

9363028

PD-AAT-955

IRN=16276

Submitted to:

AID/Office of Population
Family Planning Division
Rosslyn, Virginia

TRIP REPORT

ACCRA, GHANA

March 16 - April 14, 1985

Prepared by:

Ralph Susman, Consultant
SOMARC/The Futures Group
1111 14th Street, N.W.
Suite 400
Washington, D. C. 20005

Project No. DPE-3028-C-00-4079-00

TABLE OF CONTENTS

	PAGE
LIST OF ABBREVIATIONS	i
I. EXECUTIVE SUMMARY	1
II. OBJECTIVES	3
III. BACKGROUND AND CURRENT SITUATION	4
IV. ASSESSMENT OF COMMERCIALIZATION OF CONTRACEPTIVES	6
A. Present Service Delivery Situation	6
B. National Census of Institutions Licensed with Ghana Pharmacy Board	6
V. ASSESSMENT OF VEHICLE IMPORT LICENSES	10
VI. NEEDED CHANGES IN THE PHARMACY AND DRUG ACT OF 1961	11
VII. DETERMINATION OF GHANA PHARMACY BOARD STATUTORY REQUIREMENTS FOR NEW PRODUCTS REGISTRATION	13
VIII. DRAFT CONTRACT	15
IX. PRE-IMPLEMENTATION TASKS	16
A. USAID/Accra	16
B. Lintas	16
C. Prices and Incomes Board	18
X. RECOMMENDATIONS AND NEXT STEPS	21
XI. BASIC RESEARCH REQUIREMENTS FOR THE CSM PROJECT	22
APPENDICES	
A. Persons and Organizations Contacted	23
B. Basic Research Requirement Prepared by Lintas:Ghana	24
C. Family Planning CSM Raw Material Budget	25

LIST OF ABBREVIATIONS

Mission	USAID Mission to Ghana
REDSO	USAID Regional Economic Development Office, Abidjan
MOH	Ministry of Health
MFEP	Ministry of Finance and Economic Planning
ISSER	Institute for Statistical, Social and Economic Research, University of Ghana, Legon
DANAFCO, Ltd.	Private sector company selected by the Ministry of Finance and Economic Planning to carry out the contraceptive social marketing program.
GOG	Government of Ghana
CSM	Contraceptive Social Marketing
AID/W	USAID/Washington
Pharmahealth	Pharmahealth Centre Ltd, a private Ghanaian company to be involved in the CSM program training and monitoring activities.
Lintas	Lintas:Ghana Limited, a private Ghanaian controlled advertising company to be involved in the CSM program advertising and promotion activities.
PIB	Prices and Incomes Board, an agency of the Government of Ghana.

I. EXECUTIVE SUMMARY

From the standpoint of actual project development and pre-project implementation including the necessary negotiations with Government of Ghana agencies, the CSM project is well on track to meet the target dates agreed upon in the pre-implementation plan.

Substantial time and money have been saved obtaining current lists of registered pharmacies/pharmacists, chemical sellers, private medical, and dental clinics and maternity homes nationwide. This information along with existing information on retail outlets provides the basis for development of the retail distribution network. This in turn will lead to the development of the retailer training and orientation activity.

Procedures for obtaining an import license and necessary foreign exchange to bring in the required eight (8) vehicles have been initiated. An inquiry has been sent to the Ministry of Trade describing the project, its basis of support and its requirements. DANAFCO Limited, who sent the letters, is expecting a reply shortly. Even if the reply is affirmative, that does not assure that the process will be swift, timely or even successful as there are many levels of review and numerous considerations which enter into such decision making. For this reason SOMARC was previously asked to consider the possibility of importing vehicles should this become necessary. There is still time for this activity but if approval is not forthcoming from the GOG by mid-June, then USAID should be prepared to act positively on this important matter.

A significant breakthrough has been achieved in that the Ministry of Health has written to USAID/Accra indicating its wish to promote demonstration projects within the public and private sector projects allowing the oral contraceptive to be sold by non-medical personnel. This means that a selected number of licensed chemical sellers would be trained, supervised and monitored to assure their performance under the MOH-supported demonstration projects. This also means significant increase (by at least 2,000) in the number of officially sanctioned oral contraceptive outlets in the CSM project. It is the requirement of the MOH that there be a monitoring and research component to document the effect of this demonstration. It must be appreciated that this constitutes a very significant departure from established policy under the Pharmacy and Drugs Act of 1961. The Ministry of Health and especially the DMS, Dr. J.D. Otoo, are to be congratulated for such a farsighted approach.

All work has been completed on the draft contract to be executed between the MFEP acting for the GOG and DANAFCO. This will be ready for presentation to other parties by USAID/Accra just as soon as Don Keene from REDSO, Abidjan gets the clean and final draft, with attachments transmitted to Torn Luche in Accra via the courier.

All of the statutory requirements administered by the Ghana Pharmacy Board concerning new product registration and title to products so registered have been discussed in full with the Executive Secretary/Registrar of the Pharmacy Board.

They have been assured that if the necessary information and documentation are provided, a timely decision will be taken. Mr. Corquaye, the Executive Secretary/Registrar, has been very helpful and supportive in many ways and has indicated that the CSM project can expect his continued cooperation.

Important discussions were held with senior officials of the Prices and Incomes Board (PIB) concerning the process of submitting a proposed pricing structure. There was also a candid discussion of the need for periodic price increases, consonant with changing economic conditions including devaluations, inflation, and Government decreed wage increases. The meeting went very well with a frank exchange of views and issues by the public and private sector programs with the PIB.

Various additional activities were undertaken to assist USAID/Accra with numerous pre-implementation issues, including a number of the conditions precedent in the project paper. Resolution of these matters is well under way.

II. OBJECTIVES

General

To assist in the completion of significant pre-project implementation tasks for the CSM Project as agreed to by The Futures Group, AID/W and The USAID Mission to Ghana.

Specific

- a. Carry out all preparatory negotiations, including research design, relating to the nationwide census of pharmacies, chemical sellers, medical clinics (private) and maternity homes.
- b. Assess the present situation concerning vehicle import licenses, including access to required foreign exchange as necessary for the project. Submission of application(s) for vehicle import licenses if feasible.
- c. Carry out negotiations/approval for oral contraceptive distribution by selected and trained Licensed Chemical Sellers.
- d. Complete all work related to the Draft Contract for the Ministry of Finance and Economic Planning (MFEP) and DANAFCO.
- e. Determine Ghana Pharmacy Board statutory requirements for new product registration.
- f. Determine who it is that actually holds legal title to the products being registered by the Ghana Pharmacy Board.
- g. Assist the USAID Mission to Ghana in various pre-implementation tasks as they may be identified.
- h. Hold discussions with Lintas:Ghana Limited and others to assess the need for pre-implementation media-related research.

Additional Tasks Undertaken

- a. Assist the Mission in matters related to the Conditions Precedent as set down in the Project Paper.
- b. Assist DANAFCO in the development of an acceptable and appropriate system of nationwide stock control, reporting and logistical support.
- c. Assist DANAFCO in the estimation of required inks, die cutters, chromo board, paper and other necessary packaging supplies.
- d. Initiate discussions with the Prices and Incomes Board preparatory to submitting a formal request for approval of project pricing structure later in the pre-implementation sequence.

III. BACKGROUND AND CURRENT SITUATION

The Government, headed by Flt. Lt. J.J. Rawlings, came to power in a military coup d'etat on 31 December, 1981. Since that date Ghana has been run by the Provisional National Defense Council (PNDC), whose chairman is Flt. Lt. Rawlings.

The PNDC Government inherited an empty treasury with virtually no foreign currency reserves. Economic activity was absolutely minimal and the physical infrastructure of the country was in a state of near total collapse. The transport of essential imports was nearly impossible due to severe gasoline and diesel fuel shortages, few trucks were roadworthy and the road network including bridges and culverts around the country was in a precarious state. Ghana's foreign currency situation combined with an inability to move such traditional exports as cocoa and timber for export presented the PNDC Government with very serious policy issues.

At this time life for the urban dwellers in the southern one-third of the Country (approximately 52% of the total population), was extremely difficult with very severe shortages of food and other essential items including medicines, fuel, spare parts. In the predominantly rural/small town/village northern two-thirds of Ghana the shortages of fuel, spare parts and medicine were indeed a problem but the essentially agricultural-based economy of these areas provided, in most instances, a greater measure of food security.

This earlier period of chronic shortages alongside a vastly over-valued Ghana cedi has been replaced by an economic rehabilitation program based upon a detailed agreement worked out with the IMF and supported by the World Bank, The United States, and other major western donor governments.

This has meant a steady devaluation of the cedi in relation to the US dollar. From a value of c2.75 = US\$1.00 at the time of the Revolution, it was devalued in steps and reached c38.5 by the fourth quarter of 1984. It is at present pegged at c50.00 = \$1.00. It is widely believed that the next devaluation announcement will come very soon and is likely to put the cedi at around 65 to the dollar.

As a result of the current Government's fundamental policy shift away from an ideologically-based economic approach to one which is a fundamentally pragmatic and western style free market based economy, dramatic improvements have taken place in the past twelve months.

Funded mainly by loans, credits and grants, there has been a vast amount of importation of transport equipment and spare parts which, combined with road rehabilitation, has significantly improved the movement of people and goods around the country, and to and from the ports. There has also been a vast improvement in the availability of medicines, cloth, spare parts and essential consumer items. One even sees certain luxury imports such as stereo sets, perfume and the like, though much of this type of import is "unofficial" and is brought in by small scale entrepreneurs travelling to Ivory Coast, Togo, Nigeria and Europe.

It must be noted, however, that the cost of these readily available foodstuffs and other items has become increasingly expensive, relative to the disposable income of the majority of Ghanaians. Except for the few large stores in Accra for example, most petty traders and small shops tend not to sell most items at the price set by the Prices and Incomes Board (PIB). As the cedi has been undergoing a phased devaluation, the "street rate" or "black market" cedi has likewise changed its value. The present "street rate" or "kalabuli" cedi is around ¢140-150 to the dollar. The problem for the vast majority of Ghanaians and policy makers alike arises from the fact that most goods and services are priced at the kalabuli rate although wages are controlled and predicated upon the Government's economic recovery plan and the official cedi-dollar rate at any given time. There is, for example, bread for sale everywhere in Accra or Cape Coast, but the price can go up as high as ¢120 per loaf, which is nearly \$2.50 at the official rate. A pineapple, albeit large and succulent, is generally priced around ¢90-120.

The increase in economic activity, the ready availability of food and consumer goods, and the obvious improvement in the lives of most people, do not result from a vast amount of locally generated economic activity and wealth creation. Rather, we are seeing the first fruits of the vast amount of foreign (Western) economic inputs including those of the World Bank, IMF, and other bilateral and multilateral agencies and organizations. Present calculations of the World Bank in Ghana indicate overall economic activity and wealth creation equal to that in Ghana around 1970.

The difficult economic circumstances and high cost of living have heightened the awareness of Ghanaians to the real costs of providing for children. There is a genuine inclination to limit the family size and put more thought into child spacing. What remains is for the message on family planning to be communicated and the means to achieving family planning made widely available at a realistic cost.

IV. ASSESSMENT OF COMMERCIALIZATION OF CONTRACEPTIVES

A. The Present Service Delivery Situation

At the present time, it can reasonably be stated that the population of Ghana is not well served either by the MOH, private voluntary organizations, or through the availability of contraceptives through retail commercial outlets. Easily accessible, convenient and affordable family planning services and contraceptives are not readily available in the urban areas. The situation is, quite understandably, far worse in the rural areas and small towns and villages, especially in the northern two-thirds of Ghana. The problems of service delivery and contraceptive supply are related to a number of factors, but center especially around transport, economic issues, bureaucratic issues and basic problems related to the management of resources. The Ministry of Health, whose family planning program is by far the largest in Ghana, has long suffered from organizational atrophy, chronic bureaucratic strangulation, fundamental lack of management and planning competency and gross underfunding. The largest Planned Parenthood Association of Ghana, (PVO), has long been a dynamic, badly managed, and likewise underfunded program.

As has been found on previous recent visits, small amounts of contraceptives are available in a relatively few pharmacies in Accra, Cape Coast and some of the other cities in the southern part of the Country. There are commodities which have "leaked" from a PVO into the private sector. The level of supply is quite uneven with available supplies being nowhere equal to the demand. As a consequence, the prices for these few contraceptives in the retail sector are beyond the reach of most potential consumers. We are reliably informed that in the northern two-thirds of Ghana, one would find almost no contraceptives available in the retail sector. In such areas the only contraceptive supply is via Ministry of Health clinics and field workers.

B. National Census of Institutions Licensed with the Ghana Pharmacy Board

As the result of a previous visit (October-November 1984) and meetings with the Ghana Pharmacy Board, it was determined that their records were at least three years out of date and thus more or less useless for purposes of planning a distribution network and carrying out the necessary initial training and orientation.

We are informed that the problem came about because of the absence of reliable communications (especially the mails), as well as an absence of fuel and reliable vehicles with which to undertake the task. It should be remembered that the Pharmacy Board, an agency within the MOH, is mandated by law to license every pharmacist, pharmacy and chemical seller each year and that no such person is permitted to remain in business or practice (as in the case of institutional pharmacists) without the annual license. At that time, we were told as well that the Private Council, the Medical and Dental Council and the private Hospitals and Maternity Homes Board were all far behind in their licensing and record keeping and that no useful and current data were available.

To determine the need, a national census of these various persons and institutions was undertaken. Although we cannot claim credit for a major turnabout by these agencies, we would like to think that our meetings with their directors and with the Secretary for Health and Director of Medical Services, might have increased their awareness of the need to carry out their statutory responsibilities. Through various means, vehicles, fuel and staff were mobilized and the data collected and tabulated.

It was with some considerable surprise and relief that we found these agencies in possession of most of the data we require to identify, locate and enumerate the service delivery base for the CSM project. We are now in possession of the following:

- a. A list of all registered pharmacists in Ghana as of 31 December, 1984. The list, containing 597 entries, includes the following information:
 - Name of pharmacist
 - Registration number
 - Date of first registration
 - Address/organization/company affiliation

This list is aggregated on an alphabetical basis.

- b. A list of all registered pharmaceutical manufacturing companies in Ghana as of 31 December, 1984. This list, containing 21 entries, includes the following information:
 - Name of business
 - Address and location
 - Name of registered pharmacist

This list is aggregated alphabetically by region with 17 listed in the Greater Accra Region, 2 in Ashanti Region and 2 in Eastern Region.

- c. A list of all registered wholesale (only) pharmacies in Ghana as of 31 December, 1984. This list, containing 33 entries, includes the following information:
 - Name of business
 - Address and location
 - Name of registered pharmacist

This list is aggregated alphabetically with all being in the greater Accra Region.

- d. A list of all registered wholesale and retail pharmacies in Ghana as of 31 December, 1984. This list, containing 173 entries, includes the following:
 - Name of business
 - Address and location

- Name of registered pharmacist

This list is aggregated alphabetically by region with 103 in the greater Accra Region, 39 in Ashanti, 9 in Eastern, 14 in Western, and 2 each in Central, Volta, Brong Ahafo and Northern Regions.

- e. A list of all registered retail (only) pharmacies in Ghana as of 31 December, 1984. This list, containing 127 entries, includes the following information:

- Name of business
- Address and location
- Name of registered pharmacist

This list is aggregated alphabetically by region with 64 shown in the greater Accra Region, 38 in Ashanti, 11 in Eastern, 4 each in Western and Volta Regions, 3 in Central, 2 in Northern and 1 in Brong Ahafo Region.

- f. A list of all registered chemical sellers in Ghana as of 15 March, 1985. The list, which is substantially complete, contains 2,800 entries, and includes the following information:

- Name of chemical seller
- Registration number
- Date of first registration
- Address and location

This list is aggregated on a regional basis.

- g. A list of all registered private hospitals and medical and dental clinics in Ghana as of 31 December, 1984. This list, containing 511 entries, includes the following information:

- Name of proprietor
- Date of registration
- Address

This list is aggregated by region.

- h. A list of all registered private maternity homes in Ghana as of 31 December, 1984. This list, containing 260 entries, includes the following information:

- Name of proprietor
- Date of registration
- Address

This list is aggregated by region.

In certain cases there is additional information available, collected at the time of registration. Some of this information could be useful to the CSM project in developing its retail distribution network and the pre-launch retailer training/information program and post launch retailer performance monitoring program.

Therefore, it is suggested that in order to make the most appropriate use of the data available to us it should be put on a computer and disaggregated into a format appropriate to project use. This could be done rather quickly and inexpensively at the University of Ghana, Lagon (Accra), where preliminary discussions have been held with Professor Ewusi, Director of the Institute for Statistical, Social and Economic Research (ISSER). The information could be put directly onto tape or disc and disaggregated in accordance with our requirements. We were informed that the task could be completed in a space of one month or less with the actual cost to be determined when all of the data are presented and our requirements specified in full. It was suggested by Professor Ewusi that based upon what he had seen and our preliminary discussions, the cost should be under US \$4,000.

In addition to the use of the printouts by the CSM project, we will make some important and very helpful friends by providing some printouts to these several agencies who provided the raw data to us. They are unable to photocopy or process their data on computer due to budgetary constraints. They were all delighted at the suggestion of this form of cooperation.

It should be noted that prior to the actual acquisition of the data noted above, we did receive a research proposal from the Development Research Center at Cape Coast University. The proposal, payable in US dollars, was very far out of line in terms of costs for carrying out such work in Ghana. We discussed this matter with them and suggested that any future approaches to them on project related matters should be met with a far more realistic response. At this point in time we are suggesting that ISSER at Lagon be given priority on initial project research/data processing activities.

V. ASSESSMENT OF VEHICLE IMPORT LICENSES

At the present time, the importation of vehicles is still a cumbersome and laborious process involving numerous levels of review prior to any successful outcome. The process involves the following steps:

- an application to the Ministry of Trade
- review of all such applications by a special committee of the PNDC at the Castle
- consultation between the Ministry of Trade and the MFEP
- consultation between the Ministry of Trade and another Ministry if for any reason the use of the vehicle is in any way relevant to the mandate of this Ministry.
- finally, if all others approve, it is then up to the Bank of Ghana to agree to provide the necessary foreign exchange.

The process ordinarily takes several months. At the present time DANAFCO has sent a letter to a senior official of the Ministry of Trade to describe the somewhat unique circumstances concerning a proposed application and seeking an "advisory" opinion. This approach is possible due to the excellent contacts between DANAFCO's General Manager, Mr. Yaw Berko, and officials of the Ministry of Trade. This letter described the project, its source of funding and resources (USAID), and the fact that vehicles would be necessary for all three participants in the project. This approach follows discussion with Mr. Luche at USAID/Accra.

Several facts should be pointed out at this juncture. First, DANAFCO has inquired about receiving an import permit and necessary foreign exchange support for eight vehicles. The disposition of the vehicles and their purchasers would be as follows; five for DANAFCO; two to Lintas and one to Pharmahealth, Ltd. Second, we are informed that the Ministry of Trade will consult the Ministry of Health to see if it will endorse the application, since the activity is judged to be relevant to the mission of the MOH. We have contacted Dr. J. D. Otoo, Director of Medical Services, and PNDC Secretary for Health, E. G. Tanoh, to encourage their support for the application when it is brought to their attention. There is every reason to anticipate that such support will be forthcoming.

It is not possible to predict with any degree of certainty whether or not, or when, the DANAFCO application might be approved or rejected. Inasmuch as these vehicles are absolutely essential to the distribution outreach described in the Project Paper and approved by USAID/Accra, it is essential that a backup plan be in place in order to provide the purchase and duty free importation of these vehicles in the event the application fails or is not responded to in a timely fashion. It is for this reason that the matter was raised by Mr. Luche and this consultant with Mr. Damkoeller of SOMARC during his recent visit and again by this consultant with The Futures Group in Washington. This is a very important matter requiring resolution at an early date.

VI. NEEDED CHANGES IN THE PHARMACY AND DRUGS ACT OF 1961

Under provisions of the Pharmacy and Drugs Act of 1961, the basic statute governing the sale and dispensing of pharmaceutical products, including ethical or prescription drugs and over-the-counter preparations, licensed chemical sellers are prohibited from dispensing or selling hormone drugs including the oral contraceptive.

Following a long series of discussions and negotiations with various persons in Ghana active in health care service delivery, pharmaceutical distribution and sale, and the Director of Medical Services (MOH), Dr. J.D. Otoo, the following position has been agreed upon.

The Ministry of Health wishes to go ahead with the use of primary health care workers of the Health Brigades to distribute the oral contraceptive. It is agreed that in order to do this either the 1961 Pharmacy and Drugs Act needs to be changed or some other mechanism must be found. At the same time it is in the interest of the CSM project to expand the distribution base for oral contraceptives. This could be done by allowing a selected and specially trained number of licensed chemical sellers to sell oral contraceptives. The mechanism selected by the Ministry of Health seems like a good way to achieve this common purpose and doing so in a responsible and it is hoped a fully acceptable manner.

As the letter of 4 April from Dr. J.D. Otoo to Tom Luche, USAID/Accra, indicates the Ministry is fully behind the need to increase nation-wide availability of oral contraceptives. The Ministry assumes that with its full support broader MCH and family health gains can be achieved. In order to do this the Ministry has suggested that both the public sector and private sector distribution activities of health brigade staff and licensed chemical sellers be carried out within the context of a demonstration project.

It is the view of the Ministry that training these tandem oral contraceptive distribution activities within the context of a demonstration project will avoid objections based on either the spirit or letter of the 1961 Act. This cautious approach is most realistic in the present day social and political climate in Ghana.

Dr. Otoo has suggested the following for both the public and private sector "demonstration program" participants:

- a. they be given some appropriate short term training and orientation
- b. a methodology be devised whereby a sample of clients be monitored in order to ascertain that the means utilized by the "demonstration project" are ethical, proper, serve as an effective service delivery mechanism, and do not lead to any higher rate of medical complications than would be expected if distribution were confined solely to physicians, nurses, midwives and pharmacists--the traditional dispensers under the 1961 Pharmacy and Drugs Act.

- c. technical assistance and appropriate financial support be made available on data collection, processing and analysis with the request that AID/W centrally funded projects support this activity.

It can be said that oral contraceptives and other ethical pharmaceuticals are regularly and widely available in shops, kiosks and market places all across sub-Saharan Africa. However, in all too many cases the pharmaceuticals involved are far past their recommended shelf life. Improper storage and handling have made them inefficacious or even toxic, and the consumer may not be able to receive any useful or accurate information concerning the proper use of these drugs. In many such instances, ministries of health and the law enforcement authorities do not enforce regulations governing such matters.

In Ghana there is now a rare opportunity in which an enlightened and courageous Ministry of Health is willing to expand distribution outreach via public and private sector activities and thus experiment with a demonstration project to change customs and public perceptions to achieve an important health objective. This avoids the imminent need to change the law but permits the introduction of the means by which public and official perception can be altered as a basis for changing the law at a later time if such becomes justified.

The forward looking views of Dr. Otoo at the Ministry of Health, should be fully supported, and The Futures Group/SOMARC should provide the necessary resources to undertake the monitoring, design, implementation, data processing and analysis for the private sector project.

VII. GHANA PHARMACY BOARD STATUTORY REQUIREMENTS FOR NEW PRODUCT REGISTRATION

Numerous discussions were held with the Executive Secretary of the Ghana Pharmacy Board, Mr. T. C. Corquaye, in an effort to acquaint him with the aims and objectives of the planned CSM Project. His ongoing cooperation and participation in certain activities is essential to the smooth passage of the project within the bureaucracy and among the professional pharmaceutical fraternity. It may be said that to date Mr. Corquaye has been very helpful and there is every reason to expect continuing cooperation and assistance if all commitments are met.

Statutory requirements for new product registration are as follows. Under sections 38, 43, and 54 of the Pharmacy and Drugs Act "64" of 1961, every applicant who wishes to submit a preparation/drug for registration is required to undertake the following:

1. Produce an acceptable "evidence of categorization" of the drug of preparation, either in the country of origin, or in any country with a recognized system of control, if the original country has no such system.
2. Produce an acceptable certificate testifying that the drug or preparation is of proven efficacy and is accepted in current use and freely sold in the country of origin.
3. Produce acceptable evidence of results of clinical trials of the drug or preparation from hospitals or medical institutions. FDA approval of any clinical testing should be submitted in response to this requirement along with a brief discussion of clinical trial results submitted to the FDA. Detailed data resulting from any clinical trials need not be submitted to satisfy this requirement.
4. Produce a method of analysis or assay of the preparation or drug. This information will be available from the manufacturer and will have been an essential part of their submission to the FDA.
5. Samples of the drug or preparation to be registered should be sent. In order to satisfy this requirement, the Pharmacy Board requires that six samples of each drug or preparation be sent. In this case, they should be sent at least six cycles of the oral contraceptive to be registered and at least six of the vaginal foaming tablets. In addition, they have

asked for samples of the colored and plain condoms (a box of each is suggested) so that the product and its packaging can be considered although technically the condoms do not have to be registered at this time.

It should be noted in all cases, six copies of each requirement (numbers 1-4 above) must be submitted.

This consultant discussed with Mr. Corquaye the issue of the time required to process and register the products for use in the CSM project. He indicated that due to the importance of the project for national well being and in view of the endorsement of the Director of Medical Services (MOH) and the PNDC Secretary for Health, he and his staff would do everything to expedite the registration processing. It was left that if this consultant returns in June as scheduled then his receipt of the required materials at that time would result in registration before end of July.

The precise address is as follows:

Mr. T.C. Corquaye,
Executive Secretary/Registrar
The Ghana Pharmacy Board,
P.O. Box 10344
Accra-North
Ghana

Mr. T. C. Corquaye of the Ghana Pharmacy Board has informed us that in view of the fact that USAID was supporting the project he would register the products with title in favor of USAID.

It should be noted that should USAID/W, USAID/Accra and/or The Futures Group wish a different arrangement, this can probably be done. The most obvious alternative would be for product registration to be made in favor of DANAFCO. A decision to register the products in favor of The Futures Group or the U.S. product manufacturer(s) would probably be possible without too much difficulty.

VIII. DRAFT CONTRACT

At the time this Consultant departed Ghana at the end of November 1984 a draft contract was left with the Mission and a copy given to Gene Rauch of REDSO. Subsequently, that draft has been reviewed by lawyer at the REDSO office in Abidjan who made some minor changes and inserted several important clauses.

During this pre-implementation consultation a meeting was held with Don Keene from REDSO who has been the lawyer principally concerned with reviewing the draft contract. The meeting was extremely helpful and allowed clarification, amending, and strengthening of the draft contract.

Don Keene went back to Abidjan 14 April and took the "final" draft with him. The matter was left as follows: A clean and final draft will be typed at REDSO/Abidjan together with the required "boiler plate" attachments. This will be returned to Tom Luche, USAID/Accra, within two weeks via the courier. It will then be the responsibility of the Mission in Accra to transmit this draft contract to Dr. K. Sekyiamah at the MFEP for review on behalf of the GOG and at the same time to present a copy to Mr. Yaw Berko, General Manager of DANAFCO for review.

The matter of the draft contract is running in accordance with the CSM pre-Project Implementation List previously approved. It was expected, therefore, that the draft contract would go to MFEP and DANAFCO in April and that, with some appropriate USAID/Accra follow-up and/or that of this consultant on a subsequent trip, the contract should be ready for signature in June as planned.

IX. PRE-IMPLEMENTATION TASKS

A. USAID/Accra

Following discussions with Mr. Tom Luche, Acting Mission Director, this consultant undertook to assist the Mission in carrying out its responsibility for satisfying certain conditions precedent (CPs) as they apply to the CSM project.

This includes:

Working with DANAFCO officials to prepare an effective and up-to-date system to document how CSM program resources will be used and accounted for (see CP 2(a)).

Review of the central medical stores warehouse at Tema to satisfy the requirement that all contraceptives held in that warehouse be stored safely and properly (see CP 2(c)).

Assistance to USAID/Accra and DANAFCO to assure the development of an appropriate system for the use and distribution of all return-to-project funds generated under the private sector CSM project in order to satisfy the C.O. on the means and methods of accounting for and distribution of these funds (see CP 2(d)).

All of these matters are well under way and the required documentation, record keeping systems, etc., to satisfy items 1 and 3 above are well advanced; they should be completed in plenty of time to satisfy USAID authorities. Item 2 above, concerning the Central Medical Stores Warehouse at Tema, has been discussed with Mr. Luche and with Drs. Otoo and Adamafo at the MOH, and it is hoped that the necessary improvements will be made in a timely fashion in order to satisfy the conditions precedent.

B. Lintas

Meetings were held with Lintas:Ghana Limited, DANAFCO and others to assess the pre-project implementation media research needs. Several areas were considered including brand and product recognition as a follow-up to the previous CSM project, general access to various media by differing segments of the population, and media exposure and media consumption habits of persons within the retail outlet target group. A corollary issue under consideration at the same time concerned the logistical issues involved in attempting to carry out various types of field research activities at this time.

For various reasons, it was decided that there is no requirement to carry out pre-project implementation media research. It must be said that in a different setting and under different circumstances, the recommendation might well be different. It might be interesting to know just what the residual impact of the previous project was as measured, for example, by unassisted as well as assisted recall. However, it must be remembered that the previous project did not have official distribution beyond the southern one-third of the country and that much of

the distribution was in fact concentrated in the greater Accra Region only. Further, for several years now there has been virtually no retail contraceptive stock available for distribution anywhere in the country except for miniscule amounts being "leaked" into the greater Accra Region retail outlets from a PVO. This matter was previously reported and it has had absolutely no impact whatsoever either demographically or upon market development.

Data from the recently published Ghana Fertility Survey, the Ghana segment of the World Fertility Survey, point to a relatively high level of awareness about modern methods of contraception and where in "normal times" to obtain such contraceptives. The data also confirm previous evaluations concerning the acceptability of using the products.

The problems of carrying out field studies in Ghana and especially in the northern two-thirds of the country should not be underestimated. Putting properly trained and oriented researchers into the field and supporting them adequately all around the country, is by no means a simple task and cannot be compared with situations found in other parts of the world.

Problems of transport and general shortages of paper dictate that newspaper distribution, for example, be limited to the cities and larger towns in the southern one-third of the country. Newspapers do filter through to the northern two-thirds of Ghana but only in relatively small numbers with a consequent small distribution taking place some days after publication. On a nationwide basis radio broadcasts in several different languages remain the most important means of communications, as is the case all over sub-Saharan Africa.

There was one suggestion from Lintas:Ghana Limited that was concerned with "the need to find out what impact, if any, remains of the first program." The justification for the suggestion was that "this will guide us with brands development." The submission to this consultant called for a random route survey of nine major urban conurbations with a sample size of 1,400 with a 50/50 male/female split. The Lintas submission (attached as Appendix B) is entirely unsatisfactory in all respects and reflects little imagination except, perhaps, for the budget and apparently no understanding of the marketing game-plan agreed upon by USAID and DANAFCO.

Though it would be highly desirable to obtain the necessary printing and packaging supplies in Ghana, the fact remains that the required materials are not now available and this is unlikely to change in the foreseeable future. It should be remembered that the same situation obtained at the time the previous CSM project was undertaken in the late 1970s. Supplying the previous project with the required supplies came via a procurement agreement with Lintas:Ghana Ltd., who obtained them via the Lintas parent organization headquartered in London. In this instance, the supplies were bought in the UK and airlifted to Ghana.

It may well be that SOMARC wishes to undertake a similar procedure for the upcoming project. However, in that there has been very adequate advance planning, it might be that US procurement will be preferred or at least compared with the cost for UK procurement when shipping costs are factored in. It is suggested that if the pre-implementation schedule is followed, a cost saving might

well be achieved by shipping the required materials via a sea container rather than by air. In any event, whoever is concerned with the procurement should undertake to assure the shipment will be containerized or at the very least properly crated. This is suggested in order to reduce, to the extent possible, any pilferage of what is, in Ghana, a valuable commodity in short supply.

It is also suggested that the shipping documents be made out properly and sent well in advance so as to reduce to the absolute minimum the time these goods would remain in port prior to being cleared and taken to safekeeping in the DANAFCO warehouse in Accra.

Subject to a different decision at a later time the consignment should be addressed to:

USAID Mission to Ghana
Onward consignee DANAFCO Limited,
Accra, Ghana

The raw materials requirements are attached as Appendix C. Inasmuch as this was not scheduled for action until June there is some additional time to carry out the procurement task.

C. Prices and Incomes Board (PIB)

A meeting was held with the PIB in order to achieve the following objectives:

- a. provide a detailed background briefing to PIB executives in order to inform them of the nature of the project, its formal support by GOG and the nature of the support being provided by USAID.
- b. indicate to the PIB that DANAFCO has been selected by the MFEP acting for GOG and that this selection is acceptable to USAID.
- c. inform the PIB of the variety of materials and supplies to be brought in for support of the CSM project.
- d. provide the PIB with some idea of the planned distribution network along with a general discussion of the kinds of advertising and marketing support to be undertaken in conjunction with the project.
- e. exchange ideas with PIB officials concerning the manner in which a pricing structure would be arrived at and what ideas, if any, there were concerning pricing discipline and the maintenance of a uniform pricing structure throughout the distribution chain.
- f. discuss the issue of the need for periodic price increases in response to future (planned) devaluations, likely increases in salaries mandated by the PNDC Government and selective price increases likely to be allowed by the PIB for certain essential goods and/or services.

The matter of price control is a very sensitive issue in Ghana and has been virtually since the PNDC Government and J. J. Rawlings took power in 1982. Following last year's agreement with the IMF and the World Bank and with an improvement in relations with the USA and some other major Western donor governments, there has been a massive inflow of foods, spare parts, pharmaceuticals, agricultural equipment and supplies and other materials necessary to rehabilitate the economy.

As part of the IMF agreement, there have been (and will continue to be) a series of planned devaluations of the cedi. At the same time, there have been substantial wage increases announced by the Government, affecting not only civil servants, but segments of the private sector as well. Many categories of goods and services have been decontrolled with the likely prospect that there could be a few more such decontrol exercises in the months ahead. At present pharmaceuticals remain one of 19 categories still under PIB control, and this is likely to remain so for some time to come.

It is worth repeating that as the result of (1) decontrol of certain categories of goods/services, (2) shortages of certain goods in various parts of the country due to absolute shortages or frequently the problem of maldistribution of goods, and (3) continuing high inflation, prices in most instances remain very high relative to wages and disposable income. Problems of transport/distribution tend to produce artificial scarcities in many places around the country, especially in the north, and this frequently means very high prices for decontrolled goods and higher than permitted prices for PIB price controlled goods/services. The inflation, devaluation and shortages have produced a very active and thriving "street price" or "black market" pricing structure. It will be in the interests of the CSM project to deal successfully with this issue. Long discussions have been held on this subject with a variety of persons including Tom Luche, Gene Rauch (REDSO), Yaw Berko (General Manager of DANAFCO), Lintas, Pharmahealth, and Dr. J.D. Otoo of MOH. It is hoped that this can be dealt with successfully. Some very useful ideas have been discussed and will be given official consideration in the months ahead. DANAFCO and others with whom this issue of pricing discipline or price stability has been discussed are reasonably confident that with good planning and effective policies, this matter can be mastered. It is very important that such pricing discipline be maintained across the distribution chain since the issue is not only one of commercial marketing alone, but is also a sensitive political matter.

The meeting included the Assistant Director of PIB, his senior technical officer for pharmaceutical pricing, the General Manager of DANAFCO, the DANAFCO Chief Accountant, a Deputy Director of Medical Services (MOH) and this consultant. The entire agenda (items "a" through "f" above) were discussed fully and openly. The exchange of information was very helpful for all parties present. It should be noted that at the conclusion of this most cordial and constructive meeting, the PIB officials thanked those present for coming to PIB at an early date to begin these discussions rather than trying to rain through a decision just prior to project launch time. Mr. Berko and the MOH representative agreed that the meeting had been very constructive and that all had been achieved that was desired while creating a positive environment for future meeting and the subsequent submission of a formal application to establish an initial pricing structure.

It is important to note that representation of the MOH by one of its most senior civil servants is a reflection of the close and harmonious working relationship that was fostered between the MOH and the private sector distributor. There are numerous and obvious benefits to such an easy and mutually supportive relationship and this can only result in benefits both to the project and to the people of Ghana.

It is worth noting that under a major new PNDC policy directive, the MOH has departed from the long held policy (virtually since independence some 26 years ago) of providing all medical care and drugs free. Beginning shortly, the MOH will institute a "fee for service" policy as well as charging patients the actual cost to the Ministry for pharmaceuticals. Thus the Ministry has a new awareness about the issue of contraceptive pricing. Though its prices will undoubtedly be far lower than those in the CSM project, they are aware of the need for a more realistic pricing structure and the need from the start to apply for periodic price increases. This cost recovery policy and pricing awareness at the Ministry should not cause any problems for the CSM project. In fact, DANAFCO's Yaw Berko agrees with this consultant that if the matter is handled properly the CSM project can benefit from the new MOH policy.

PIB officials discussed at length the kind of information necessary for a proposed pricing structure and indicated that June would be a suitable time to initiate the formal discussions leading to a formal submission. Item "f" on the agenda, concerned with future periodic price increases, was discussed at considerable length. It was readily agreed that future price increases would undoubtedly be required and justified consonant with the Government's own economic planning. Two methods were discussed as being readily available to facilitate periodic price increases. It was agreed that these mechanisms would be explored more fully and formally in June but that in principle, the issue of periodic price increases in accordance with Government policy and PIB regulations would not be a problem and that DANAFCO and the project (and the MOH as well) could expect expeditious consideration of any and all reasonable and justified requests.

It is worth noting that DANAFCO and Mr. Berko enjoy a very good relationship with senior officials at the PIB, and this, combined with the unqualified support of the project by the senior officials of the MOH, has fostered a good working climate with the PIB.

X. RECOMMENDATIONS AND NEXT STEPS

1. The Futures Group/SOMARC staff should visit Ghana to review the project they are being asked to support. They should meet with as many of the relevant people as possible in order to base their decisions on current, first hand information.
2. The Futures Group/SOMARC should execute any and all contracts they deem necessary in order to provide support for the Ghana CSM project.
3. The Futures Group/SOMARC should obtain pricing quotations for the required printing and packaging materials. It is suggested that comparisons be made between U. S. and British prices including the cost of surface transport to the Port of Tema in Ghana as well as via air freight.
4. The Futures Group/SOMARC should act with dispatch to obtain the services of a skilled and experienced professional to carry out the contraceptive safety study in Ghana. This is the only item on the pre-implementation list that is not on target, and action on this matter is urgently required. Dr. Robert Cushman, an American medical doctor and consultant to MSH on the faculty of a Canadian university, is suggested. Dr. Cushman has experience in Ghana.
5. This consultant to return to Ghana early in June to work on a number of scheduled pre-implementation tasks: (1) assist in the processing of the MFEP - DANAFCO Contract, (2) participate in the development of the formal presentation of the price structure to the PIB, (3) participate in the sub-contract agreements with DANAFCO and its two sub-contractors Lintas and Pharmahealth, (4) assist the Population Officer at USAID/Accra in satisfying the CPs in the project paper, (5) participate with consultants designated by SOMARC in developing the retailer training and orientation and the methodology for monitoring the chemical sellers demonstration aspect of the CSM project, and (6) assist DANAFCO and Pharmahealth in the planning of regional training sessions for the retailers.

The Futures Group/SOMARC might wish to consider the participation of Dr. Joyce Lyons as a consultant on the retailer participation and the demonstration monitoring activity. Dr. Lyons is a full-time staff member at MSH in Boston, is familiar with the situation in Ghana and was personally requested by Dr. Otoo to assist in the public sector training program under the public sector project.

XI. BASIC RESEARCH REQUIREMENT FOR THE GHANA CSM PROJECT

OBJECTIVES:

The previous Ghana CSM program effectively ended more than three years ago. The research components of that program covered only the city of Accra. There is therefore a lack of any knowledge of national attitudes to the concept let alone the products or the brands. Prior to the launch of a new program there is a real need to find out what impact, if any, remains of the first program. This will provide a guide to brands development.

It is necessary to know about attitudes to the concept, the products and the previous brands to help in formulating the right advertising strategy and determining message content. This is especially vital in the context of the last three years of drought and disaster.

METHODOLOGY:

A random survey of nine major urban areas with a sample size of 1,400 with a 50/50 male/female split.

ESTIMATED COSTS:

To cover questionnaire development, field work, transport, analyses, report and management but excluding tabulation which should be done in the USA
c1,050,000.00

APPENDIX A

PERSONS AND ORGANIZATIONS CONTACTED

Ambassador Robert Fritts, U.S. Embassy/Accra

Mr. John Brins, DCM, U.S. Embassy/Accra

Mr. Thomas C. Luche, Acting Director, USAID Mission to Ghana

Mr. Don Keene, Regional Attorney, REDSO, Abidjan

Dr. J.D. Otoo, Director of Medical Services, Ministry of Health

Dr. Joseph Adamafo, Deputy Director of Medical Services, MOH

Professor E.G. Tanoh, Secretary for Health

Mr. T.C. Corquaye, Executive Secretary, Ghana Pharmacy Board (MOH)

Dr. K. Sekyiamah, Principal Secretary, Ministry of Finance and Economic Planning

Dr. G. Amonoo, Director, Center for Development Studies, Cape Coast University

Professor Kodwo Ewusi, Director, Institute for Statistical, Social and Economic Research, University of Ghana at Lagon

Dr. S. Adu-Aryee, Registrar, Medical and Dental Council

Dr. F. D. Amenyah, Secretary, Private Hospitals and Maternity Homes Board

Mr. Yaw Berko, General Manager, DANAFCO Ltd.

Mr. A. E. Boateng, General Manager, DANAFCO Manufacturing Ltd.

Mr. David Anin-Addo, Director, Integrated Marketing & Development Agencies

Mr. James Pearce-Biney, Managing Director, Lintas:Ghana Advertising

Mr. Frank Meyke, First Secretary, Embassy of West Germany

Dr. Berhana Teoume-Lesane, Division of Health Education, African Development Bank, Abidjan

Dr. Yanke, Assistant Director, Prices and Incomes Board

Mr. Anamoo, Senior Technical Officer (Pharmaceuticals), Prices and Incomes Board

LINTAS ■ GHANA

1262

GHANA C. S. M. PROJECT

BASIC RESEARCH REQUIREMENT

OBJECTIVES:

The previous Ghana C. S. M. program effectively ended more than three years ago. The research components of that program covered only the city of Accra.

There is therefore a lack of any knowledge of national attitudes to the concept let alone the products or the brands.

Prior to the launch of a new program there is a real need to find out what impact, if any, remains of the first program. This will guide us with brands development.

We need to know about attitudes to the concept, the products and the previous brands to help us in formulating the right advertising strategy and determining message content. This is especially vital in the context of the last three years of drought and disaster.

METHODOLOGY:

A random route survey of nine major urban conurbations with a sample size of 1,400 with a 50/50 Male/FEMALE split.

ESTIMATED COSTS:

To cover questionnaire development, field work, transport, analyses, report and management but excluding tabulation which should be done in the USA \$1,050,000.00

Directors: E.N. Omaboe, Chairman; J.O. Obetsebi-Lamprey, Managing; P.A. Hasford, Commercial; L. Boateng, Client Service

Associated with SSC&B- LINTAS INTERNATIONAL

Associated Offices Athens Bangkok Bombay Brussels Buenos Aires Copenhagen: Jakarta Dubai & Jburg Freetown Hamburg Helsinki Karachi Kuala Lumpur Lagos Lisbon London Madrid Milan New York Oslo Paris Rotterdam San Juan Sao Paulo Stockholm Sydney & Melbourne Vienna Wellington Zurich

APPENDIX C

FAMILY PLANNING - CSM RAW MATERIAL BUDGET PAPER REQUIREMENT - CHROMO-BOARD SIZE: 17" x 25"

1:

	<u>1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>
1: Floril (Oral Contraceptives)	40,000	172,016	243,400
2: S.S.S. (Coloured Condoms)	30,000	163,917	289,996
3. Coral (Foaming Tablet)	260,000	1,124,135	1,518,101
4: Panther - Plain Condoms (This product is supplied complete. Ready for distribution. Does not need printing work).	_____	_____	_____
	* <u>330,000</u>	* <u>1,533,000</u>	* <u>2,154,000</u>

*(The above totals include 5% wastage)

2:

INKS REQUIREMENT

<u>TYPES OF INKS</u>	<u>1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>
Black	250 Kgs.	1100 Kgs.	1340 Kgs.
Cyan Blue or Process Blue	50 "	252 "	400 "
Magenta Red	50 "	252 "	400 "
Yellow	50 "	252 "	400 "
Red	200 "	843 "	1138 "
Green	200 "	843 "	1138 "

3:

PRINTING PLATES FOR EACH ARTWORK

- a: S.S.S 4 Sets each Colour
- b: Floril 4 Sets each Colour
- c: Coral 4 Sets each Colour

4:

DIE - CUTTERS

- a: Floril 6 Die Cutters
- b: S.S.S. 6 Die Cutters
- c: Coral 6 Die Cutters

PAPER/INK REQUIREMENT FOR DISPENSERS (LINTAS)

CHIPBOARD

Coated Chipboard	30" x 20"
Year I -	80,000 Sheets Year II -305,000 Sheets
Year III -	431,000 Sheets

INKS

	<u>Year I</u>	<u>Year II</u>	<u>Year III</u>
Black	300 Kgs	1350 Kgs	1650 Kgs
Cyan	60 "	315 "	500 "
Magenta	60 "	315 "	500 "
Yellow	60 "	315 "	500 "
Red	250 "	1050 "	1420 "
Green	250 "	1050 "	1420 "

PRINTING PLATES

S.S.S.)
Floril) 4 Sets each Colour
Coral)

DIE CUTTERS

S.S.S. - 8 Sets
Floril - 4 Sets