



USAID | CAMBODIA

FROM THE AMERICAN PEOPLE

H.E. Chin Bun Sean
Senior Minister in Charge of Special Missions and
Vice-Chairman of
the Council for the Development of Cambodia (CDC)
Phnom Penh, Cambodia

Subject: Implementation Letter No. 3 under Development Objective Grant Agreement No. 442-DOAG-0201 between the United States of America and the Kingdom of Cambodia for Public Health and Education, dated March 30, 2016 (the "Agreement")

Your Excellency:

The purpose of this Implementation Letter is to 1) increase the Grant amount set forth in Article 3, Section 3.1(a) and (b) of the Agreement as well as a corresponding increase to the Grantee's contribution set forth in Article 3, Section 3.2(b), 2) change the completion date of the Grant set forth in Article 4 (a) of the Agreement, and 3) update the Amplified Descriptions contained in Annexes 1 and 2 of the Agreement. The Agreement is hereby amended as follows:

1. Article 3, Section 3.1(a) and (b) are deleted in their entirety and replaced with the following:
 - (a) The Grant. To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, hereby grants an amount to the Grantee under the terms of the Agreement not to exceed U.S. one hundred thirty-one million, six hundred thousand, nine hundred and twenty dollars (\$131,600,920), of which U.S. twenty-four million, twenty-four thousand, one hundred and twenty-one dollars (\$24,024,121) are FY 2015 funds, U.S. twenty-eight million, nine hundred and ninety thousand, three hundred eighty-seven dollars (\$28,990,387) are FY 2016 funds, U.S. forty million, seven hundred eighty-eight thousand, one hundred and ten dollars (\$40,788,110) are FY 2017 funds, and U.S. thirty-seven million, seven hundred ninety-eight thousand, three hundred and two dollars (\$37,798,302) are FY 2018 funds (the "Grant").
 - (b) Total Estimated USAID Contribution. USAID's total estimated contribution under this Agreement to achievement of the Objective will be U.S. one hundred thirty-one million, six hundred thousand, nine hundred and twenty dollars (\$131,600,920) which will be provided in increments. Subsequent increments will be subject to the availability of funds to USAID for this purpose and may be provided by USAID upon written notice to the Grantee. The Parties agree that each such incremental contribution provided, if any, shall cumulatively increase the total amount of the Grant set forth in

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Section 3.1(a) and consequently may increase the Grantee's contribution, if any, under Section 3.2. The Grantee further agrees to acknowledge by written notice to USAID each such incremental contribution, if any.

2. Article 3, Section 3.2(b) is deleted in its entirety and replaced with the following:

The Grantee's in-kind contribution to the shared objectives described in the Amplified Description will equal up to twenty-five percent of the total program costs used to support activities that substantially benefit the Grantee or entail direct and substantial involvement of the Royal Government of Cambodia in the administration, management, or control of the activities hereunder. The dollar equivalent amount of this contribution is estimated to be U.S. thirty-nine million, ninety-eight thousand, four hundred twenty-eight dollars (\$39,098,428), which includes U.S. seven million, sixty-six thousand, one hundred twenty-two dollars (\$7,066,122) with respect to USAID's FY 2015 grant, U.S. eight million, eight hundred and nine thousand, seven hundred forty-two dollars (\$8,809,742) with respect to the FY 2016 grant, U.S. twelve million, one hundred twenty-four thousand, four hundred and thirty-one dollars (\$12,124,431) with respect to the FY 2017 grant, and U.S. eleven million, ninety-eight thousand, one hundred thirty-three dollars (\$11,098,133) with respect to the FY 2018 grant. This contribution amount shall be adjusted upon any increase in the amount of the Grant set forth in Section 3.1(a), and the precise amount of such adjustment shall be indicated in an Implementation Letter.

3. Article 4(a) is deleted in its entirety and replaced with the following:

The Completion Date, which is December 31, 2021, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all the activities necessary to achieve the Objective will be completed.

4. Annex 1, FY 2018 Public Health Amplified Description, is supplemented by Annex 1 for FY 2015, FY 2016, and FY 2017, which are incorporated by reference. The Amplified Descriptions describe activities to be undertaken with funds obligated under the Agreement.
5. Annex 2, FY 2018 Education Amplified Description, is supplemented by Annex 2 for FY 2015, FY 2016, and FY 2017, which are incorporated by reference. The Amplified Descriptions describe activities to be undertaken with funds obligated under the Agreement.

Except as amended herein, the terms and conditions of the Agreement shall remain in full force and effect. Please indicate your agreement with this Implementation Letter by signing and returning two original copies to USAID at the address specified below. USAID will countersign and return one fully signed original copy to you.

No. 1, Street 96, Phnom Penh, Cambodia.

Veena Reddy

Veena Reddy
Mission Director
USAID/Cambodia

Date: 29 August 2019

Sean B. Chin

Chin Bun Sean
Senior Minister in Charge of
Special Missions and Vice-Chairman of
the Council for the Development of
Cambodia (CDC)

Date: 15 August 2019

PHOENIX FUNDS AVAILABLE (Commitment)	
Amount:	US\$ 37,798,302.00
29 AUG 2019 <i>29/8/19</i>	
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I. Introduction

This Annex describes the health activities to be undertaken and the results to be achieved with the funds obligated under this Agreement.

USAID has developed a Country Development Cooperation Strategy (CDCS) 2014-2020. USAID programs under Development Objective 2, “Improved Health and Education of Vulnerable Populations,” aim to improve the health of Cambodians by strengthening the quality of health care in Cambodia and increasing access to this care. Specifically, programs aim to decrease maternal, infant, and under-five mortality, bring down the rates of stunting and anemia in children and women and reduce the prevalence of HIV/AIDS, tuberculosis (TB) and malaria in Cambodia. Through work identified in this Agreement, USAID expects to advance the Cambodian Ministry of Health’s (MOH) strategic plans as well as Cambodia’s National Strategic Development Plan (NSDP) and Cambodia’s Development Cooperation and Partnership Strategy.

II. Background

While Cambodia has made substantial progress to improve health outcomes in recent years, it still has among the highest maternal and child mortality rates in the region. Many Cambodian women and children die each year from preventable and treatable causes, including pneumonia, diarrhea and complications in labor. Recent survey results show that approximately one-third of children are stunted from poor nutrition and suffer from high rates of anemia. The Royal Government of Cambodia (RGC) is in the process of developing its next 2019-2023 Food Security and Nutrition National Strategy and has a dedicated coordinating body for nutrition with the role to interface cross-sectorally and across ministries to address the complex causes of malnutrition. Many households, particularly in rural areas, lack adequate access to clean drinking water and sanitation facilities.

Despite tremendous improvements in infectious disease control in recent years, Cambodia ranks among the world’s 30¹ high-burden countries for TB, and HIV prevalence remains high among key populations that face challenges in accessing prevention programs, testing, and treatment. Cambodia is a critical country in the region for diseases that are global threats, such as avian influenza and drug-resistant malaria, and a key country in stopping the potential for future pandemic disease outbreaks.

While the public health system has expanded rapidly in recent years, limited skills of health providers and limited institutional capacity contribute to fragmented and poor service delivery in some areas. Most Cambodians prefer to seek care in the private sector although quality is questionable and private practices are not routinely regulated. Health financing remains problematic as approximately two-thirds of health expenditures are made out-of-

¹ 2016 WHO Global TB Report

pocket by the consumer. Despite the many challenges ahead, the RGC has made notable progress in the past decade and demonstrated significant commitment toward reaching higher goals.

A. Strategic Alignment with Government Strategies

USAID works closely with the RGC and development partners to optimize aid effectiveness. The RGC is developing key vision and planning documents in its quest to achieve higher middle-income status by 2030. The United States supports this goal and expects to achieve measurable improvements in health throughout the life of this Agreement. The activities outlined in this document align to the RGC's Rectangular Strategy-Phase 4. Under this strategy, the RGC aims to further strengthen public institutions, namely "the structure of the organization, sets of formal and informal rules of law, human resources, means and financial resources which determine work principles and attitude, be it political, economic or social spheres, within the framework of democratic process and the rule of law that are fully legitimate in order for us to proceed with development by sustaining high economic growth; promoting socio-economic structural change; creating quality jobs for the youth, responding effectively to the expectations of the people, especially addressing the gradually increasing needs of the people, including access to quality public services, be it physical infrastructure, education, healthcare or other basic services; ensuring social security and welfare of the people; ensuring income security especially for the vulnerable groups; ensuring balanced and lower development gap between urban and rural areas; remaining flexible and vigilant with regional and global developments; taking full advantages of technological development and digitalization especially in the context of the fourth industrial revolution; and lastly; stepping up the effectiveness of the protection and conservation of the environment, natural resources, ecosystem, biodiversity, forest and wildlife sanctuaries as well as adaptation to climate change."²

The MOH Third Health Strategic Plan 2016-2020 (HSP3) aims to improve the health of the population and provide financial risk protection, thereby contributing to poverty alleviation and socio-economic development. The four main health development goals of HSP3 are to reduce maternal, newborn and child mortality and malnutrition among women and children; reduce morbidity and mortality caused by communicable diseases; reduce morbidity and mortality caused by non-communicable diseases and other public health problems; and make the health system accessible, responsive, accountable and resilient. USAID's programs in health will advance the goals of HSP3.

B. Support of Technical Working Groups (TWGs)

To better align with RGC priorities and improve donor coordination, USAID/Cambodia participates in the following TWGs related to health:

- Food Security and Nutrition;
- Social Protection;

² Cambodia Rectangular Strategy-Phase 4, pp. 1-2.

- Health; and
- HIV/AIDS.

As appropriate, USAID will participate in additional TWGs and other aid coordination architecture throughout the life of this Agreement.

III. Funding

USAID investments of approximately \$110,125,192 in health programs are planned using FY 2015-2018 appropriated funding to achieve the Development Objective. Currently, USAID has limited flexibility on the type of health funds received and thus on the type of programming USAID supports in the health sector.

The RGC contribution reflects the MOH's in-kind contributions to the shared objectives of the program. The contribution will be approximately 25% of the total program costs used to support activities that substantially benefit the Grantee or entail direct and substantial involvement of the RGC in the administration, management, or control of the activities hereunder. The dollar equivalent amount of this contribution is approximately U.S. \$8,661,873 for FY 2018.

Changes may be made to the financial plan by representatives of the Parties without formal amendment of the Agreement, if such changes do not cause USAID's contribution to exceed the amount specified in Section 3.1 of the Agreement.

The financial plan for this program is set forth in the table below.

Description	Year (FY 2015)	Year (FY 2016)	Year (FY 2017)	Year (FY 2018)	Total
Increase Utilization of Quality Maternal and Child and Reproductive Health Services	10,198,941	8,592,660	8,527,085	7,003,539	34,322,225
Strengthen Health Systems and Governance	4,277,723	7,376,578	6,159,607	3,889,557	21,703,465
Improve Infectious Disease Control Programs	3,836,703	8,608,403	14,237,661	15,092,524	41,775,291
Sub-total:	18,313,367	24,577,641	28,924,353	25,985,620	97,800,981
Administration Cost:	2,725,754	2,427,746	3,378,029	3,792,682	12,324,211
Total Estimated USG Contribution	21,039,121	27,005,387	32,302,382	29,778,302	110,125,192
Total Estimated RGC Contribution	6,104,455	8,192,547	9,641,451	8,661,873	32,600,326

IV. Results to be Achieved

In order to support the RGC's vision to strive for "All peoples in Cambodia have better health and well-being thereby contributing to sustainable socio-economic development," USAID activities will contribute to Cambodian Sustainable Development Goals (SDGs) and the HSP3 Monitoring and Evaluation Framework, including but not limited to:

- Contraceptive prevalence rate;
- Infant mortality rate;
- Percent of children under five stunted;
- Percentage of ART clients with suppressed viral load;
- Percentage TB cure rate;
- Incidence rate of malaria at public health facilities;
- Total expenditure on health as a percentage of GDP;
- Out-of-pocket expenditure as a percentage of total health expenditure ; and
- Number and percentage of health workers registered and licensed by health professional councils.

Anticipated results under this Development Objective are:

1. Improved health and child protection behaviors;
2. Improved health financing and social health protection; and
3. Improved quality of public and private health and social services.

Relevant additional *illustrative* indicators include:

- Maternal mortality ratio;
- Neonatal, infant mortality rates;
- Malaria annual parasite incidence rate per 1,000 population;
- Incidence rate of TB;

- Prevalence rates of HIV among key populations; and
- Incidence of impoverishment due to OOP (HHs becoming poor as a result of health expenditures).

V. Activities

All activities will align with the technical/thematic areas detailed below.

A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services

Cambodia's focused commitment to reduce maternal deaths has resulted in remarkable progress in recent years as basic, cost-effective interventions, such as Active Management of Third Stage of Labor and Magnesium Sulfate, have successfully reduced maternal mortality. Nonetheless, Cambodia's national maternal mortality rate remains among the highest in the region, requiring sustained focus to close the gap with neighboring countries. Continued promotion of evidence-driven, sustainable interventions drive USAID's strategic approach to improving maternal health in Cambodia.

Infections, pre-term delivery, and asphyxia remain the leading causes of newborn deaths even though many of these causes are readily preventable and treatable with basic measures such as hygienic cord care, thermal control, and early detection of danger signs. While the child mortality rate has improved significantly in Cambodia in recent years, pneumonia and diarrhea remain the top causes of death for children under the age of five, despite the availability of antibiotics and oral rehydration salts/zinc.

Further progress towards addressing the major causes of maternal and child mortality in Cambodia requires additional effort to upgrade health provider capacity and improve access to health commodities, equipment, and infrastructure. In health facilities, healthcare providers and outreach workers must be equipped to deliver life-saving interventions at the appropriate time. In the surrounding communities, village-based community health workers must be prepared to increase demand for health services, fostering healthcare-seeking behavior that leads to earlier treatment and improved health outcomes. In addition, improved quality of nutrition counseling and screening provided by volunteer workers and healthcare providers will complement community outreach through the food security sector. USAID support will strengthen behavior change interventions to encourage the use of quality health services and health products, including contraceptives and diarrhea treatment commodities, to further improve maternal and child health. USAID will strengthen the capacity of local non-governmental organizations to ensure long-term sustainability remains a cornerstone of the maternal and child health program strategy.

B. Strengthen Health Systems and Governance

A strong healthcare delivery system is both competent in delivering services and accountable for delivering the kind that people need and want. Cambodia's health sector is challenged by a lack of provider skills, a mismatch in distribution of staff relative to population needs, relatively low salaries, limited governance and management systems, very limited public financial resources, and high patient out-of-pocket spending on health

services.³ These factors result in Cambodia's current challenges with quality and accessibility of public health services. USAID will provide technical assistance to identify, prioritize, and address these key healthcare delivery challenges.

Health equity funds play an instrumental role in supporting access to healthcare for the poor, and are scheduled for scale up by the RGC and its development partners. Given USAID's past role in the design and launch of health equity funds, USAID will continue to shape the implementation of a comprehensive and sustainable system for social health protection that ensures coverage for the poor and vulnerable. USAID support is informed by recent assessments recommending that resolving human resource gaps should be the cornerstone of our health system improvement efforts.⁴ Strengthening the legal framework and capacity of Cambodia's professional councils will establish a sustainable system in-country with the ability to regulate, improve, and ensure quality healthcare in the public and private sectors. This system could pave the way toward an accreditation system that would further promote sustained health service quality. USAID will support targeted technical assistance through NGOs to public and private healthcare providers.

In addition to building human resource capacity, USAID will support other emerging priorities in the health sector, such as the increased role of private sector service provision and a comprehensive health sector approach to the prevention and response of gender-based violence. To increase accountability for delivery of quality health services, local leaders will use data to understand their constituents' health needs, advocate for greater resources, and hold healthcare providers accountable for the delivery of responsive, quality services. USAID technical assistance will complement resources provided by the Global Fund, the RGC, and other donors working in the health sector.

C. Improve Infectious Disease Control Programs

USAID support will strengthen the capacity of infectious disease control programs to reach vulnerable groups by improving their efficiency and quality while expanding targeted prevention activities; improving detection and diagnostic capacity; strengthening care and treatment services; and, improving surveillance and response capacity for infectious diseases and pandemic threats. Infection prevention and control (IPC) has increased dramatically throughout the healthcare system. Through formation of IPC committees at each hospital, facilitation of facility-to-facility learning, and IPC training to promote the knowledge, skills and attitude of healthcare workers, the quality of healthcare services and patient safety have significantly improved. Though HIV/AIDS prevalence within Cambodia's general population has declined in recent years, high-risk behaviors threaten this progress. Cambodia's HIV/AIDS epidemic is currently concentrated among high-risk groups, including entertainment workers, injecting drug users, and men who have sex with men.⁵ USAID programs will strengthen the ability of the RGC to take on the full responsibility for the provision of HIV services. Support will develop and advocate for

³ Health, Nutrition, and Population in Cambodia: Country Overview. World Bank.

⁴ Mid-Term Review of the Government of Cambodia's Health Strategic Plan 2, 2008-2015.

⁵ HIV/AIDS Country Profile, USAID. December, 2010.

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more cost-effective approaches that the RGC is able to sustain in the long term, while at the same time strengthening the broader health system, particularly in quality service delivery, health information, and financing. USAID will also strengthen the technical capacity of the RGC and its partners to better reach highly stigmatized, high-risk groups, to prevent new infections, and protect those living with HIV/AIDS by ensuring they receive comprehensive care and treatment.

Morbidity and illness as a result of Cambodia's high TB prevalence negatively affects the nation's productivity and overall health status. USAID will support the RGC and its partners to improve early detection of TB and ensure patients complete the full course of treatment through public providers with a goal of ending TB by 2030. USAID programs will improve behavior change interventions to improve case detection while strengthening systems to improve the quality of TB services provided in public facilities and generating the evidence to mobilize domestic resources for the TB program.

USAID support will control and eliminate malaria in areas of emerging anti-malaria drug resistance and reduce malaria transmission especially among high-risk populations such as mobile or migrant workers. USAID will provide technical assistance to the MOH's National Malaria Control Program (CNM) to ensure proper treatment and effective drug efficacy for malaria treatment. Since malaria elimination demands multinational partners, engagement of all malaria stakeholders in the country is very important, especially the national government. The RGC will take the lead and ownership of its efforts to control and completely eliminate malaria nationwide by 2025.

USAID will also support key technical organizations to predict, prevent, identify, and respond to avian influenza and pandemic threats of infectious disease.

The table of activities outlined in the FY 2015, FY 2016, and FY 2017 Amplified Descriptions are incorporated herein by reference. The activities to receive FY 2018 USAID funds under the Agreement in the three technical/thematic areas described above may include:

<u>Activity Name</u>	<u>Description</u>	<u>Implementing Partner</u>	<u>Technical/thematic areas toward which the activity will contribute</u>
<p><i><u>Cambodia Demographic and Health Survey (CDHS)</u></i></p> <p><i><u>Estimated FY 2018 funding \$700,000</u></i></p>	<p>Support for the 2020 CDHS will ensure that this state-of-the-art nationwide survey yields robust data that accurately depicts the current health situation in Cambodia. USAID will collaborate with key donors to support the Cambodian government’s implementation of the survey. The U.S. government will provide technical leadership to analyze the 2020 CDHS results, develop the preliminary and final report, and conduct further analyses of critical health issues to be determined after the survey results are produced. The survey will measure key health and demographic impacts against Sustainable Development Goal targets. Further analyses will be used to measure impact, prioritize interventions, and develop informed policies.</p>	TBD	<p>A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services</p> <p>B. Strengthen Health Systems and Governance</p> <p>C. Improve Infectious Disease Control Programs</p>
<p><i><u>Cambodia Malaria Elimination Project (CMEP)</u></i></p> <p><i><u>Estimated FY 2018 funding \$4,000,000</u></i></p>	<p>This activity will provide technical assistance to the Cambodian MOH’s CNM in an effort to eliminate and prevent the spread of malaria, especially in areas where drug-resistant strains of malaria have emerged. This activity will develop and demonstrate an implementation model that</p>	URC	<p>C. Improve Infectious Disease Control Programs</p>

	seeks to eliminate malaria through intensified case finding, enhanced control and prevention interventions, and strengthened surveillance systems. The activity will support the CNM to replicate and scale-up this evidence-based model in a number of districts.		
<u>Cambodia Promoting Healthy Behaviors</u> <u>Estimated FY 2018 funding \$2,035,981</u>	This activity will improve health behaviors among Cambodians, including individuals with disabilities, to ensure Cambodians seek and receive high-quality health and social services at decreased financial hardship through sustainable systems. The activity will strengthen public sector systems for oversight and coordination of health behavior change at the national and provincial levels; and improve the ability of individuals to adopt healthy behaviors.	Population Services International (PSI)	A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services B. Strengthen Health Systems and Governance C. Improve Infectious Disease Control Programs
<u>Enhancing Quality of Healthcare Activity (EQHA)</u> <u>Estimated FY 2018 funding \$3,704,297</u>	This activity focuses on improving the quality of public and private health services in Cambodia and promoting equitable access to quality care. This activity will provide technical assistance to national and sub-national health systems to improve policies, guidelines and standards for streamlined quality assurance and to increase the efficiency and effectiveness of service delivery at selected facilities in six provinces. EQH will work to strengthen licensing and regulation of service providers and monitoring of service quality in the private sector, toward the	Family Health International (FHI 360)	A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services B. Strengthen Health Systems and Governance C. Improve Infectious Disease Control Programs

	development of accreditation. The activity will also seek to improve the quality of medical training for students before they are deployed to health facilities.		
<u>Global Health Supply Chain (GHSC) Procurement and Supply Management (PSM) – Task Order</u> <u>1 Logistics Management Information System (LMIS)</u> <u>Estimated FY 2018 funding \$350,000</u>	This activity will provide technical assistance to the MOH for system strengthening and capacity building for the LMIS. PSM will provide technical assistance to MOH to pilot implementation and evaluate the strengthened LMIS and in preparation for nationwide scale-up.	Chemonics	B. Strengthen Health Systems and Governance
<u>VectorLink</u> <u>Estimated FY 2018 funding \$650,000</u>	The activity will support malaria control and elimination in Cambodia. This will be done through capacity building and strengthening entomological surveillance and routine insecticide resistance monitoring in Cambodia, including but not limited to: updating policy and standard operation procedures for all entomological surveillance and testing; developing training materials and other tools for entomological surveillance activities; training entomology staff at all levels to carry out surveillance and resistance testing; facilitating entomological testing on vector behavior and effectiveness of potential vector control interventions; selecting routine sentinel sites to monitor malaria vectors annually; carrying out	Abt Associates	C. Improve Infectious Disease Control Programs

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	<p>an entomological assessment as a part of foci investigation in operational districts targeted for elimination; and conducting entomological assessment in all districts reporting potential outbreaks based on set outbreak thresholds.</p>		
<p><u>Health Policy Plus (HP+)</u></p> <p><u>Estimated FY 2018 funding \$1,950,000</u></p>	<p>The HP+ activity strengthens capacity for and advances health policy priorities of equitable and sustainable health services, supplies, delivery systems, and financing. This activity will support Cambodia's Social Protection Policy Framework and health financing work to increase government domestic resources for priority health areas, improve the effectiveness in the management of resources, and increase efficiency in the use of resources. The activity will also 1) support ongoing health sector reforms in the area of social health protection and general health financing; 2) conduct key analyses and make policy recommendations that will tangibly increase the country's capacity to fund an increasing share of the HIV and tuberculosis (TB) responses from domestic sources; and 3) provide an evidence base for more efficient use of health and disease-specific funds and to increase the role of civil society and citizens in how such funds are raised and allocated.</p>	Palladium	B. Strengthen Health Systems and Governance
<u>LINKAGES</u>	The LINKAGES activity will provide technical assistance	FHI 360	C. Improve Infectious Disease Control

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<p><u>Estimated FY 2018 funding \$2,382,747</u></p>	<p>of global standards to NCHADS to identify undiagnosed HIV cases through programs funded through the Global Fund that focus on key populations (KP) and the community. Technical assistance from LINKAGES will continue to scale up the NCHADS Consolidated Community Action Approach for Boosted-Integrated Active Case Management (B-IACM) framework to accelerate HIV case detection, enrollment on treatment, and treatment retention. More specifically, LINKAGES will improve client targeting and profiling and scale up cost-effective interventions such as social networking (PDI+, snowballing), HIV self-testing, use of social media, and partner notification and tracing. LINKAGES will assist in creating services that are stigma- and discrimination-free, including services for KP victims of gender-based violence and KP-competent services, to increase case detection and retention.</p>		<p>Programs</p>
<p><u>NOURISH</u> <u>Estimated FY 2018 funding \$812,000</u></p>	<p>The NOURISH activity will address key causal factors of chronic malnutrition in Cambodia including poverty, lack of access to quality nutrition services, poor sanitation, and behaviors that work against optimal growth and development. NOURISH will promote access to products and services that improve nutrition. Interventions include</p>	<p>Save the Children</p>	<p>A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services</p>

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	<p>behavioral change communications in health; food demonstrations; nutrition-sensitive agriculture activities; community-led vouchers for the purchase of water, sanitation and hygiene related hardware; and private sector engagement to advance the supply of sanitation and nutrient rich products. NOURISH will also provide support to the RGC for institutionalizing and scaling up cash transfer programs.. This activity is also reflected in the food security and environment agreement as it will be jointly funded from both sectors. The activity will be coordinated with the MOH and the Council for Agriculture and Rural Development.</p>		
<p><u>Procurement and Supply Management (Global Health Supply Chain-PSM TO 2 Malaria)</u></p> <p><u>Estimated FY 2018 funding \$1,616,000</u></p>	<p>This activity will strengthen CNM's capacity to forecast, quantify demand, and distribute medical goods, and update its logistics management information system to avoid drug supply disruptions. The activity will provide technical assistance to CNM and its partners to improve the functionality of the malaria health commodity supply chain and support the procurement and distribution of malaria commodities designed for the prevention and reduction of the spread of malaria infection.</p>	Chemonics	C. Improve Infectious Disease Control Programs
<p><u>World Health Organization Consolidated Grant (WHO)</u></p>	<p>This activity will support CNM to monitor the emergence of drug resistant malaria in Cambodia. It will</p>	WHO	C. Improve Infectious Disease Control Programs

<p><u>Estimated FY 2018 funding \$820,000</u></p>	<p>provide technical assistance in the implementation of therapeutic efficacy studies of antimalarial medicines in six sentinel sites in Cambodia; revise and update national malaria treatment guidelines; support CNM in analyzing malaria data and success rates; improve the quality of diagnosis, and advocate for policy development and change in response to real-time drug-resistance data. The activity will also generate the data and critical strategic information required by RGC for its malaria treatment efforts and strategy. This activity will help the RGC better respond to failures in malaria treatment. This activity will also provide targeted technical assistance in TB to ensure that TB interventions are in line with international standards and human resources for health to improve licensing and capacity building of health professionals.</p>		
<p><u>TBD – Family Planning</u></p> <p><u>Estimated FY 2018 funding \$2,203,926</u></p>	<p>This activity will work to expand access to and use of quality family planning (FP) services and strengthen both demand for and the supply of family planning services. Activities may include but are not limited to building the capacity of healthcare providers to deliver quality FP services, scaling up innovative methods for increasing use of FP methods, and promoting partnerships to increase access to FP services. The</p>	<p>TBD</p>	<p>A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services</p>

	activity may support training on long-term FP methods for both public and private sector providers, broadcasting of FP behavior change messaging, or development of an FP private sector engagement platform.		
<u>TBD – NUTRITION/WASH</u> <u>Estimated FY 2018 funding \$123,004</u>	This activity will improve nutritional status of mothers and children, as measured by rates of stunting in children under five and rates of maternal anemia. The activity will build upon lessons learned from other nutrition activities to strengthen interventions that will increase household-level practice of key Essential Nutrition Actions; increase use of improved sanitation facilities; and, improve hygiene behaviors. This activity may also improve other aspects of early childhood development by improving positive parenting, child protection, cognitive development, and supporting oral language acquisition, and pre-literacy skills.	TBD	A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services B. Strengthen Health Systems and Governance
<u>Sanitation Development Impact Bond (DIB)</u> <u>Estimated FY 2018 funding \$1,250,000</u>	The activity will leverage the private sector and innovative financing mechanisms to improve access to affordable and sustainable water, sanitation and hygiene products and services, particularly in rural areas. The activity will support communities to move toward open defecation free (ODF) status in six provinces through increased marketing, sales, and distribution of latrines and fecal sludge management solutions.	Stone Family Foundation / iDE	A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services

	USAID will pay the Stone Family Foundation (SFF) for ODF achievement, and the SFF will have a contract with an NGO, iDE, and manage the activity's implementation.		
<u>TB Local Organization Network (LON)</u> <u>Estimated FY 2018 funding \$900,000</u>	This activity will partner with local organizations to implement locally generated solutions to tailor USAID's TB response to patients and communities to address diagnosis, treatment and prevention needs, addressing stigma and discrimination. It will engage and leverage civil society, the private sector, and communities by partnering directly with local entities within Cambodia, resulting in increased diagnosis and treatment success rates.	Multiple Mechanisms TBD	C. Improve Infectious Disease Control Programs
<u>Sustaining Technical and Analytic Resources (STAR) TB Advisors</u> <u>Estimated FY 2018 funding \$150,000</u>	This activity will provide technical assistance to the National TB Program through embedded long-term technical advisors. The activity will strengthen the capacity of health professionals working on TB, assist in resolving implementation bottlenecks, provide mentoring and training, and assist the NTP with coordination between relevant line ministries. The scopes of work for individual advisors will be agreed upon by both the National TB Program and USAID.	TBD	C. Improve Infectious Disease Control Programs
<u>TB Data, Impact, Assessment and Communications Hub (TB DIAH)</u> <u>Estimated FY 2018 funding \$200,000</u>	This activity will support the National TB Program with technical support to strengthen its TB surveillance systems, as well as tools and timely programmatic data to assess performance, identify	TBD	C. Improve Infectious Disease Control Programs

	implementation gaps, and use data for decision-making purposes. This activity will improve the quality of data collection and results and ensure optimal consolidation and analysis of TB data.		
<u>TBD – Tuberculosis (TB)</u> <u>Estimated FY 2018 funding \$200,339</u>	This activity will provide short-term technical assistance and training to increase TB case detection; improve quality of TB services; and coordinate with the National TB Program and provincial TB staff. The activity will support increased ownership, build local capacity, and further the journey to self-reliance by supporting health leaders and local organizations to implement TB activities. To avoid the spread of TB multi-drug resistance, the activity will strengthen programmatic management of drug-resistant TB, especially the newly rolled-out shorter regimen and use of new drugs.	Multiple Mechanisms TBD	C. Improve Infectious Disease Control Programs
<u>Center for Disease Control Inter-Agency Agreement (CDC-OAA)</u> <u>Estimated FY 2018 funding \$660,326</u>	This activity will provide technical assistance from the U.S. Centers for Disease Control and Prevention (CDC) to improve malaria vector control, surveillance monitoring and evaluation, and operations research. U.S. CDC technical officers will travel to Cambodia twice per year and provide assistance with entomological training and capacity building as well as vector control strategy development. This funding will also support a CDC President Malaria’s Initiative (PMI) Resident Advisor who will be embedded on the	TBD	C. Improve Infectious Disease Control Programs

	<p>USAID team and will support the implementation of the malaria portfolio, strengthen policy engagement, and provide technical guidance. The personnel deployed through this activity will strengthen malaria control and elimination programming, which will help reduce the malaria burden on Cambodians and move the country toward reaching its malaria elimination goal by 2020.</p>		
<p><u>Impact Malaria (Service Delivery)</u></p> <p><u>Estimated FY 2018 funding \$1,027,000</u></p>	<p>This activity will test the feasibility of scaling up using primaquine as a radical cure treatment for malaria caused by Plasmodium vivax. Since people who do not have a certain gene, G6PD, can suffer life-threatening consequences from taking primaquine, a new point-of-care G6PD test will be used to identify individuals who cannot receive the treatment. This activity will also expand case management services to high-risk populations by improving referrals and using innovative approaches. The research and case management component of this activity will contribute to reducing the malaria burden on Cambodians and helping Cambodia move toward reaching its malaria elimination goal by 2020.</p>	PSI	C. Improve Infectious Disease Control Programs
<p><u>Local Organizations – Movement Towards Self-Reliance</u></p> <p><u>Estimated FY 2018 funding \$250,000</u></p>	<p>This activity will provide technical assistance to local organizations working in the health sector to strengthen their organizational and technical capacity in order to</p>	TBD	A. Increased Utilization of Quality Maternal and Child and Reproductive Health Services

	effectively manage funding and develop strategies to become self-reliant.		<p>B. Strengthen Health Systems and Governance</p> <p>C. Improve Infectious Disease Control Programs</p>
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D. Additional Support

This Amplified Description may be changed upon written consent between the MOH and USAID to, among other things, add additional activities without formal amendment to the Agreement, provided that such changes are within the limits of the definition of the Objective in Article 2, Section 2.1.

Additional activities may include small, short-term activities such as epidemic control or disease response.

VI. Program Management

All activities will be designed in coordination with the relevant RGC counterparts and with appropriate consultations with stakeholders. Program design will include a provision for a management structure, co-chaired by the MOH and USAID, that will endorse program activities.

VII. Roles and Responsibilities of the Parties

A. MOH

The MOH will serve as the RGC lead partner for USAID in the implementation of this Agreement, including, but not limited to the inter-ministerial and inter-departmental coordination, provision of competent technical staff and provision of workplace for the staff. Consistent with the Laws of the Kingdom of Cambodia and the policies and procedures of the RGC, the MOH will:

1. Facilitate the official approval at all levels necessary within the RGC for implementing program activities;
2. Facilitate the necessary documentation, if required, for USAID implementing partners to carry out the work described herein;
3. Coordinate communications with the appropriate RGC authorities that the activities of USAID implementing organizations should receive support to carry out the work described herein;
4. Participate in the monitoring and evaluation of projects, including site visits;
5. Facilitate the official permits, visas, and any other permissions described in Article 6 of the Agreement;
6. Facilitate the exemptions described in Section B.4 of Annex 3; and,

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7. Undertake other activities as required by the program.

B. USAID

In achieving results of this Agreement, USAID will:

1. Provide, through USAID partner organizations, appropriate technical assistance to implement the program;
2. Contribute towards the achievement of the HSP3;
3. Share performance reports and other relevant documents on program activities to the MOH as appropriate and on a timely basis;
4. Consult with the MOH and other relevant RGC entities at regular, mutually-agreed-upon intervals, or at the request of the RGC, on progress towards the achievement of the: a) program's objective; b) performance of obligations under this Agreement; and c) performance of USAID implementing organizations, and other matters related to this Agreement;
5. Participate and contribute to the health-related TWGs and their sub-TWGs and all other TWGs as appropriate; and
6. Instruct its partner organizations to coordinate the development of their annual workplans and monitoring and evaluation plans with the relevant national program(s) or department(s) within the MOH.

VIII. Monitoring and Evaluation

Routine monitoring will focus largely at the implementing mechanism level and track required indicators. USAID's implementing partners will regularly coordinate with the relevant national program or department within the MOH in monitoring and evaluating activities under each implementing mechanism. Given that there are multiple implementing mechanisms under this Agreement, USAID will ensure that all are working to achieve the complementary objectives and contribute to both technical areas and the RGC's JMIs. Indicators, baselines and targets should, as far as possible, be drawn directly from RGC's own results frameworks and policy objectives.

IX. 1994 Framework Bilateral

All assistance provided under this Agreement by USAID and its implementing organizations shall be entitled to all diplomatic, tax, and other privileges and benefits set forth in the Economic, Technical and Related Assistance Agreement between the Royal Government of the Kingdom of Cambodia and the Government of the United States of America dated October 25, 1994.

DOAG No. 442-DOAG-0201

Annex 2: FY 2018 Education Amplified Description

I. Introduction

This Annex describes the education activities to be undertaken and the results to be achieved with the funds obligated under this Agreement.

USAID has developed a Country Development Cooperation Strategy (CDCS) 2014-2020, which aims to accelerate Cambodia's transformation to a democratic and prosperous country. USAID programs under USAID's Development Objective 2, "Improved Health and Education of Vulnerable Populations," aim to support the Royal Government of Cambodia's (RGC) goals to improve reading comprehension among children and lower school dropout rates. Ultimately, USAID hopes to help Cambodians attain increased readiness to enter the workforce.

II. Background

Cambodia's education system has improved substantially in the last decade. The Ministry of Education, Youth and Sport (MOEYS) successfully increased net enrollment in basic education to 98% in the 2017-2018 school year in 7,228 primary schools. MOEYS has set an ambitious reform agenda to improve education quality building upon efforts from 2010-2014 where the RGC revised the national curriculum and corresponding student learning materials with the goal of improving learning. The Primary promotion rate has increased from 87% in 2015-2016 to 89.4% in 2016-2017. Efforts to strengthen early grade reading and math have improved promotion rates from 83.5% in 2015-2016 to 84.6% in 2016-2017 for grade 1. Other achievements include declines in grade repetition and student dropout rates. Building upon these successes, the RGC seeks to improve the quality of education.

Literacy is a core indicator of education quality, as the ability to read and understand text is one of the most fundamental skills a child learns. The World Bank's Early Grade Reading Assessment (EGRA) in 2010 revealed that one-third of Cambodian children could not read, and nearly half (46.6%) of those who could read did not understand what they had read. The 2018 USAID and Global Partnership for Education baseline EGRA in Siem Reap, Kampong Thom and Battambang found that 72% of grade 1 students could not identify a single word at the end of grade 1. This is especially concerning since research has shown that students who do not learn to read in the early grades are more likely to fall behind in studies, repeat grades, and eventually drop out of school. In recognition of the relationship between quality of education and literacy rates, the MOEYS has made it a national priority to improve the quality of education to improve literacy rates.

A. Strategic Alignment with Government Strategies

The RGC seeks to achieve higher middle-income status by 2030. To support the Cambodian government's efforts toward this goal, USAID plans to assist Cambodia to achieve measurable improvements in education. The activities outlined in this document align to the Royal Government of Cambodia's (RGC) Rectangular Strategy-Phase 4. Under this strategy, the RGC

aims to further strengthen public institutions, namely “the structure of the organization, sets of formal and informal rules of law, human resources, means and financial resources which determine work principles and attitude, be it political, economic or social spheres, within the framework of democratic process and the rule of law that are fully legitimate in order for us to proceed with development by sustaining high economic growth; promoting socio-economic structural change; creating quality jobs for the youth, responding effectively to the expectations of the people, especially addressing the gradually increasing needs of the people, including access to quality public services, be it physical infrastructure, education, healthcare or other basic services; ensuring social security and welfare of the people; ensuring income security especially for the vulnerable groups; ensuring balanced and lower development gap between urban and rural areas; remaining flexible and vigilant with regional and global developments; taking full advantage of technological development and digitalization especially in the context of the fourth industrial revolution; and lastly; stepping up the effectiveness of the protection and conservation of the environment, natural resources, ecosystem, biodiversity, forest and wildlife sanctuaries as well as adaptation to climate change.”¹

In support of the RGC’s Rectangular Strategy-Phase 4, the MoEYS has developed an Education Strategic Plan (ESP) 2019-2023 in order to be aligned with next NSDP of the Royal Government of Cambodia, Cambodia’s Sustainable Development Goal 4-Education 2030 Roadmap, and Industrial Development Policy (IDP) 2015-2025. The MoEYS has identified two key policy objectives: Policy Objective 1: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; and Policy Objective 2: Ensure effective leadership and management of education officials at all levels. USAID’s programs in education will help advance the goals of the current and future ESP wherever possible.

B. Support of Coordination Working Groups

In coordination with the RGC and other donors on education issues, USAID participates in the following coordination working groups related to education:

- Joint Technical Working Group on Education; and
- Education Sector Working Group

As appropriate, USAID will participate in additional working groups and other aid coordination architecture throughout the life of this Development Objective Grant Agreement (DOAG).

III. Funding

USAID investments of approximately \$21,475,728 are planned using FY 2015-2018 appropriated funding to achieve this Development Objective, including \$8,020,000 in new FY 2018 funds. Currently, education funds have congressionally mandated earmarks and limit support to focus on improving education quality for primary education, with a particular focus on early grade learning.

¹ Cambodia Rectangular Strategy-Phase 4, pp. 1-2.

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The RGC contribution reflects the MOEYS’s in-kind contributions to the shared objectives of the program. The contribution will be approximately 25% of the total program costs used to support activities that substantially benefit the Grantee or entail direct and substantial involvement of the RGC in the administration, management, or control of the activities hereunder. The dollar equivalent amount of this contribution would not exceed U.S. \$2,436,260 for FY 2018 funds.

Changes may be made to the financial plan by representatives of the Parties without formal amendment of the Agreement if such changes do not cause USAID’s contribution to exceed the amount specified in Section 3.1 of the Agreement.

The financial plan for this program is set forth in the table below.

Description	Year (FY 2015)	Year (FY 2016)	Year (FY 2017)	Year (FY 2018)	Grand Total
Education	2,885,000	1,851,586	7,448,940	7,308,780	19,494,306
Sub-total:	2,885,000	1,851,586	7,448,940	7,308,780	19,494,306
Administration Cost:	100,000	133,414	1,036,788	711,220	1,981,422
Total Estimated USG Contribution	2,985,000	1,985,000	8,485,728	8,020,000	21,475,728
Total Estimated RGC Contribution	961,667	617,195	2,482,980	2,436,260	6,498,102

IV. Results to be Achieved

In order to support the RGC’s goal in basic education, USAID activities will contribute to the Ministry’s reform on quality of education. The activities will contribute to achieving indicators set in the new Education Strategic Plan 2019-2023 and the Joint Monitoring Indicators (to be confirmed).

At activity level, relevant illustrative indicators are:

- Proportion of students who, by the end of two years of primary schooling, demonstrate that they can read and understand the meaning of grade level text;
- Percent change in early grade reading assessment scores;
- Number of learners receiving reading interventions at the early grade level;
- Number of teachers receiving USG assistance to implement effective instructional practices; and
- Number of teaching and learning materials, policies revised or developed and distributed.

V. Activities

All activities will align with the following technical areas:

A. Improved Early Grade Learning Skills of Children

Although Cambodia's literacy rate is high, reading comprehension is low as a result of poor quality instruction in schools. Reading achievement scores on a national test revealed that 54% of children tested were not able to demonstrate the expected reading skills at grade 1. The USAID and GPE 2018 baseline found that 72% of grade 1 students could not correctly identify a single word at the end of Grade 1. USAID programs will enhance the quality of Cambodia's early grade reading and mathematics programs by strengthening MOEYS systems particularly in the areas of in-service and pre-service teacher training, teaching and learning materials, assessments, curriculum and instruction, and other relevant and related areas to improve the quality of education and increase learning for all students, including students with physical or cognitive disabilities. Existing activities will continue to support inclusive and gender equitable programs that support the MOEYS reform agenda to improve education quality for Cambodian students. New activities will continue to be designed in consultation with the MOEYS.

B. Childhood Development and Children with disabilities

USAID will work with the Royal Government of Cambodia to help prevent unnecessary separation of children with and without disabilities from their families as well as supporting reintegration into family care of children, with an emphasis on children with disabilities who are living in institutions. Potential action could include strengthening public education identification and support structures, early identification, developmental monitoring, family support to prevent separation and enable care, infant stimulation and responsive care to promote early childhood development, accommodations to facilitate integration into regular schools, and counseling or referring for rehabilitation services. Activities may target early childhood development, cognitive and physical development, and water, sanitation, and hygiene (WASH) in schools and nutrition.

C. Additional Support

This Amplified Description may be changed upon written consent between the MOEYS and USAID to, among other things, add additional activities without formal amendment of this Agreement, provided that such changes are within the limits of the definition of the Objective in Article 2, Section 2.1.

VI. Program Management

All activities will be designed in coordination with the relevant RGC counterparts and with appropriate consultations with stakeholders. Program design will include a provision for a management structure, chaired by the MOEYS or co-chaired by the MOEYS and USAID that will, inter alia, endorse an annual work plan and budget and monitoring of the program activities.

VII. Roles and Responsibilities of the Parties

A. MOEYS

The MOEYS serves as the RGC lead partner in the implementation of the Agreement, including, but not limited to the inter-ministerial and inter-departmental coordination, provision of competent technical staff and provision of workplace for the staff. Consistent with the Laws of the Kingdom of Cambodia and the policies and procedures of the RGC, the MOEYS will:

1. Facilitate the official approval at all levels necessary within the RGC for implementing program activities;
2. Facilitate the necessary documentation, if required, for USAID implementing partners to carry out the work described herein;
3. Coordinate communications with the appropriate RGC authorities that the activities of USAID implementing organizations should receive support to carry out the work described herein;
4. Participate in the monitoring and evaluation of projects, including site visits;
5. Facilitate the official permits, visas, and any other permissions described in Article 6 of the Agreement;
6. Facilitate the exemptions described in Section B.4 of Annex 3; and
7. Undertake other activities as required by the program.

B. USAID

In achieving this Development Objective and results of this Agreement, USAID will:

1. Provide, through USAID implementing organizations, appropriate technical assistance to implement the program;
2. Contribute towards the achievement of the ESP;
3. Share performance reports and other relevant documents on program activities to the MOEYS as appropriate and on a timely basis;
4. Consult with the MOEYS at regular, mutually-agreed-upon intervals, or at the request of the MOEYS, on progress towards the achievement of the: a) program's objective; b) performance of obligations under this Agreement; and c) performance of USAID implementing organizations, and other matters related to this Agreement; and
5. Participate and contribute to the Education coordination working groups and its sub working groups and all other working groups as appropriate.

VIII. Monitoring and Evaluation

Routine monitoring will focus largely at the implementing mechanism level and track required basic education indicators. USAID's implementing partners will use their own monitoring and evaluation systems to regularly collect data against these indicators. Should there be multiple implementing mechanisms under this Development Objective, USAID will ensure that all are working to achieve the complementary objectives and contribute to both USAID's Intermediate Results and the RGC's JMIs. Indicators, baselines and targets should, as far as possible, be drawn directly from the RGC's own results frameworks and policy objectives.

IX. 1994 Framework Bilateral

All assistance provided under this Agreement by USAID and its implementing organizations shall be entitled to all diplomatic, tax and other privileges and benefits set forth in the Economic, Technical and Related Assistance Agreement between the Government of the Kingdom of Cambodia and the Government of the United States of America dated October 25, 1994.