



NEW DELHI, INDIA

PSI PD-AAW-558  
52701

UNITED STATES AGENCY for INTERNATIONAL DEVELOPMENT

August 31, 1987

Ms. Bonnie B. Derr  
International Programs Director  
Population Services International  
1030 Fifteenth Street, N.W. Suite 330  
Washington, D.C. 20005

Subject: Grant No. 386-0485-G-00-7240-00

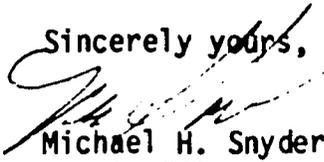
Dear Ms. Derr:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the Population Services International (hereinafter referred to as "PSI" or "Grantee"), the sum of \$ 4,104,834 to provide support for a program in Contraceptive Social Marketing for Nirodh, as described in the Schedule of this grant and the Attachment 2, entitled "Program Description."

This grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending June 30, 1990.

This grant is made to PSI on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 3 entitled "Standard Provisions", which have been agreed to by your organization.

Please sign the original and seven (7) copies of this letter to acknowledge your receipt of the grant, and return the original and six (6) copies to the Office of Contract Management.

Sincerely yours,  
  
Michael H. Snyder  
Grant Officer

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

Population Services International

  
By: Bonnie B. Derr

Title: International Programs Director

Date: Bonnie August 31, 1987

FISCAL DATA

Appropriation	:72-1171021
Budget Plan Code	:QDPA-87-27386-KG-13
PIO/T No.	:386-0485-3-70097
Project No.	:386-0485
Reservation No.	:P700231
Total Estimated Amount	:\$ 4,104,834
Total Obligated Amount	:\$ 1,450,000
IRS Employer Identification No.	: _____
Funding Source	:USAID

## SCHEDULE

### A. PURPOSE OF GRANT

The purpose of this Grant is to provide support for the Grantee's program in contraceptive social marketing of NIRODH as more specifically described in Attachment 2 to this Grant entitled "Program Description."

### B. PERIOD OF GRANT

1. The effective date of this Grant is September 1, 1987. The expiration date of this Grant is June 30, 1990.

2. Funds obligated hereunder are available for program expenditures for the estimated period September 1, 1987 to December 31, 1988.

### C. AMOUNT OF GRANT AND PAYMENT

1. The total estimated amount of this Grant for the period shown in B.1 above is \$4,104,834.00.

2. AID hereby obligates the amount of \$1,450,000.00 for program expenditures during the period set forth in B.2 above and as shown in the Financial Plan below.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 Optional Standard Provision 2 entitled "Payment Periodic Advance".

4. Additional funds up to the total amount of the grant shown in C.1 above may be obligated by AID subject to the availability of funds, and to the requirements of the Standard Provision of the Grant, entitled "Revision of Financial Plans."

D. FINANCIAL PLAN

The following is the Financial Plan for this Grant, including local cost financing items, if authorized. Revisions to this Plan shall be made in accordance with Standard Provisions of this Grant, entitled "Revisions of Financial Plans."

COST ELEMENT (BY ACTIVITY OR FUNCTION EXCEPT AS SHOWN)	OBLIGATED AMOUNT FROM 9/1/87 TO 12/31/88 US \$	ESTIMATED ADDITIONAL FROM 1/1/89 TO 6/30/90 US \$	TOTAL ESTIMATED US \$
<hr/>			
<b>A. MANAGEMENT</b>			
PSI: HOME OFFICE	284,471	387,242	671,713
PSI/INDIA: DELHI	105,394	123,730	229,124
NORTH R.O.	54,203	23,195	77,398
EAST R.O.	49,687	47,695	97,387
	-----	-----	-----
SUB TOTAL	493,755	581,562	1,075,617
<b>B. MARKETING</b>			
<b>1. NORTH REGION</b>			
SALES: STAFF	70,419	88,567	158,986
TRAVEL	73,748	92,868	166,616
ADVERTISING	197,050	152,566	349,616
MKTG. RESEARCH	35,000	---	35,000
	-----	-----	-----
SUB TOTAL	376,217	334,001	710,218
<b>TRADE PROMOTIONS</b>			
- PUNJAB	68,750	81,250	150,000
- HARYANA	26,443	31,247	57,690
- H.P.	3,174	3,752	6,926
- J & K	7,403	6,750	14,153
	-----	-----	-----
SUB TOTAL	105,770	124,999	230,769
TOTAL NORTH :	481,987	459,000	940,987

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COST ELEMENT (BY ACTIVITY OR FUNCTION EXCEPT AS SHOWN)	OBLIGATED AMOUNT FROM 9/1/87 TO 12/31/88 US \$	ESTIMATED ADDITIONAL FROM 1/1/89 TO 6/30/90 US \$	TOTAL ESTIMATED  US \$
-----			
2. EAST REGION			
SALES: STAFF	68,146	271,085	339,231
TRAVEL	91,465	272,919	364,384
ADVERTISING	183,768	659,309	843,077
MKTG. RESEARCH	10,686	69,314	80,000
	-----	-----	-----
SUB TOTAL	354,065	1,272,627	1,626,692
 <u>TRADE PROMOTIONS</u>			
- BIHAR	90,144	256,009	346,153
- ORISSA	30,049	85,336	115,385
	-----	-----	-----
SUB TOTAL	120,193	341,345	461,538
 TOTAL EAST	 474,258	 1,613,972	 2,088,230
  GRAND TOTAL	  <u>1,450,000</u>	  <u>2,654,834</u>	  <u>4,104,834</u>

E. REPORTS AND EVALUATIONS

Recipient shall submit a quarterly performance report (technical report) in five (5) copies to USAID/India for each grant or cooperative agreement that briefly presents the following information for each program, function, or activity involved:

a. A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

b. Reasons why established goals were not met.

c. Other pertinent information including, when appropriate, analysis and explanation of costs overruns or high unit costs.

Additionally, by 31 March 1988 PSI/W and USAID will assess the progress of project implementation and review the availability of additional funding to determine if proper implementation in the eastern states can proceed as scheduled.

F. STANDARD PROVISIONS

The standard provisions of this grant are the attached "Mandatory Standard Provisions for U.S. Nongovernmental Grantees, Nos. 1 through 12" and "Optional Standard Provisions for U.S. Nongovernmental Grantees, Nos. 2, 4, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 20, 24 and 25" contained in Attachment 3 hereto.

G. OVERHEAD RATE

Pursuant to the General Provision of this grant entitled "Negotiated Indirect Cost Rate Provisional", a rate or rates shall be established for each of the Contractor's accounting periods during the term of the contract. Pending establishment of final overhead rates for the initial period, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rates applied to the base(s) which are set forth below:

Type of Rate	Rate(s)	Base	Period (FR/TO)
<u>Overhead</u>	<u>140%</u>	Salaries and Fringe benefits	9/1/87 until amended

H. TITLE TO PROPERTY

Title to property purchased with funds provided under this grant shall vest with the Grantee.

I. Advance Agreement Concerning the Allocability of Costs of Occupation of Physical Space in the Offices of Populations Services International (India) under this grant.

The parties hereto agree that prior to the billing of any such costs to this grant, that an Advance Agreement shall be negotiated between the Government and PSI.

J. Disbursement of Funds

Prior to the disbursement of any funds under this grant, the grantee will furnish to USAID satisfactory evidence that adequate procedures have been developed by PSI and PSI (India) to ensure that the grant program may be implemented as described in the program description.

K. ADVANCE UNDERSTANDING ON CEILING INDIRECT COST RATES AND FINAL REIMBURSEMENT FOR INDIRECT COSTS.

For each of the grantee's accounting periods during the term of this grant, the parties agree as follows:

1. The distribution base for establishment of final overhead rates is salaries and fringe benefits.
2. The grantee will make no change in his established method of classifying or allocating indirect costs without the prior written approval of the contracting officer.
3. Reimbursement for indirect costs shall be at final negotiated rates, but not in excess of the following ceiling rates:  
Overhead            160%
4. The Government shall not be obligated to pay any additional amount on account of indirect costs above the ceiling rates established herein.

This advance understanding shall not change any monetary ceiling, cost limitation, or obligations established in the contract.

PROGRAM DESCRIPTION

Population Services International will undertake responsibility for the Government of India's social marketing of Nirodh condoms in four states in North (Haryana, Himachal Pradesh, Jammu & Kashmir and Punjab) and two states in the East (Bihar and Orissa). (See Figure 1.).

The magnitude of the undertaking is most obvious from 1988/89 population and eligible couple figures estimated to be 47 million and 9 million respectively for the four northern states offered; and 112 million and 22 million respectively for the two eastern states.

The basic social marketing requirements in these states are dictated by the overwhelmingly rural nature of their populations: nearly 80% in the northern states and just under 90% in the eastern states. This fact alone may explain to a large degree why they have, historically, reported some of the lowest acceptance and performance levels in the Country.

The project offers an unprecedented opportunity to respond to a specific GOI assistance request, and to provide a level of investment capable of creating a new marketing vitality in the national programme.

A. Goals & Objectives

The basic goal of PSI is to assist the GOI increase the availability and use of Nirodh condoms among the couples of reproductive age in the six states offered. A secondary goal is to demonstrate that well-planned and implemented marketing strategies, backed with sufficient resources, can not only help the national programme establish and achieve realistic targets, but also improve overall performance and user acceptance.

# INDIA

AND ADJACENT COUNTRIES

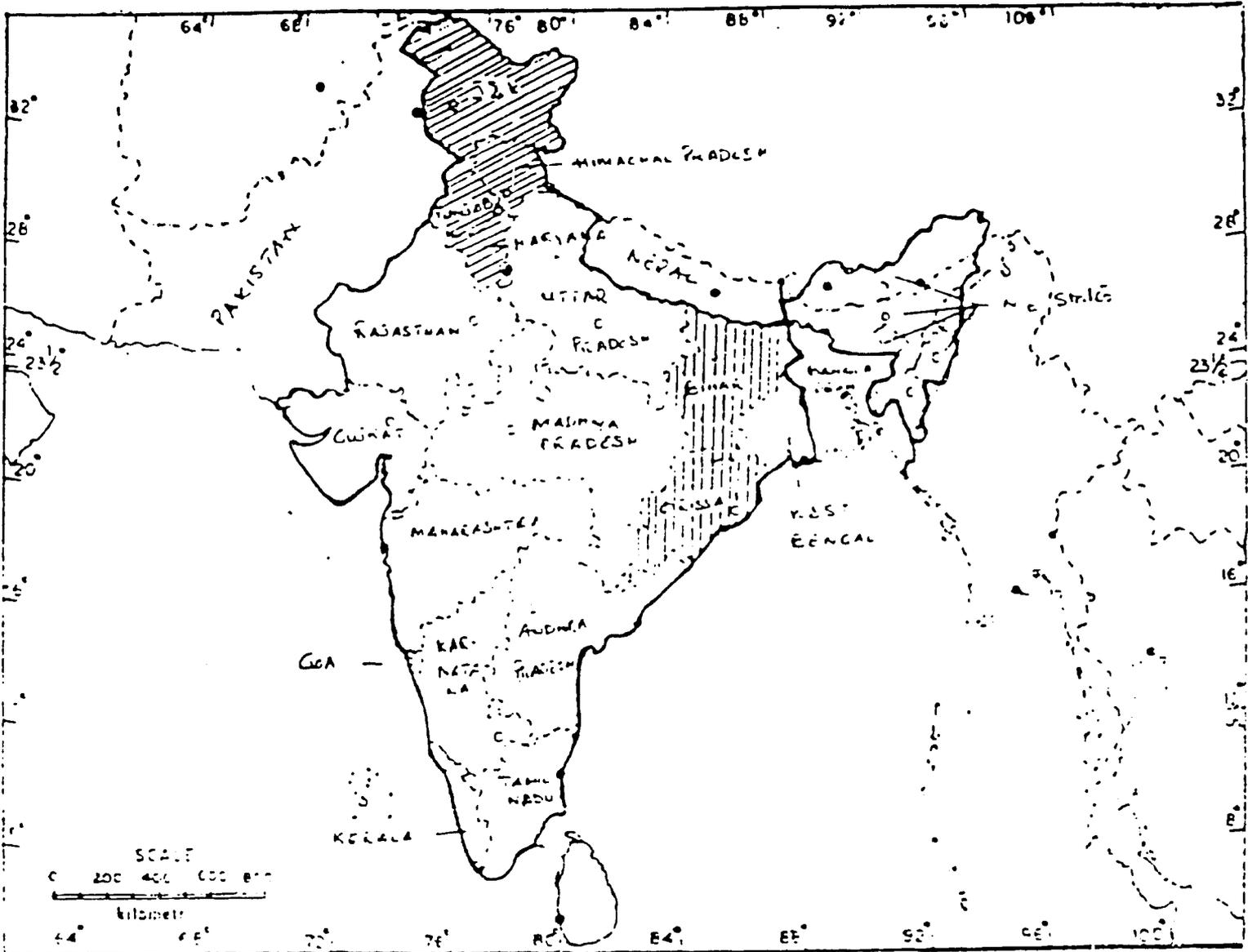


FIGURE 1 : GEOGRAPHIC AREA

/// = Northern region

||| = Eastern region

## 1. Objectives

To realize the above goals project objectives are to:

- a) increase levels of expenditure and types of promotion for Nirodh.
- b) increase the reach of the distribution system for Nirodh.
- c) increase trade involvement in Nirodh distribution through well-planned incentive schemes.

Section C (below) describes the overall strategy to achieve these objectives.

## 2. Sales Targets

Specific sales targets will be set after market and consumer surveys have been conducted. They will take into account GOI's 1987 Nirodh sales estimates which approximately 29 million pieces in the four northern states, and 28 million pieces in the two eastern.

Since there is reason to believe that heavy overstocking has been consistently done in most states, which the trade acquiesced in because of profits on the main lines of the distributors concerned, realistic targets will require an assessment of the level of overstocking. All targets will be subject to GOI approval.

## B. Present Nirodh Marketing: A critical Assessment

GOI's Nirodh Marketing programme suffers seriously, in overall terms, from being controlled through a very small Government department quite inexperienced in marketing techniques and needs.

The major specific weaknesses are:

### 1. Pricing

- a) GOI supplies Nirodh at a fixed price to the distributing companies. It does not specify the price at which they must sell to their main stockists/wholesalers. However, it specifies the rate at which the latter must supply to retailers: as also the retail price to

consumers. In practice, the absolute margin available to the distributor on sales to stockists/wholesalers is grossly inadequate to meet incremental selling, administration and promotion costs, even after allowing for the 3 paise per condom sold given by GOI towards selling/promotional expenses. Nirodh, naturally, has very low priority for distributors.

- b) The margins in effect prescribed for wholesalers by GOI's pricing is very low in percentage and absolute terms, especially for the very low volumes of Nirodh sales. This obviously reduces their interest to the minimum.
- c) Prescribed retailer margins are reasonable in percentage terms, but low volumes make total earnings of little interest for most retailers. (See Figure 2).

## 2. Distribution

- a) Distributors' salesmen also have little genuine interest in Nirodh because:
  - i) Distributors cannot afford to give them significant special incentives on Nirodh.
  - ii) Their performance is basically judged, naturally, on their sales of the company's main lines.
- b) Though the distributors are major forces in the consumer goods market, each one's coverage for Nirodh is naturally restricted mainly to their coverage for their own product. In any given distributor's territory, therefore, a large number of outlets suitable for Nirodh are left uncovered; and a certain number of doubtful or no value are covered.

(In Rupees)				
PRODUCT	Mktg. Com. purchase price	Price to Wholesalers	Price to Retailers	Consumer price
<u>Regular (dry)</u>				
Each	.053	.06	.066	.083
3-pack	.16	.18	.20	.25
Carton (48 packs)	7.68	8.64	9.60	12.00
Case (40 cartons)	307.20	345.60	384.00	480.00
<u>Deluxe (lubricated)</u>				
Each	.134	.144	.16	.20
5-pack	.67	.72	.80	1.00
Carton (20 packs)	13.40	14.40	16.00	20.00
Case (50 cartons)	670.00	720.00	800.00	1000.00
<u>Super Deluxe (Ultra Thin)</u>				
Each	.335	.3625	.40	.50
4-pack	1.34	1.45	1.60	2.00
Carton (25 packs)	33.50	36.25	40.00	50.00
Case (50 cartons)	1675.00	1812.50	200.000	2500.00

FIGURE 2 : NIRODH PRICE STRUCTURE

### 3. Advertising and Promotion

The total annual expenditure on the Nirodh brand campaign by GOI is only about Rs 1 crore (\$770,000) all-India. For a product meant to be promoted to all sections of the population, in rural and urban areas throughout the length and breadth of the country, this is grossly inadequate. Companies spend between Rs.60 lacs (\$460,000) and Rs.1.5 crore (\$1.2 million) on single major all-India brands, and that basically to cover only the urban market.

Considering that attitude and behaviour changes are required, particularly among the rural populations, the minimum annual Nirodh budget should be of the order of Rs.8 crore (\$6.2 million).

#### C. PSI Marketing Strategy

The PSI marketing strategy is based on the need to reach the largely rural populations of the six states and follows from the above analysis of weaknesses in the present system. The main features will be:

- optimum coverage of the best outlets of all major consumer and over-the-counter (OTC) pharmaceutical companies.
- handsome trade incentives, both at the stockist/wholesaler and retailer levels.
- handsome field force incentives.
- advertising/promotion on a scale commensurate with the enormous job in hand.

#### 1. Sales/Distribution System

PSI will utilize the outstandingly successful sales/distribution system evolved in and for India over the last 40 years or so by the major consumer marketing companies. These include first-rate Indian companies as well as subsidiaries/associates of major international consumer goods companies e.g., Unilever, Colgate-Palmolive, Brooke Bond,

Lipton, British American Tobacco, Union Carbide. The major distributors used by GOI for Nirodh are among the latter.

The corner-stone of the system is the appointment of Redistribution Stockists (RS) in all towns. These are established dealers who, for decades, have served as the major stockists for large companies. Most RSs concentrate on serving retailers within their towns; some have extensive dealings with traders from surrounding small towns and villages.

In addition, some wholesalers, whose major emphasis is traditionally on the hinterland rather than the town itself, will also be appointed.

PSI salesmen will visit all towns on a regular monthly "journey cycle". They will "re-distribute" stocks previously sold to RSs, to all the best retailers of all major consumer and OTC goods. At the end of their working of every market, they will book replenishment orders from RSs and wholesalers, keeping in mind RSs' own requirements and their own for the next visit.

RSs and wholesalers, of course, will continue to sell on their own to retailers within their towns and to hinterland traders, especially between PSI salesmen's visits.

RSs will do so through locally recruited salesmen, paid for and monitored by PSI Salesmen and Supervisory Staff in selected areas. This is a method increasingly used by major companies as an efficient and economic way of rapidly expanding systematic sales coverage.

## 2. Pricing and Trade Incentives

As mentioned earlier, a major deterrent to active trade involvement in Nirodh is the low margins. If commercial participation is to be effective, trade support is essential, and incentives can serve to overcome lethargy resulting from low trade margins.

A great variety of trade incentives at the stockist/wholesaler and retailer levels have been successfully tried by all major consumer and OTC companies in India during the last 30 years. They range from display and performance contests for stockists/wholesalers to discounts in cash and kind on retailer purchases. PSI will spend Rs.9 million (\$ 690,000) on trade promotions in the six states over the two year project period.

Full-scale advertising and promotional efforts will be made using all mass media, abundant point-of-purchase (POP) material and innovative media, (such as wall paintings in rural areas, match-box labels, printed transparent plastic covers for ration cards, etc.)

This campaign will be solidly based on analysis of the extensive market research carried out recently by three leading market research agencies in the "Hindi Belt". It is anticipated that specific message strategies will be motivational in nature to address resistance points identified in the research.

The final complete strategy will be presented in the marketing plan and will include special intensive rural operations, initially in selected pilot districts, which will utilize:

- a. audio-visuals through cinema or video vans.
- b. specially designed material, particularly songs and dialogue for performance by traditional village entertainment troupes.
- c. community meetings, involving medical practitioners of indigenous systems of medicine as well as allopathic.

#### D. Effectiveness Measures

##### 1. Research

PSI will conduct base-line and tracking studies on consumer knowledge/attitudes/practices, and market shares, to establish the cost benefits and effectiveness of the social marketing operation. These

activities will occur through subcontracts with agencies in India capable of designing and implementing quantitative and qualitative market research.

## 2. Management Information System and Reporting

PSI will install a management information system that will provide useful data on sales levels vs objectives and expenditures, trends by region and outlets including secondary sales, and sales force performance. The system will be based on reporting forms, and will be so designed as to be computer compatible should it become desirable to computerize the system.

Regular reporting from the field force and regional offices will include sales to stockists, retailers, the location, number and types of outlets being served.

## E. Organization

PSI will direct the implementation of the proposed Nirodh project through its Delhi headquarters office. The Project Director, Marketing Manager, Accountant and five of the support staff planned will be also involved in the Nirodh marketing operation.

Additional staff will be required specifically for the Nirodh marketing organization. The Minimum needs are estimated as follows:

- 1) Delhi Office A Deputy Project Director, an Administration Manager, a Brand Manager and 6 Secretarial/Clerical/other support staff to support marketing, sales reporting, accounting and administration activities. It is possible that an additional 2-3 support staff will be required.
- 2) Branch offices Two branch offices are planned which will require minimum staffing as follows:
  - i) Northern Region, to be located at Chandigarh (capital of both Punjab and Haryana), headed by a General Manager (Sales), assisted by an Accountant and at least five Secretarial/

POPULATION SERVICES INTERNATIONAL

INDIA PROJECTS ORGANISATION

Home Office:  
Washington D.C.

India Projects

Delhi Headquarters

Projects Director

{ Deputy Project Director

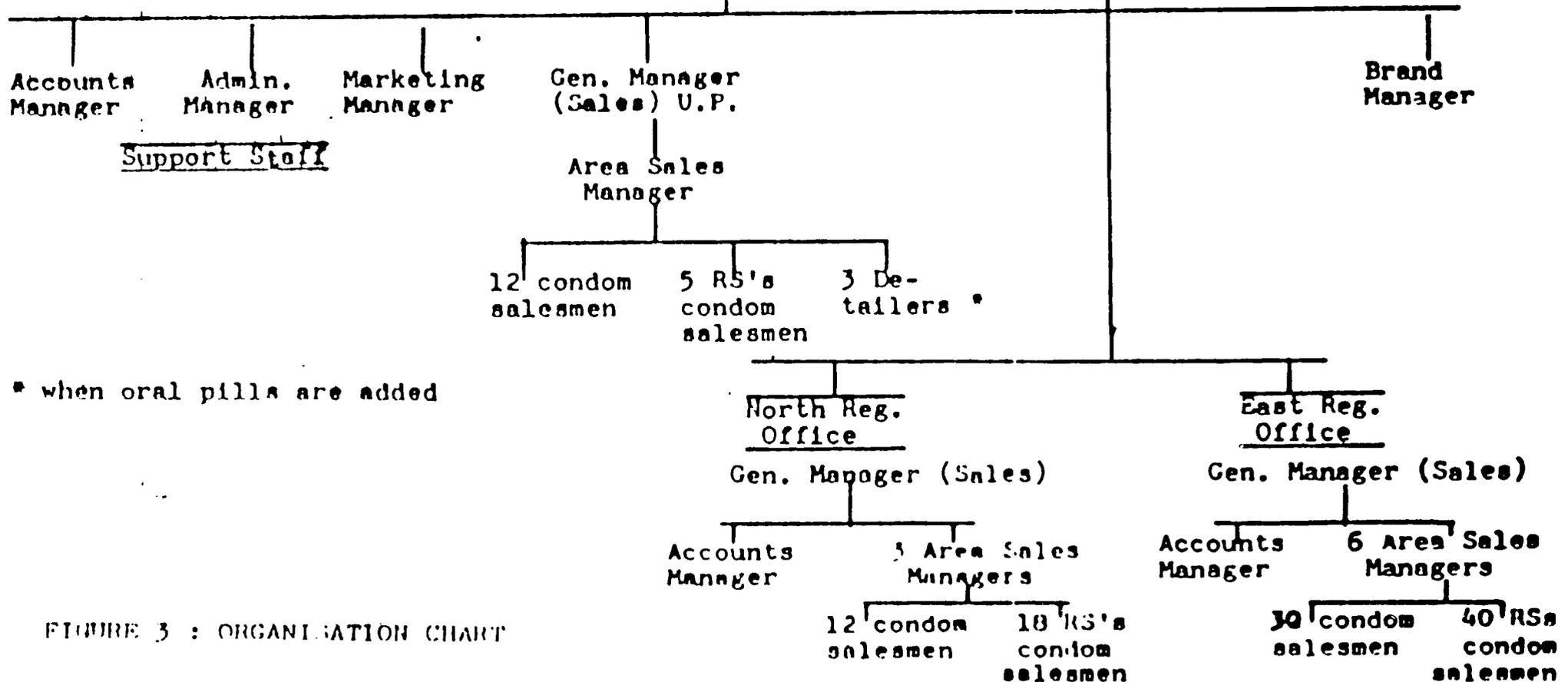


FIGURE 3 : ORGANISATION CHART

Clerical/other support staff. The Field (Sales) Force estimates include three Area Sales Managers, twelve sales staff and at most eighteen RS salesmen.

- ii) Eastern Region, to be located in Patna (capital of Bihar), headed by a General Manager (Sales), assisted by an Accountant, and at least eight Secretarial/Clerical/other support staff. Field staff needs for this larger region are estimated to be six Area Sales Managers, thirty sales staff and at most 40 RS salesmen.

In addition technical assistance and project monitoring support will be provided through the PSI Washington office. The organizational structure envisioned appears in Figure 3.

#### F. Grant Administration and Technical Assistance

The PSI home office in Washington will assume responsibility for Grant Administration including the installation and overseeing of compatible accounting systems, managing transfer of funds to the India Office, and establishing reporting schedules and monitoring.

Short-term technical assistance will be in project planning, implementation and monitoring provided through the home office staff in project. The following personnel and levels of effort are planned:

1. Robert L. Ciszewski, Vice President for Asia, will provide the primary advisory/supervisory role on behalf of PSI/W for the Nirodh project. He will devote up to fifty percent of his time on the project. It is estimated that he will spend 70 days a year in country. His inputs will include the following:

- Overall guidance in programme planning.
- Technical advice on sales, advertising and promotions.
- Participation in contact with senior levels of Government, Industry and other people of eminence.
- Evaluation of field operations through market visits.

In addition he will bear operational responsibility for the India project and review it regularly with PSI and AID/W.

2. Bonnie B. Derr, International Programs Director, will be involved in project monitoring and overall management of the Nirodh project, and will also provide specific technical inputs as necessary. It is estimated that she will spend up to 40 days per year in country. Her inputs will include:

- Participation in establishing and monitoring the MIS system.
- Keeping Nirodh project personnel informed of CSM programme activities and new developments world-wide.
- Monitoring of management systems in regional offices.
- Participation in Nirodh project planning and review.
- Review of programme activities with programme management and GOI as necessary.

In addition she will oversee grant administration and will provide Nirodh project representation to AID/W.

Between Ciszewski and Derr there will be a minimum of ten opportunities each year for regular in-country reviews of project activities.

3. Daniel M. Lissance, Director of Communications and Research, will provide specific technical assistance in the area of advertising and promotion messages and strategies as well as development of research instruments for KAP and tracking studies. It is estimated that he will spend up to 30 days in country each year. His inputs will include:

- Provide input into communications planning.
- Review progress of advertising plans.
- Review market research activities and assist with research plans.

G. Other Inputs

1. Products

Products will be provided through the GOI procurement process at the same subsidy levels available to all Nirodh distributors for the brand line. These levels are:

- Regular (dry) Nirodh @ 0.53 paise each (.004 c - US \$)
- Nirodh Deluxe Lubricated @ .134 paise (.01 c - US \$)
- Nirodh Super Deluxe (Ultra Thin) @ .334 paise (0.025 c - US \$)

(See also Figure 1).

Sales revenue will cover the cost of the product and provide a small return to the project.

The GOI will also provide the usual promotion allowance of 0.03 paise per piece which will be applied to marketing activities as needed.

Any program income resulting from these activities will be expended for costs associated with the program either during or after the period of this grant as agreed in writing between the grantee and USAID/India.

H. Expected Outputs

The following results of project activity are expected:

A) Northern Region

1. At the end of three months it is expected that:

- a) The marketing plan will be completed specifying the various marketing objectives and strategies for the project.
- b) All Nirodh project Delhi staff will be recruited.
- c) The regional office location will have been identified, and contacted for, and ready for opening.

- d) Recruiting of regional office staff will be completed and training planned or commenced.
  - e) Control systems will have been established and ready for implementation.
  - f) The first quarterly report will be submitted.
2. At the end of six months it is expected that:
- a) The advertising campaign will have been initiated.
  - b) Product sell-in will have started.
  - c) The second quarterly report will be in **preparation**.
3. At the end of nine months it is expected that:
- a) The baseline KAP survey field work will be complete.
  - b) Product sales will be showing an upward trend.
  - c) Special rural promotions will be routinely incorporated.
  - d) Redistribution Stockists' salesmen will have been recruited and hired.
  - e) The trade will be providing enthusiastic support to the Nirodh project.
  - f) The third quarterly report will be in preparation.

4. At the end of twelve months it is expected that:

- a) Marketing strategies will be revised for preparation of the second annual marketing plan based on experiences from seven months marketing activities.
- b) The marketing organisation and all systems will be functioning smoothly.
- c) Sales will begin to provide good data for future projections.
- d) The fourth quarterly report will be in preparation.

5. At the end of eighteen months it is expected that:

- a) Tracking studies will be initiated.
- b) The fifth quarterly report will have been submitted and the sixth will be in preparation.

6. At the end of twenty-one months it is expected that:

- a) There will be sufficient data from project activities to assess performance in quantitative terms.
- b) Plans regarding project continuance will be initiated.
- c) The seventh quarterly report will be in operation.
- d) A fully capable social marketing organization will be operational.

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B. Eastern Region

Eastern regional activities will be initiated a full six months after the northern region, but the expected outputs will follow a pattern similar to the northern region.

**OPTIONAL STANDARD PROVISIONS FOR  
U.S., NONGOVERNMENTAL GRANTEES**

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with Paragraph 1E of Chapter 1 of Handbook 13.

Each grant is required to have a payment provision. Check off the optional standard provisions which are included in the grant. Only those standard provisions which have been checked off are included physically within this grant.

- |   |       |
|---|-------|
| 1. Payment - Letter of Credit                                 | _____ |
| 2. Payment - Periodic Advance                                 | X     |
| 3. Payment - Cost Reimbursement                               | _____ |
| 4. Air Travel and Transportation                              | X     |
| 5. Ocean Shipment of Goods                                    | X     |
| 6. Procurement of Goods and Services                          | X     |
| 7. AID Eligibility Rules for Goods and Services               | X     |
| 8. Subagreements  | X     |
| 9. Local Cost Financing with U.S. Dollars                     | X     |
| 10. Patent Rights   | X     |
| 11. Publications  | X     |
| 12. Negotiated Indirect Cost Rates - Predetermined            | _____ |
| 13. Negotiated Indirect Cost Rates - Provisional              | X     |
| 14. Regulations Governing Employees                           | X     |
| 15. Participant Training                                      | _____ |
| 16. Voluntary Population Planning                             | X     |
| 17. Protection of the Individual as a Research Subject        | X     |
| 18. Care of Laboratory Animals                                | _____ |
| 19. Government Furnished Excess Personal Property             | _____ |
| 20. Title to and Use of Property (Grantee Title)              | X     |
| 21. Title to and Care of Property (U.S. Government Title)     | _____ |
| 22. Title to and Care of Property (Cooperating Country Title) | _____ |
| 23. Cost Sharing (Matching)                                   | _____ |
| 24. Use of Pouch Facilities                                   | X     |
| 25. Conversion of United States Dollars to Local Currency     | X     |