

Mr Shri Jagat Prakash Nadda
Union Minister
Ministry of Health & Family Welfare
Nirman Bhawan
New Delhi - 110108
India

18 March 2019

Dear Minister,

Re: Approval of Inactivated Polio Vaccine cost-sharing support for India

We are writing in response to the request of the Government of India to Gavi, the Vaccine Alliance, for the cost-sharing support for Inactivated Polio Vaccine (IPV), as per the letters dated 18 June 2018 and 4 July 2018.

We are pleased to inform you that the Gavi Board has approved the support equivalent to 50% of the IPV cost for 2019-2021. We note that the Gavi Board's decision to provide this support due to exceptional circumstances was made on the understanding that the Government of India will meet the remaining IPV cost for this three-year period.

The following Decision Letter reflects the agreed arrangement between Gavi and the Government of India to use Gavi's funds to procure the full requirement of required doses for the first half of the three-year period.

The programme budget for vaccine doses is calculated based on a projected price for IPV and an inclusion of Goods and Services Tax (GST), should the GST be made applicable to the procured IPV. The GST for the duration of support is estimated at \$2,063,506. Gavi kindly requests the Government of India to exempt vaccines supplied by UN agencies from taxes and duties, as noted in the Partnership Framework Agreement. If this amount is not waived or reimbursed, it will reduce the volume of support that Gavi could provide to India in 2020 (line 11). The difference of an estimated 825,000 doses will have to be financed by the Government of India. Any changes in the IPV vaccine price or volume commitment as related to the GST issue will be reflected in subsequent revisions of the Decision Letter.



Please do not hesitate to contact the Senior Country Manager for India, Carol Szeto (cszeto@gavi.org), if you have any questions or concerns.

We remain at your disposal for any further enquiry.

Yours sincerely,

A handwritten signature in blue ink, which appears to read "Hind Khatib-Othman".

Hind Khatib-Othman
Managing Director, Country Programmes

Cc:

PS, The Minister of Health and Family Welfare
PS, The Minister of Finance
Secretary, Ministry of Health and Family Welfare
Additional Secretary, MD NHM, Ministry of Health and Family Welfare
Joint Secretary, Ministry of Health and Family Welfare
Deputy Commissioner (Immunization); MoHFW
Deputy Commissioner (UIP), MoHFW
WHO Country Representative
UNICEF Country Representative
WHO HQ
UNICEF Programme Division
UNICEF Supply Division

India Support for Inactivated Polio Vaccine (IPV)

This Decision Letter sets out the Programme Terms of a Programme.

1. Country: India				
2. Grant number(s): 1920-IND-25b-X				
3. Date of Decision Letter: 18 March 2019				
4. Date of the Partnership Framework Agreement: 12 June 2015				
5. Programme title: NVS, IPV routine				
6. Vaccine type: Inactivated Polio Vaccine (IPV)				
7. Requested product presentation and formulation of vaccine¹: Fractional use of Inactivated Polio Vaccine, 5 dose(s) per vial, LIQUID				
8. Programme duration²: 2019 - 2021				
9. Indicative Programme Budget: (subject to the terms of the Partnership Framework Agreement)				
	2019-	2020	2021	Total ³
Routine Programme (US\$)	28,290,913	15,042,717	0*	43,333,630
* Frontloading of vaccine doses in the first 18 months of a three-year period.				
10. Vaccine introduction grant / Product switch grant: Not applicable				
11. Indicative Annual Amounts: (subject to the terms of the Partnership Framework Agreement) ⁴				
Number of vaccines to be purchased with Gavi funds	2019	2020		
IPV Routine Programme (doses)	11,000,000**	5,500,000**		
IPV Routine Programme Annual Amounts (US\$) ⁵	28,290,913	15,042,717		
** Number of doses exclusive of GST amount. If the estimated GST amount of \$1,347,186 in 2019 and \$716,320 in 2020 cannot be waived for future deliveries, this will reduce support for 2020 by 825,000 down to 4,675,000 doses with estimated total Annual Amount for both years of \$41,270,123				
12. Procurement agency: UNICEF				
13. Self-procurement: Not applicable				

¹ Please refer to section 18 for additional information on IPV presentation.

² This is the entire duration of the Programme.

³ This is the total amount endorsed by Gavi for the entire duration of the Programme, representing 50% of the IPV cost for 2019-2021.

⁴ This is the amount that Gavi has approved.

⁵ The 2019 and 2020 amounts were estimated based on a price per dose of US\$ \$2.42 for 2019 and \$2.58 for 2020. Changes to the Annual Amounts due to price changes and GST will be reflected in a subsequent letter.

14. Co-financing obligations: Not applicable	
15. Operational support for catch-up campaigns: Not applicable	
16. Additional reporting requirements:	
Reports and other information	Due dates
In accordance with applicable Gavi processes, Country shall report on programmatic and financial performance.	at the time of annual joint appraisal
17. Financial clarifications: Not applicable	
18. Other conditions:	
<p>Due to unprecedented demand for IPV and the challenges to scale up production capacities, the global IPV supply remains constrained. Countries are strongly encouraged to optimally manage available supply and follow recommendations and guidelines from WHO and UNICEF to reduce vaccine wastage.</p>	

Signed by,
On behalf of Gavi



Hind Khatib-Othman
Managing Director, Country Programmes
18 March 2019