year	2016-2017	2018	Total
<b>Annual Amount (US\$)</b>	59,000,000	25,000,000	
		16,000,000	
		<b>41,000,000</b>	<b>100,000,000</b>

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

**11. Documents to be delivered for future HSS cash disbursements:** The Country shall deliver the following documents by the specified due dates as part of the conditions for approval and disbursements of the future annual amounts.

Reports and other information	Due dates
Financial, programmatic and audit report, shall be provided to Gavi through the World Bank, as stipulated in the National Immunization Support Project Grant Agreement signed under the Multi-Donor Trust Fund between the Country and the World Bank.	As reflected in the MDTF grant agreement.

**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.

Signed by,



**On behalf of Gavi**

Hind Khatib-Othman

Managing Director, Country Programmes

28 May 2018