

U N C L A S S

AGENCY FOR INTERNATIONAL DEVELOPMENT

Washington, D. C. 20523

PROJECT PAPER

JORDAN: Marketing of Birth Spacing  
(278-0275)

June 2, 1988

U N C L A S S I F I E D

PROJECT PAPER

MARKETING OF RIRTH SPACING

(278-0275)

U.S. Agency for International Development  
Amman, Jordan

June 1983

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add  
 C = Change  
 D = Delete

Amendment Number

DOCUMENT CODE

3

2. COUNTRY/ENTITY

JORDAN

3. PROJECT NUMBER

278-0275

4. BUREAU/OFFICE

BUREAU FOR ASIA AND NEAR EAST

ANE

5. PROJECT TITLE (maximum 60 characters)

MARKETING OF BIRTH SPACING

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
 06 30 95

7. ESTIMATED DATE OF OBLIGATION

(Under "D" below, enter 1, 2, 3, or 4)

A. Initial FY  88 B. Quarter  4 C. Final FY  89

8. COSTS (\$000 OR EQUIVALENT \$1 = )

A. FUNDING SOURCE	FIRST FY 1988			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
Appropriated Total	1,500	1,000	2,500	1,788	2,212	5,000
(Grant)	(1,500)	(1,000)	(2,500)	(1,788)	(3,212)	(5,000)
(Loan)	(0)	(0)	(0)	(0)	(0)	(0)
U.S.						
Host Country						
Other Donor(s)					650	650
Private Sector				200	1,400	1,600
TOTALS				1,788	5,262	7,250

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ESE	500	510		-0-	-0-	2,500	-0-	5,000	-0-
(2)									
(3)									
(4)									
TOTALS				-0-	-0-	2,500	-0-	5,000	-0-

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

840 440

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 3 positions each)

A. Code INTR  
 B. Amount 5,000

13. PROJECT PURPOSE (maximum 400 characters)

Reduce infant mortality by 15% and maternal mortality by 10% by the increased practice of birth spacing.

14. SCHEDULED EVALUATIONS

External MM YY MM YY MM YY  
 06 90 01 92 06 93

15. SOURCE/ORIGIN OF GOODS AND SERVICES

GPO  M1  Local  Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page FP Amendment)

The methods of financing to be used in this project are in conformity with A.I.D.'s policy statements on financial and administrative management and USAID/Jordan's comprehensive general assessment.

17. APPROVED BY

Signature  
 R.A. Johnson

Title  
 Acting Director, USAID/J

Date Signed  
 MM DD YY  
 06 02 88

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTE

MM DD YY

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LIST OF ABBREVIATIONS

A.I.D.	U.S. Agency for International Development, Washington, D.C.
CDSS	USAID Country Development Strategy Statement
GOJ	Government of the Hashemite Kingdom of Jordan
IUD	Intrauterine Device
MCH	Maternal/Child Health
MOH	Ministry of Health, Jordan
MWRA	Married Women of Reproductive Age
NGO	Non-governmental organization
PHC	Primary Health Care
POP	Point of Purchase
POS	Point of Sale
USAID	U.S. Agency for International Development, Jordan

W

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MARKETING OF BIRTH SPACING PROJECT

278-0275

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PROJECT PAPER  
JORDAN 278-0275

MARKETING OF BIRTH SPACING

PROJECT SUMMARY AND RECOMMENDATIONS

- A. Borrower/Grantee: The Government of the Hashemite Kingdom of Jordan (GOJ)
- B. Implementing Agency: The Project will be implemented by a Project Office under the guidance of the Project Steering Committee. USAID will execute a direct contract with a U.S. firm to field a resident advisor for the first five years of the project. The resident advisor will select for Steering Committee approval, the Project Office's local staff, who will sign personal services contracts with the Steering Committee. The Steering Committee, chaired by the Minister of Health, will include USAID, two distributors selected by the Ministry of Health and USAID, and one non-governmental organization engaged in maternal/child health programs, (probably the Noor Al-Hussein Foundation).
- C. Project Cost: The Project is authorized for \$5,000,000 in ESF grant funds of which \$2,500,000 will be obligated in FY1988. In addition, in-kind contributions are expected to reach no less than \$650,000 from the Government of Jordan and non-government organizations and an additional in-kind contribution of \$1,600,000 from pharmaceutical distributors and manufacturers. Thus, total Project Cost is estimated at \$7,250,000.
- D. Project Goal and Purpose: The Project Goal is to improve maternal and child health. The Project Purpose is to reduce infant mortality by 15% and maternal mortality by 10% by the increased practice of birth spacing.
- E. Summary Project Description

Jordan has one of the shortest birth intervals observed for a national population anywhere in the world; more than 45% of all births in Jordan occur less than 24 months after a previous birth. International data shows that birth intervals of less than 24 months can quadruple the rate of infant mortality and double the risk of maternal mortality. However, concern about family limitation, confusion about contraceptives and how they work, and accessibility to good information and affordable products have limited the use of contraceptives as a means of lengthening birth intervals in Jordan.

The Birth Spacing Project plans to (1) raise awareness and acceptance within the medical community and general public that mother and child health can be significantly improved by lengthening the interval between births to a minimum of 24 months, and (2) increase access to quality, affordable birth spacing products, information and services in both the public and private sectors.

To accomplish this, separate informational campaigns will be designed to inform the medical community and the general public about the health benefits of birth spacing. Physicians, pharmacists, pharmacist shop staff, pharmaceutical distributors' detailmen and salesmen, and health practitioners in non-governmental organizations will be trained, participate in seminars, and receive printed material. In addition, clinic staff will be trained in birth spacing service delivery including post-partum counseling of mothers, method differentiation and IUD insertion. The general public will be approached through various media. To improve availability of quality, affordable birth spacing products, the Project will work with existing distributors and manufacturers to develop project brands, accompanying literature and a marketing campaign.

- E. Recommendation: The analyses in the Project Paper found the Project to be economically and socially sound. Accordingly, the Project is recommended for authorization in FY 88 in the amount of \$5,000,000 with an obligation of \$2,500,000 in FY 88.

## I. Project Authorization

Name of Country: Jordan

Name of Project: Birth Spacing Project

Number of Project: 278-0275

1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Birth Spacing Project (The "Project") for the Hashemite Kingdom of Jordan involving planned obligations not to exceed Five Million United States Dollars (\$5,000,000) in grant funds over a seven year period from date of authorization, subject to the availability of funds in accordance with the AID OYB/allotment process, to help in financing the foreign exchange and local currency costs for the Project. The planned life of the Project is seven years from the date of initial obligation.
2. The Project will improve maternal and child health by reducing the infant and maternal mortality related to short birth intervals. Toward this objectives, the Project will widely disseminate information about birth spacing as an important health technology and strengthen the delivery of birth spacing services through increased efforts in the private and public sectors.
3. The Project Agreement which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms, covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.
4. Terms, Conditions and Covenants

Source and Origin of Commodities and Nationality of Services:

Commodities financed by A.I.D. under the Project shall have their source and origin in the Hashemite Kingdom of Jordan or the United States, except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the Hashemite Kingdom of Jordan or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the project, except as A.I.D. may otherwise agree in writing, will be financed only on flag vessels of the United States.



R. Johnson

Acting Director, USAID/Jordan

Date: June, 2, 1988

## II. PROJECT RATIONALE AND DETAILED DESCRIPTION

### A. PROJECT BACKGROUND

#### 1. Government of Jordan's Strategy

The Government of Jordan (GOJ) has a long-standing commitment to strengthening maternal/child health programs and services. The current Five Year Development Plan (1986-1990) continues to support this objective, anticipating investments in the health sector over the life of the Plan to reach approximately \$190 million. The health sector strategy focuses on primary health care improvement and enhancement, with particular emphasis on maternal/child health. In recent months, birth spacing as a technique to improve maternal/child health in Jordan is receiving, for the first time, considerable attention.

The Ministry of Health (MOH) is taking the first steps to make birth spacing services a part of its expanding primary health care system. The MOH has for several years strived to improve maternal/child health (MCH) and has operated a series of clinics specially dedicated to MCH care. However, birth spacing has not traditionally been an MCH technique which was actively emphasized in these outlets. Since September, 1987, King Hussein and the Minister of Health, in speeches before conferences and meetings, have endorsed birth spacing as an important factor in improving maternal/child health in Jordan. The Minister has also announced that increasing birth intervals is an important objective of his Ministry.

Given this new opportunity, the Mission has oriented this project to assist the Ministry of Health to promote birth spacing as an MCH technique, by promoting the concept of birth spacing, providing birth spacing service delivery training, and providing high quality, affordable birth spacing products.

#### 2. USAID/Jordan Strategy

The USAID Mission's 1988 CDSS states that in health: "The principal strategic objective of USAID assistance will be to impact on infant, child and maternal health. The goal will be to reduce infant mortality and improve maternal health."

Birth spacing as a specific intervention was identified in the CDSS. The proposed Project clearly falls within this stated Mission strategy and is fully consistent with the new Birth Spacing for Child Survival Strategy recently distributed from AID/W.

The approach of harnessing the strengths of the private sector to improve both public and private channels for the delivery of birth spacing services will contribute to the Mission's broad objectives to create an environment in Jordan in which the private sector plays a more active role in the development of the country. An important outcome of the Project will be a strengthened private sector that utilizes systematic marketing techniques to distribute birth spacing products and services.

## B. RATIONALE AND PROBLEM STATEMENT

### 1. Short Birth Intervals: A Health Problem in Jordan

Despite positive indicators of development (e.g., a per capita income of roughly \$ 1,530, about 70% literacy, 70% urbanization, 99% of women complete primary school and 80% complete secondary school, ever more widely available social services), Jordan's infant mortality rate remains high, around 54 per 1000 births. The rate of maternal mortality is also unacceptably high at an estimated 13 per 100,000. The actual level of maternal mortality, however, is unknown due to the lack of sufficient data.

Internationally, it is widely recognized that short birth intervals are a primary contributor to child and maternal mortality and morbidity. The statistics demonstrating that contribution are conclusive. Although the relationship between birth intervals and improved maternal child health is proven, the exact reasons why birth spacing saves lives are not fully understood. Experts, however, do offer possible explanations for the relationship of birth intervals to infant and child health. One is that because a pregnant woman's health and nutritional status affect her fetus, the child's environment begins before its birth. A woman may be physically depleted from a recent pregnancy. If she becomes pregnant again too soon, her pregnancy may result in a low-birth weight baby who is much less likely to survive. Birth spacing helps to avoid this disadvantage. Another explanation offered is that closely spaced siblings compete for food and other necessities in the household. For example, a young child may be weaned too soon if the mother becomes pregnant again, often depriving the child of necessary nutrients. If the weaning occurs in the first six months, the infant will also be deprived of the immunity against disease conveyed by mother's milk. Birth spacing thus give infants and children a headstart.

With regard to maternal mortality and morbidity, four primary complications typically represent the major health risks. One is hemorrhage or bleeding near the end of pregnancy or at delivery. It is most common among older women with many children. Where blood transfusion is not available, such a hemorrhage may be fatal. The second is toxemia, a condition which includes swelling of the feet and hands, high blood pressure and protein in the urine. Toxemia is more likely for women having their first child. While early diagnosis and treatment can greatly lower the risk of death, untreated toxemia can lead to seizures and death. A third complication which can contribute to maternal mortality is sepsis. Sepsis is an infection due usually to complications from an obstructed or difficult delivery. It can also be caused by unsanitary conditions during delivery. The fourth common complication is obstructed labor. Obstructed labor, which may also lead to hemorrhage or sepsis, results from a birth canal blocked either by small pelvic size or previous injury. Where delivery by Caesarean section is not available, obstructed labor may be fatal.

In Jordan, the relationship between birth intervals and maternal child health is one of the most dramatic in the world. An examination of Jordan's birth interval reveals one of the shortest observed for a national population. More than 45% of all births in Jordan occur less than 24 months after an earlier birth. Infant mortality for Jordanian children who are the products of such births is exceedingly high.

For example, the infant mortality rate in Jordan for children who are born less than 24 months after their siblings ranges between 92 and 128 per 1000 births, a rate comparable to that in Rwanda or Senegal. Infant mortality among these Jordanian children is two to three times as high as those children born between 24 and 36 months intervals (38 per 1000) and three to four times the rate for those born at 36 to 60 months intervals (29 per 1000).

Using the data available, a group of ten prominent international scientists examined the relationship of birth intervals to maternal child health in eleven different countries. Jordan was one of the countries studied and the research estimated that if all children in Jordan were born after an interval of at least 24 months, a 40% reduction in infant deaths would result. The study also concluded that if the same minimum birth interval of 24 months was achieved there would be an estimated 29% reduction in Jordan's maternal mortality. The reduction estimated in maternal mortality is consistent with international data which show that women bearing children at intervals of 24 months or less are exposed to twice the risk of maternal mortality.

It is clear, therefore, that short birth intervals are lowering the level of maternal/child health in Jordan. The promotion and wide-spread adoption of improved birth-spacing practices would result in significant reductions in both infant and maternal mortality. A birth-spacing project which maximizes the delivery of birth-spacing services through all service-delivery channels offers a direct intervention to influence this important health variable, short birth intervals.

## 2. Birth Spacing: An Approach to Lengthen Birth Intervals

Given child spacing as the problem, the primary techniques to lengthen birth intervals are: (1) increasing breastfeeding and postpartum abstinence, and (2) increasing use of contraception. Modest levels of both contraceptive use and breastfeeding are clear and major contributors to short birth intervals in Jordan. Programs to increase breastfeeding have already begun in both UNICEF projects and activities of the Jordan Family Planning and Protection Association. At present, however, no specific birth spacing program exists which promotes contraceptive technologies for improved maternal/child health.

## 3. Contraceptives: A Tool for Birth Spacing

The statistics on contraceptive use in Jordan are derived from standard fertility surveys which are oriented to obtaining data on total family size and the desire to have more children. As a result, contraceptive use data are somewhat skewed toward family size limitation desires rather than for birth spacing motivations. Nevertheless, such statistics do give an indication of current contraceptive use patterns.

Contraceptive use among married women in Jordan is about 26%, with IUDs and the pill being the preferred methods by a considerable margin. This prevalence rate has remained fairly constant for the last thirteen years (increasing from 21% in 1972 to 26% in 1985). However, 20% of the married women (1983 Survey) and 33% of the husbands (1985 Survey) surveyed say that they do not wish to have another child right away, but do not use contraceptives. Given this apparent latent demand for contraceptives as a method for spacing births, the question then becomes why is demand not realized?

Three major problems areas have been identified: concern about family limitation, misperceptions about contraceptives and how they work, and accessibility. In the first instance, people do not generally recognize contraceptives as a means to improve family health. Contraceptives are widely equated with limiting family size. Therefore, a major task of this project is educating the medical community and the general population that if used to lengthen birth intervals to a 24 month minimum, contraceptives become solely a health product which contributes measurably to family health and welfare.

Secondly, there are misperceptions about specific contraceptives and their side-effects. This hampers effectiveness and discourages greater levels of contraceptive use. For example, many fears were expressed in a study conducted in Amman in 1985 among women using and thinking of using the IUD (currently the most prevalent contraceptive method). Some respondents claimed that the IUD moves up and down constantly; falls out; or, moves up to pressure the heart or cause suffocation. In general, any perceived abnormality in a women's health can be linked by the women to the use of contraceptives. Many expressed the fear that the use of contraceptives will affect their future ability to bear more children. Thus, the lack of accurate information from authoritative sources about contraceptives as birth spacing technology inhibits demand.

Finally, access to birth spacing information and products is problematic. At present, public sector health care services do not promote birth spacing nor do they actively deliver contraceptive services. Five non-governmental organizations (General Federation of Jordan Women, Young Women's Moslem Association, YWCA, Queen Alia Jordan Social Welfare Fund, and Arabic Fund for the Care of Children) provide some limited birth spacing advice, but they service only 5 to 8% of the eligible population. Thus, the bulk of contraceptive information and products are secured from private physicians (relatively expensive) or pharmacists (limited information). As a result, it is relatively difficult to locate authoritative information on the value of birth spacing and related contraceptive products.

#### 4. Contraceptive Availability

There are no birth spacing products manufactured in Jordan. All products are imported in a finished form and packaged, ready for sale. International companies are represented in the country by importers/distributors usually under an exclusive arrangement. Some manufacturers also have an agent in country who is directly in charge of the detailing and promotion of the products to the medical community. The distributor is responsible for all sales and in those cases where there is no direct company agent, the distributor is also responsible for the detailing and promotion activities.

All major multinational pharmaceutical manufacturers are present in Jordan. Good quality, foreign manufactured oral contraceptives, interuterine devices (IUDs), condoms and spermicides are available. With the exception of a small amount of donated products in the public sector, contraceptive products are mainly distributed and sold through private sector channels. Orals, condoms and spermicides are sold through pharmacies; IUDs are sold directly through physicians. The consumer price for contraceptives does not appear to hinder use, with the exception of the IUD where the physician's fee for insertion drives the price up to 30 or 40 Jordanian dinars (US \$90-120) for the consumer. However, there is no systematic contraceptive marketing effort nor is birth spacing specifically promoted.

Distribution of contraceptive products is done by detailmen and salesmen employed by distributors, or, in some cases, by manufacturers. Detailmen are trained medical representatives who make regular rounds to physicians to introduce new products and/or remind physicians about current product lines. The detailmen leave product information and product samples with the physician but do not sell products, except for the IUD. The detailmen are also responsible for visiting pharmacies to obtain market feedback and review the prescriptions being received by the pharmacies. Detailmen also have the additional responsibility of undertaking special promotion activities such as company sponsored seminars and scientific congresses (for more information on the commercial distribution system, see Annex E.1).

#### 5. Point of Sale: The Pharmacy

Prescriptions are normally required by the pharmacies only for drugs considered dangerous if not administered under the direct supervision of a physician. Contraceptives do not fall in this category; however, a large percentage of first time users of oral contraceptives consult a physician first. Consequently first time users of oral contraceptives ordinarily present prescriptions. Pharmacists stock those contraceptives for which there is demand and they often assess demand by numbers of prescriptions brought to them. At this point, if asked by a customer which brand to select, he/she will normally recommend a brand which is currently popular. Consequently, the Project must reach physicians who influence the pharmacies' stock choices.

For the contraceptive market, however, the majority of consumers consult directly with the pharmacy. Pharmacists in general are well trained, although not specifically in the pros or cons of various contraceptive methods. However, a large percentage of sales is actually done by other staff who have no technical training. This creates a problem for relaying good product information for people who by-pass physicians. It is therefore considered important to not only train the physicians in method differentiation, but to train the pharmacy staff as well. In this manner, the consumer will be able to obtain accurate answers about birth spacing and birth spacing products through the pharmacy.

## C. DETAILED PROJECT DESCRIPTION

### 1. Project Goal and Purpose

The Project Goal is to improve maternal and child health in Jordan. The Project Purpose is to reduce infant mortality by 15% and maternal mortality by 10% by the increased practice of birth spacing. Infant mortality data are regularly collected by the GOJ and the UNJ and the University of Jordan are poised to undertake a maternal mortality survey. Therefore, these data along with recurring consumer research conducted through the Project will quantify progress toward these objectives.

### 2. Project Overview

The basic assumptions of this project are (1) that married couples of reproductive age are not fully aware of the health risks of short birth intervals, and that (2) the prevalence of contraceptive use is low in large part due to negative association, i.e. they are associated with family-size limitation, health problems or illicit behavior. The Project therefore plans to change these attitudes by informing married couples, (and their medical service community) about the health benefit to mothers and children derived from lengthening birth intervals to 24 months, and, in that context, the value of contraceptives as maternal/child health care products.

Physicians and pharmacists play a major role in influencing consumer opinion concerning birth spacing as a concept, as well as the ultimate selection of birth spacing products. Consequently, the Project intends to train physicians, pharmacists, distributors and their detailmen, pharmacy staff and anyone else who demonstrates interest in the health benefits of birth spacing, breastfeeding and in contraceptive use. In addition, public sector and non-governmental organization MCH clinic staff will be trained in IUD insertion, and a group of approximately thirty Ministry of Health physicians will be trained in post-partum counseling for new mothers. These representatives of the medical community will also be introduced to the Project's product line.

Finally, since there are high quality, well established, contraceptives already on the market in Jordan, there seems to be no advantage to introducing new product lines. Instead, the Project proposes to negotiate agreements with the manufacturers and local distributors to make their established products part of the Birth Spacing Project product line. To do so, the manufacturer would adopt new product packaging and the distributors' detailmen would be given special training to promote the Project's product line during their regular visits to physicians and pharmacists.

Although the Project does not anticipate introducing new products to the contraceptive market, it does plan to train participating distributors in product marketing. Jordan's advertising sector is relatively strong; however, there is virtually no systematic marketing effort for any consumer product. Since it is illegal to advertise pharmaceuticals, this means that the only marketing technique employed is the visits by detailmen to physicians and pharmacies. There is no promotion to the consumer at all. Consequently, the Project will work closely with local distributors to develop systematic marketing campaigns, for the medical community and for the general public.

### 3. Project Implementers

#### a. Steering Committee

Being the first project of its kind in Jordan, there needs to be a great deal of sensitivity to religious and cultural concerns associated with birth-spacing and contraceptive service delivery. In the Project Implementation Document, a Birth Spacing Council whose membership would include all interested organizations, was proposed as a possible means of soliciting guidance. When discussing the Project in further detail, however, the MOH suggested that this group would be too unwieldy for Project implementation, that what the Project needed was a small, executive body that could make decisions quickly. Consequently, the Project Paper envisions the creation of a Steering Committee. This Steering Committee will review all informational campaigns and the plans for their implementation to assure their acceptability. This Committee will be chaired by the Minister of Health and will include USAID, two distributors, and at least one non-governmental organization involved in MCH delivery (probably the Noor Al Hussein Foundation). However, this Committee will not have the time to implement the Project, nor is the task appropriate to any of their institutions. Therefore, the Steering Committee will task a Project Office, physically separate, to implement the Project.

#### b. Project Office

A Project Office will be established to implement the Project on a day-to-day basis. The Project Office will be staffed by a General Manager with pharmaceutical experience, a Marketing/Brands manager and support staff. Since many of the elements of the Project are new to Jordan, a US resident advisor with previous experience in social marketing will serve as the General Manager's counterpart for the first five years of the Project. In addition, the Project Office will use and pay for the services of a competitively selected advertising agency and a market research firm to perform work on an as needed basis for the life of the Project. The Project Office will be responsible for submitting its annual informational campaign, training, and product promotional plans to the Committee for approval, and then implementing them through the year.

It will be the responsibility of the Project Office to monitor and supervise all aspects of the advertising, promotion, training, public relations and research activities on a continuous basis. Specifically it will be the responsibility of the Project Office to meet as often as necessary with the advertising and market research firms to supervise and implement all aspects of the Annual Plans. The Project Office should continually evaluate the effectiveness of all programs, judging whether or not they are successful and whether or not the Annual Plans should be modified. Toward this end, the Project Office will establish a management information system which tracks various aspects of project performance. A formal review of the evaluation work should be presented to the Steering Committee at least twice a year. In addition, the Project Office staff will work with the distributor's detailmen on a weekly basis to follow up on all sales and distribution activities in order to assure that project objectives will be met. The Distributors will issue sales report to the Project Office on a monthly basis.

The Project Office will also maintain a liaison relationship with all NGO's keeping them informed of all project activities and coordinating with them/soliciting their support wherever necessary. The Project Office should meet regularly with participating NGO's.

Any revenues which result from agreements with manufacturers will be paid to the Project Office. The Project Office will deposit these revenues in a special Project account in a private bank. These funds may only be used for project purposes with the prior approval of the Project Steering Committee.

Finally, the Project Office will check and approve all invoices for local services performed/goods delivered to the Project, assuring that work has been performed satisfactorily and completely prior to issuing payment.

c. Ministry of Health

Although the Project Office will be responsible for arranging training for public sector physicians and birth spacing deliverers, the Ministry of Health will be responsible for placing those trainees and building birth spacing service delivery more completely into their MCH program.

#### 4. Project Components

##### a. Basic Research

The MOH is already developing a survey to more accurately determine the levels of infant and maternal mortality in Jordan. The results of this survey will be used to establish baseline rates for both variables.

The Project will have to support a significant amount of basic research to establish a data base with respect to health behaviour, and to set criteria for the Jordanian market to determine consumer characteristics according to classic marketing socio-economic groups ("A," "B," "C," and "D" classes). It is anticipated that focus groups will be used extensively to determine consumer reaction to products and marketing techniques. These groups of 5-10 people will be recruited by the marketing research firm according to approved criteria (e.g., age groups, sex, socio-economic class). Any GOJ clearances which may be required for such research activities will be obtained by the MOH. The specific research anticipated includes:

i. Baseline Survey: This survey is critical for specific implementation planning and progress measurement. It will be initiated by the Technical Assistance Contractor. A sample of 600 men and 600 women is statistically sufficient for this purpose. The Baseline Survey will provide the following information:

- A statistical base measurement of attitudes, awareness, and usage levels (that exist prior to project implementation) against which all future measurements of attitudes, awareness and usage will be compared.
- A definition of the project's Target Audience and how best to reach them (i.e. which media to buy).
- A definition and an evaluation of the key consumer problems/benefits.

ii. Research among private physicians (759 general practitioners and OB/GYNs) and pharmacists (624) to determine their level of knowledge about birth spacing and about birth spacing products.

iii. Research among public sector and NGO physicians and health care staff to determine their level of knowledge about birth spacing and about birth spacing products.

iv. Consumer qualitative research to determine attitudes toward birth spacing, contraceptive products and appropriate approaches for informational campaigns.

## b. Training

This Project first and foremost attempts to change attitudes about birth spacing as a health intervention and about birth spacing products. The Project intends to reach the appropriate members of the medical community in as many ways possible to capture interest and enthusiasm. The following outlines specific training opportunities the Project plans to implement, but does not intend to limit the amount or range of training opportunities that may be identified following the research being conducted above, or upon request of members of the medical community.

i. Seminars for physicians: It is anticipated that a series of seminars (one 2-day seminar to "kick off" the Project, followed by four or five one day seminars) will be organized, possibly through the Jordan Medical Association. These seminars will feature guest speakers as well as local doctors who will present papers on birth spacing issues, including breastfeeding, traditional methods of contraception, and commercially available contraceptives. The research conducted among physicians above will determine whether public and private physicians share similar information gaps, or whether the issues are sufficiently different to warrant separate seminars in some areas. It is recommended that seminars be held both in Amman and in other regions, for example, Aqaba, Irbid, Zarqa and Mafrq. In the first seminars, the emphasis will be on the value of lengthening birth intervals for mother and child health. However, prior to the launch of the birth spacing products, the seminars will focus on birth spacing products and method differentiation.

ii. Seminars for pharmacists: A similar series of seminars will be conducted for pharmacists. Again, specific subject matter will be determined by the research conducted above. However, the initial seminars will emphasize birth spacing and then will focus on method differentiation and specific Project products.

iii. Training for pharmacist staff: Some low level of training (two, two-day sessions) will be required for general pharmacy staff who handle sales. This training will take place after training of the pharmacists, but prior to product launch. This training will introduce this non-medical, non-technical staff to the concept of birth spacing and will focus on contraceptive methods and the specific Project product line. This training will give them the basic facts, reinforced by handouts, and they will be taught how to respond to consumer questions, when to consult the pharmacist, what point of sale material to hand out, etc.

iv. Training for Detailmen: The distributors will be intimately involved in distribution birth-spacing information and product promotion. The detailmen, however, are the ones who leverage sales. Consequently, prior to product launch, the detailmen of the participating distributors should receive training concerning the concept of birth spacing, and intensive information on the Project's product line.

v. Post partum counseling training: A group of approximately thirty MOH and ten NGO physicians and clinicians will be identified for training in post partum counseling. It is anticipated that this training will take two to three weeks and will include training in the health benefits of birth spacing, and in the range of traditional and commercial contraceptives available.

vi. IUD insertion training: A series of training sessions specifically for public sector and NGO physicians will be conducted throughout the country. The above research will determine the amount of training that will be required to train all interested staff in maternal/child health and primary health clinics throughout the country.

vii. Observational/Study: It is anticipated that series of study tours to other moslem countries with successful social marketing programs would help build excitement and enthusiasm for this Birth Spacing Project. These study tours would be conducted largely in the early years of the Project and would include the distributors, prominent physicians and pharmacists MOH personnel and other public opinion leaders.

c. Information, Education & Communication Materials

The Project Office will work with the Project's advertising agency to develop Project IE&C materials. All of the IE&C materials developed should be tested in focus groups to make sure that the communication is accurate and acceptable. Finished materials will be reviewed and approved by the Project Steering Committee prior to distribution and use in the Project.

i. Project Booklet for Physicians, Pharmacists & NGO's: The Project Booklet should be developed as an educational/public relations tool for the private and public sector physicians, pharmacists and NGO's. Principally, it will be given to these groups at the Concept Marketing luncheons scheduled to take place in February, 1989. The booklet should be of the highest quality (printed in color on heavy weight glossy paper) and should impressively present the birth spacing concept, project goals and overall objectives.

ii. Consumer Booklet: A series of booklets will be published, one every three or four months, on health topics related to maternal/child health. Sample topics would include "You and Your Baby's Health," "Nutrition for You and Your Baby," "Breastfeeding," "Birth Spacing," etc. The booklets will be high quality, each will cover a single topic in straight forward, conversational language. The booklet will be given to doctors, pharmacies, clinics and NGO's, etc. for them to pass along to consumers.

iii. Training Manual for Pharmacy Staff, NGO's and MOH Clinic Staff: The Training Manual will be much like the project booklet in size and quality, but it will be enlarged to be very product specific. It will give details of the birth spacing products, and all information necessary for the pharmacies, clinic and NGO's staffs to be able to correctly advise the consumer on product use and to deliver product.

The Training Manual will primarily be used at the training seminars for 1200 pharmacist staff and 100 NGO's staff that we scheduled to be held in May/June 1989. It will also be distributed to all pertinent MOH clinic staff (approximately 1000).

iv. High Level Press Kits: The Birth Spacing Project will develop a press kit that can be given to V.I.P.s in the government, the private sector and the media. The press kit would include the Project Booklet plus additional public relations materials such as personal letters of endorsement from leaders, government officials, influential organizations, professional associations and business organizations.

v. Point of Sale and Display Materials: A series of point of sale and display materials such as posters, product dispensers, etc. will be developed. The Project Office staff will work with the Distributors and Advertising Agency to identify and develop the necessary material. A full description and rationale for these materials will be specified in the Annual Plans.

d. The Media Plan

Where the training is directed almost exclusively at the medical community, the media plan is dedicated to the education of the general public on the health benefits of birth spacing. While this does reenforce the training provided for the medical community, the messages will be targeted at the ultimate consumer of contraceptives, married men and women of reproductive age.

The Media Plan developed by the Project Office and advertising agency will specify what advertising will take place, when, how often and to whom it will be directed. Data provided by the Baseline Survey will be used to identify the target audience demographically by sex, age, socio-economic class and educational level. The creative strategy will define the content and tone of the advertising. Given the sensitivity of the subject matter and the fact that this is the first concerted effort to raise public awareness and discussion about birth intervals, the media approach must be consummately discreet. The following plan recommends a gradual introduction to the subject matter, and generic rather than method or product specific content.

i. The logo: The Prime contractor will subcontract with a competitively selected advertising agency to develop a symbol or logo for the Project. The symbol will have to communicate the "Maternal Child/Health" focus of the project, "Jordan" and the Marketing of Birth Spacing Project name. The selection of a logo will be based on further focus group surveys. The "finalists" will be presented to the Steering Committee for final approval. The selected logo will then be used on all Project material (printed material, television spots, product packaging, etc.).

ii. Primary media: Given the nature of the Jordanian market, television and Radio are the most effective media: it is estimated that 96% of the total population own a television and 99% have a radio. There are one English language and two Arabic language daily newspapers and one English language weekly newspaper which ostensibly provide national coverage, but to date have not proved an effective marketing tool, particularly among lower socio-economic groups.

There are two Jordanian Television channels, one in English and one in Arabic, and two Radio Stations, one A.M. station/Arabic and one F.M. station/English. Both the T.V. and the radio stations provide national coverage. Since the Project is contributing to GOJ objectives of improved maternal child health, the Project should be eligible for the 50% discount rate for public service advertising.

Given the complexity of communicating the birth spacing message in a subtle yet persuasive manner, it will be necessary to use at least 45 Second (:45) ads during the launch phase of the campaign for both radio and T.V. Spots should be scheduled in the high quality "A" time slots with enough frequency to be effective yet with not so many spots that they would draw critical attention. The campaign should avoid creating a feeling that the Jordan Market is being suddenly "bombed" with a birth spacing message. The Media Plan should also consider using any special support media that is necessary to address the medical community, such as Journals for the Doctor's Association and the Pharmacist's Association.

Another medium which may be used is direct mailing. Direct mailing has proven in other countries to be a useful technique to provide interested consumers more specific information on products and birth-spacing technologies. In this method, consumers wishing to receive a free booklet containing birth-spacing information are asked to send in their name and address. A letter and information booklet are then sent to them. This method of promotion has the added feature of being one measure of advertising penetration and effectiveness.

iii. Development of the Media Executions\*: Once the Project Steering Committee has approved the Media Plan, the advertising agency will begin to develop the approved executions. These will include television spots that will carry a generic message. Product specifics will not be mentioned as it is currently prohibited to advertise pharmaceutical products. It is anticipated, however, that a reference may be made to products by stating for example "... for more information regarding birth spacing products consult your physician, pharmacist, or Maternal/Child Health Clinics".

The different executions, in rough form, will be tested with Focus Groups in order to develop and select the most effective spots.

iv. Advance Public Relations Campaign: To ensure a general awareness of the Project and its concern for lengthening birth intervals, the Project Office will ensure that press releases, radio interviews, etc. begin to appear approximately six months before the media campaign begins. These executions are mostly intended to introduce the public to the existence of the Project than to begin the educational campaign. In concert with this approach, the public health announcements on radio and television should start up slowly so as not to inundate, and possibly intimidate, the audience.

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\* An "execution" is an advertising word meaning the final form of advertising seen/heard by the potential consumer, e.g. T.V. spots, radio spots, newspaper advertisements, etc.

#### e. Product Marketing

The Project Office will work with the Distributors, coordinating with the Advertising Agency and Research Co., in order to develop an annual Marketing Plan for the project. The plan will provide a detailed analysis of all marketing components for the birth spacing project which will be broken out into the following categories:

- Program Objective/Goals
- Marketing Objectives and Strategies
- Distribution Objectives and Strategies
- Communication Objectives and Strategies
- Media Objectives and Strategies
- Sales Promotion Objectives and Strategies
- Marketing Research Objectives and Strategies
- Packaging Objectives and Strategies
- Procurement Objectives and Strategies
- Pricing Objectives and Strategies
- Budget
- Sales, Forecast Specifics

#### 5. Project Phasing

##### a. Preimplementation

A USAID direct contract will be signed with a competitively selected US consulting firm to: provide technical assistance; initiate a Baseline Survey; arrange initial market and consumer research, and, provide a resident advisor for five years. During the start-up period (approximately October 1988 until January 1989), the prime contractor will help the Project Steering Committee negotiate agreements with international manufacturers and local distributors whose products the Steering Committee wishes to include in the Project.

Once in Jordan, the resident advisor's first task will be to select the Project Office staff and competitively select one advertising firm and one marketing research firm with whom the Project Office will establish a work order agreement to perform an unspecified quantity of work over the life of the Project.

It is anticipated that the Project Office will be in place in March, 1989. At this point, the Project Office will draw up an annual work plan that outlines the timing and approach to the components presented above, with specific objectives for that year. The annual work plan will then be submitted to the Steering Committee for approval.

b. Phase I

The first phase concentrates on promoting the concept of birth spacing and preparing for an enhanced commercial distribution system for contraceptives. In this phase, Concept Marketing will focus on raising the general level of knowledge about birth spacing as an MCH technique within the medical profession (both public and private). It is during this period that the training outlined previously will be conducted. Study tours will be organized, seminars arranged, and training held.

Concurrently, the Project Office will work with the distributors, manufacturers and market research firm to develop the Project product line, and design marketing strategies, point of sale materials for the consumer and information, education and communication (IE&C) materials for physicians and pharmacists.

c. Phase II

In the Birth Spacing Project's second phase, the emphasis will be on selling the birth spacing products. This will include (1) refining the informational campaign to the medical community, (2) launching a birth spacing information campaign to the general public and (3) commercially marketing birth spacing products developed under Phase I.

i. "Sell in"\* to the physicians

Approximately two months before consumer informational activities start, the "sell-in"\* phase begins. By this time the public and private sector physicians will have already participated in a series of seminars where birth spacing and birth spacing products were discussed. This is now the time for introducing Project products. At this time, the physicians will receive a comprehensive packet with updated information, product samples, and detailed explanations on each of the selected products.

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\*"Sell-in" is the total amount of time to accomplish the selling task. For example, it takes 8 weeks for the detailmen to complete their rounds, thus making "sell-in" to the physicians an 8 week task.

This conference will then followed up by visits to physicians by the distributors' detailmen. During these visit to physicians, the detailman will present detailed product specific information on the selected Project products and deliver a personalized certificate to those doctors that have agreed to prescribe the project products. Several samples of each product will also be delivered at this time as well as a supply of consumer brochures for the doctor to give to all contraceptive acceptors. The timing is important because it takes distributors up to 8 weeks to contact all their doctors and this visit should take place before advertising activities begin. This will ensure a good response level as people begin to ask for information and services from these physicians.

ii. "Sell in" to the pharmacists

The sell-in phase to the pharmacies will be simultaneous with the detailing visit to the physicians to guarantee that as prescriptions and information are supplied to the users the pharmacies will also be aware of the existence of these products. By this time, the pharmacists will also have attended a project conference and will be aware of the existence and objectives of the project.

The pharmacies will also be visited by the distributors' salesmen who will deliver product samples and information, brochures on birth spacing to be passed on the users and a certificate to those pharmacies that agree to actively promote the project with their customers. Participating pharmacies will also be given a sticker to identify it as a project sponsor which is to be placed on the shop window and/or counter.

### III. COST ESTIMATE AND FINANCIAL PLAN

#### A. Overview

The total project cost is estimated to be \$7,250,000. AID financed inputs total \$5 million in ESF grant funds over the estimated six year life of the project. AID funds will be used for technical assistance, training, local costs for staffing and operating a Project Office, market research and informational campaigns (see Table 1). A breakdown of total foreign exchange and local currency costs are contained in Table 2.

Private firms (distributors and manufacturers) will provide the birth spacing products, distributors staff and distribution facilities necessary for the project. The value of these in-kind contributions are estimated to be at least \$1,600,000. This figure actually includes only the value of the distributor staff time devoted to the project and the value of additional products introduced into the marketplace. The value of the distribution system itself, vehicles, storage, etc. would be considerably more. In addition, distributors participating in the Project will be expected to contribute to the Project a percentage of the revenues they receive from the increased sales of birth spacing products realized by Project efforts. The sales-return to the Project over its first five years life is estimated at about \$27,000 (including interest).

No significant direct cost contributions are expected from the GOJ. However, the staff time and infrastructure facilities (clinics, etc.) contributed by the MOH and NGO's are valued at about \$650,000.

#### B. Cost Estimates and Financial Plans of specific Project Components

##### 1. Summary Project Budget

The AID-financed project costs have been grouped in standard AID expense categories, by component and project year (see Table 2). The technical assistance costs are to provide specific assistance in technical areas associated with marketing, research, public relations, advertising and management. The training costs include an extensive series of seminars to reach private doctors and pharmacists in Jordan as well as MOH and NGO clinic personnel. The largest cost category is Other Costs, namely the informational campaigns, research effort, and the administrative costs associated with the Project Office. Commodities consist of various clinical supplies, one vehicle and a limited amount of contraceptive products (IUDs). To the extent that commercial participation can be encouraged, contraceptive products will not be required. An internal mid-term evaluation is included as well as an end-of-project evaluation conducted by an outside contractor. An inflation factor of about 3 percent was included in the contingency line along with about 3.3% for unforeseen Project requirements.

## 2. Technical Assistance

The costs for technical assistance from a U.S. contractor include both short-term and long-term staff assignments. Accordingly, the financial plan for this technical assistance includes the costs associated with home support (in the U.S.) of such assistance and the maintenance of one resident Project Advisor in Jordan for five years.

## 3. Project Office Costs

Since the bulk of the implementation and direct management responsibilities of the Project rest with the Project Office, the Project will finance the cost of establishing, staffing and maintaining this Office. The total cost for operating this Office over the life of the Project is \$1,408,000. These costs include salaries, office supplies, a vehicle, travel, office furnishings, etc. (See Table 4).

## 4. Costs of Specific Activities Undertaken by the Project Office

The major Project activities coordinated, managed and financed through the Project Office include:

- a. Training of doctors, pharmacists and pharmacy assistants, MOH and NGO clinic personnel in the advantages of birth spacing as health intervention.
- b. An information campaign for the birth spacing concept and birth spacing products.
- c. Research to determine the effectiveness of the informational campaign and other activities (See Table 5).

## 5. Additional Costs

There are a variety of additional costs associated with the conduct of the Project. These include the costs of: internal audits of the Project Office and related project activities; a small amount of commodities (mainly IUDs); evaluations and contingencies.

## 6. Returns to the Project

As mentioned above, the distributors and manufacturers who participate in the Project are expected to contribute to the Project a portion of the value of the increased sales of birth spacing products they realize because of Project activities. The exact percentage, of course, will be dependent upon the agreements reached with the distributors and manufacturers. However, based on the sales-return formulas reached in other countries, a 5% of profit of increased sales contribution to the Project appears likely. These sales-returns will be placed in a Project Office bank account and applied to future costs of the Project. The actual costs value of these contributions will be relatively small during the first five years of the program; but, with investment could grow over time (see Table 5).

TABLE 1

MARKETING OF BIRTH SPACING PROJECTSUMMARY BUDGET

	<u>USAID</u>	<u>GOJ</u>	<u>PRIVATE SECTOR</u>	<u>TOTAL</u>
I TECHNICAL ASSISTANCE	1,395,000	—	—	1,395,000
II TRAINING	300,000	200,000	—	500,000
III COMMODITIES:	175,000	—	200,000	375,000
IV PROJECT OFFICE/OTHER				
A. PROJECT OPERATIONS	1,207,000	450,000	1,400,000	3,057,000
B. PROJECT OFFICE ADMINISTRATION	1,408,000	—	—	1,408,000
V EVALUATION AND AUDIT	200,000	—	—	200,000
VI CONTINGENCY @ 6.3%	315,000	—	—	315,000
GRAND TOTAL	\$5,000,000	\$450,000	\$1,600,000	\$7,250,000

TABLE 2

USAID FOREIGN EXCHANGE AND LOCAL CURRENCY COSTS

	<u>FOREIGN EXCHANGE</u>	<u>LOCAL CURRENCY</u>	<u>TOTAL</u>
I TECHNICAL ASSISTANCE	1,395,000	—	1,395,000
II TRAINING	55,000	245,000	300,000
III COMMODITIES:	55,000	120,000	175,000
IV PROJECT OFFICE/OTHER			
A. INFORMATIONAL CAMPAIGNS	—	862,000	862,000
B. RESEARCH	—	345,000	345,000
C. PROJECT OFFICE ADMINISTRATION	15,000	1,393,000	1,408,000
V EVALUATION AND AUDIT	110,000	90,000	200,000
VI CONTINGENCY	157,500	157,500	315,000
GRAND TOTAL	\$1,777,500	\$3,212,500	\$5,000,000

TABLE 3

DETAILED BUDGET FOR U.S. CONTRIBUTION BY COMPONENT AND PROJECT YEAR

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	TOTAL
I TECHNICAL ASSISTANCE	339,000	243,500	283,500	241,500	287,500	0	1,395,000
II TRAINING	150,000	30,000	70,000	25,000	25,000	0	300,000
III COMMUNITIES:	30,000	30,000	30,000	30,000	30,000	25,000	175,000
IV PROJECT OFFICE/OTHER:							
1. INFORMATIONAL CAMPAIGN	108,000	169,000	123,000	123,000	123,000	126,000	862,000
2. RESEARCH	69,000	69,000	69,000	69,000	69,000	0	345,000
3. PROJECT OFFICE ADMIN.	315,000	218,500	218,500	218,500	218,500	218,500	1,408,000
V EVALUATION AND AUDIT	15,000	15,000	45,000	15,000	95,000	15,000	200,000
VI CONTINGENCIES	52,500	66,000	58,500	53,500	64,000	20,500	315,000
GRAND TOTAL	1,169,000	841,000	807,500	775,500	912,000	405,000	5,000,000

TABLE 4

## ESTIMATED COSTS OF ESTABLISHING AND MAINTAINING A PROJECT OFFICE

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	TOTAL
<b>A. LOCAL PROJECT</b>							
<b>SALARIES</b>							
PROJECT MANAGER	52,000	52,000	52,000	52,000	52,000	52,000	312,000
BRANDS MANAGER	46,000	46,000	46,000	46,000	46,000	46,000	276,000
ACCOUNTANT	17,000	17,000	17,000	17,000	17,000	17,000	102,000
PR ASSISTANT (4 MOS)	10,000	0	0	0	0	0	10,000
SECRETARY/ASSISTANT	14,000	14,000	14,000	14,000	14,000	14,000	84,000
TYPIST/CLERK	8,000	8,000	8,000	8,000	8,000	8,000	48,000
DRIVER/EXPEDITOR	10,000	10,000	10,000	10,000	10,000	10,000	60,000
<b>SUB-TOTAL</b>	<b>157,000</b>	<b>147,000</b>	<b>147,000</b>	<b>147,000</b>	<b>147,000</b>	<b>147,000</b>	<b>892,000</b>
<b>OFFICE</b>							
RENT	25,000	25,000	25,000	25,000	25,000	25,000	150,000
UTILITIES	3,000	3,000	3,000	3,000	3,000	3,000	18,000
FURNITURE/FURNISHINGS	41,000	2,000	2,000	2,000	2,000	2,000	50,000
PHONES	5,500	0	0	0	0	0	5,500
COPIER	5,000	0	0	0	0	0	5,000
TELEFAX	3,000	0	0	0	0	0	3,000
COMPUTERS (3)	15,000	1,000	1,000	1,000	1,000	1,000	20,000
SOFTWARE	5,000	1,000	1,000	1,000	1,000	1,000	10,000
CLEANING	3,000	3,000	3,000	3,000	3,000	3,000	18,000
OTHER EQUIP	2,000	500	500	500	500	500	4,500
<b>SUB-TOTAL</b>	<b>107,500</b>	<b>35,500</b>	<b>35,500</b>	<b>35,500</b>	<b>35,000</b>	<b>35,500</b>	<b>395,000</b>
<b>OTHER DIRECT</b>							
COPY/REPRODUCTION	6,000	6,000	6,000	6,000	6,000	6,000	36,000
PUBLICATIONS	1,000	1,000	1,000	1,000	1,000	1,000	6,000
POSTAGE/TELEX/FAX	5,000	5,000	5,000	5,000	5,000	5,000	20,000
PHONES	3,000	3,000	3,000	3,000	3,000	3,000	18,000
SUPPLIES	5,000	5,000	5,000	5,000	5,000	5,000	30,000
MISCELLANEOUS	7,000	7,000	7,000	7,000	7,000	7,000	42,000
<b>SUB-TOTAL</b>	<b>27,000</b>	<b>27,000</b>	<b>27,000</b>	<b>27,000</b>	<b>27,000</b>	<b>27,000</b>	<b>162,000</b>
<b>VEHICLE</b>							
PURCHASE	15,000	0	0	0	0	0	15,000
OPERATION	3,500	3,500	3,500	3,500	3,500	3,500	36,000
<b>IN-COUNTRY TRAVEL</b>							
TRANSPORTATION/PER DIEM	5,500	5,500	5,500	5,500	5,500	5,500	37,000
<b>TOTAL</b>	<b>315,500</b>	<b>218,500</b>	<b>218,500</b>	<b>218,500</b>	<b>218,500</b>	<b>218,500</b>	<b>1,408,000</b>

TABLE 5

ESTIMATED REVENUES TO PROJECT AND ACCRUED VALUE IF INVESTED

	1989	1990	1991	1992
TOTAL PAYMENTS FROM DISTRIBUTORS	\$1,763.69	\$3,650.83	\$7,557.22	\$11,732.58
ACCUMULATED PROJECT FUND WITH INTEREST (10% PER YEAR)	\$1,763.69	\$5,590.88	\$13,707.19	\$26,870.48

#### IV. IMPLEMENTATION PLAN

##### A. Roles and Responsibilities

To fully achieve the project objectives, a careful coordination of all project activities is necessary. Furthermore, because of project relies heavily on the participation of and resource investment from commercial pharmaceutical distribution and manufacturers, the delegation of designated implementation responsibilities and maintenance of standard operating procedures of all parties involved are critical. The roles and responsibilities assigned to the organizations involve are discussed below.

##### 1. Project Steering Committee

To oversee the implementation and work of the Project, a Project Steering Committee will be formed. This Committee will be chaired by the Minister of Health and would consist of four other members (five in all). Although subject to review, it is recommended that the other members of the committee be: a representative of USAID; a representative of the Noor Al Hussein Foundation; and, the Managing Director of each of the two distribution companies which are anticipated to be involved with birth spacing products.

The Steering Committee is responsible for reviewing and approving the annual work plan and budgets of the Birth Spacing Project Office. In addition the Committee will execute contracts for the services of the staff of the Birth Spacing Project Office. The Committee would monitor the Project Office's progress against implementation benchmarks established in annual work plans, marketing plans and management reports. It will also regularly review the project activities implemented by participating pharmaceutical distributors the MOH and NGOs. The Committee may meet as required to consider specific project implementation issues.

##### 2. The Project Office

The Project will finance the costs of the staffing and opening a separate Birth Spacing Project Office. These costs will include: a duty-free vehicle, rent, utilities, equipment, supplies and salaries. The Project Office will be responsible for implementing each phase of the Project which is executed by elements of the private sector.

The Project Office will organize and coordinate all informational campaigns for birth spacing as a health technology. It will also develop a product line and accompanying marketing campaign. Project Office staff will be responsible for developing informational campaigns, a management information system, promotional plans, marketing communication and education materials and campaigns, etc. As necessary, the Project Office will negotiate agreements with local manufacturers, distributors etc. for Committee approval and signature. Once such contracts are signed, the Project Office will manage the contracts on behalf of the Committee. The Project Office is responsible of keeping the Project Steering Committee appraised of project progress generally and of any significant developments.

The Project Office will be staffed by seven persons. These seven positions are: (1) the Managing Director (a senior Jordanian executive with 15 years of experience in the marketing of consumer or pharmaceutical products); (2) the Brands Manager (a mid-level Jordanian executive with 8-10 years of experience in the sale of consumer or pharmaceutical projects); (3) an Expatriate Advisor (a person with 10-12 years of managerial experience in social marketing and in consumer or pharmaceutical products); (4) an Accountant; (5) a Secretary/Administrative Assistant; (6) a Typist/Clerk; and, (7) a Driver.

### 3. The Prime Contractor

The Prime contractor is responsible for performing preimplementation work described earlier, fielding resident advisor (for a five-year period) and providing short term technical assistance when needed. The Prime contractor will provide social marketing expertise to all aspects of project implementation. Through the operations of the Project Office, the Prime Contractor will offer technical assistance in developing, monitoring and evaluating all aspects of the marketing plan. The Contractor will also draft the specific scopes of work for the staff of the Project Office; review potential candidates for the Project Office staff positions; and, recommend a rank order for hiring Project Office individuals to the Project Steering Committee. Once the Project Office is established and functioning, the Contractor will assist in developing a management information system, based on trade inventory, sales and financial practices, to help monitor and evaluate project progress.

The full-time Resident Advisor will work out of the Project Office. The Resident Advisor will also serve as an advisor to the Project Steering Committee and will be present at meetings of the committee. The short-term technical assistance will be in the areas of: advertising, market research, product distribution, management information systems, logistics, and birth spacing promotion.

#### 4. The Ministry of Health

Together with the Ministry of Planning, the MOH will sign the overall Project Agreement with USAID. The MOH will chair of the Birth Spacing Project Steering Committee. The MOH will also be responsible for obtaining any necessary clearances from the Ministry of Planning to conduct the studies and surveys described herein. It will also monitor the work of the Birth Spacing Project Office, the technical assistance contractor; and the organizations of the Jordanian private sector contracted by the Birth Spacing Project Office. In addition, the MOH will implement those birth spacing activities which are mutually agreed to be carried out in MOH service delivery channels.

Through already established product registration mechanisms, the MOH has a direct control of all pharmaceutical products that enter the country. This includes ensuring that they comply with minimum quality control requirements, that they are products of recognized therapeutic value, and that they are priced at acceptable levels. Therefore, the MOH will have direct control over project products and their prices.

The MOH also has the added responsibility nominating and releasing staff for birth spacing training. It also must monitor the birth spacing activities under taken in MOH service outlets.

#### 5. USAID

Based on approvals granted by the Project Steering Committee of annual budgets of the Project Office, USAID will advance funds to the Project Office on a quarterly basis. The Project Office will liquidate these advances and transmit liquidation notices directly to USAID for issuance of the next advance.

USAID will directly contract for the services of the Technical Assistance Contractor. A representative from USAID will also serve as a member of the Project Steering Committee.

#### 6. Commercial Distributors

The pharmaceutical distributors who agree to participate in the Project will be responsible for arranging special packaging with their manufacturers for the Project birth spacing products. The distributors also must assign the detailmen and sales force necessary to assist in the informational campaigns with the medical and pharmaceutical community. Through their arrangements with their manufacturers, the distributors will also obtain the necessary additional birth spacing products.

## 7. Non-governmental Organizations (NGOs)

All NGOs involved with maternal/child or primary health delivery will be eligible to nominate members of their staff to receive birth spacing training and birth spacing informational materials. Some NGO's may also receive contracts from the Project Office to provide assist in training, informational campaigns and other activities of the Project. Possible NGO participants include the General Federation of Jordan Women, Young Women's Moslem Association, YWCA, Queen Alia Jordan Social Welfare Fund, and Arabic Fund for the Care of Children.

## B. IMPLEMENTATION PLAN

Pre-implementation activities will be carried out by the Prime Contractor. Implementation activities will be carried out by the Project Office in association with the Prime Contractor and under the guidance of the Project Steering Committee.

### 1. Methods of Implementation and Financing

The contract for the services of the Prime Contractor will be an AID Direct contract executed with a competitively selected contractor. The payment mechanism will be direct USAID reimbursement to the contractor. If any cash advances are required they will be approved only if such are deemed beneficial to the government. Advances should cover cash requirements not to exceed ninety (90) days for this Project.

### 2. Gray Amendment

In addition to the Prime Contractor, the Project may require the participation of subcontractors to provide short-term technical assistance. It is not possible to ascertain total project subcontracting requirements at this point. However, USAID will to the extent possible utilize Gray Amendment firms for implementation activities.

### 3. Planned Audit Coverage

The Project Office will be responsible for disbursing funds in accordance with their annual budget. To avoid implementation impediments, it will be necessary for USAID to make quarterly advances the Project Office based on projected cash needs. These expenses will be liquidated to USAID on a quarterly basis. The Project Steering Committee will contract for an audit of the Project Office's accounting files annually to ensure that documentation requirements are being followed.

#### 4. Commodities

The following have been identified for procurement under the project:

- Personal computer (3)
- Software
- Vehicle (1)
- IUDs (\$30,000)
- Office Furnishings
- Clinical Supplies (\$145,000)

The IUDs would be purchased through central A.I.D. channels, and the remaining items would be purchased locally. A duty-free vehicle will be procured for use by the Project Office. The Project Office will procure the clinical supplies as needed for the clinical operations of the MOH and cooperating NGO's.

#### 5. Prime Contractor Coordination and Responsibilities

The Birth Spacing Project Steering Committee will have prime responsibility for overall policy direction, monitoring of project implementation and tracking progress toward project objectives. The Committee will be chaired by the Minister of Health, and composed of senior representatives from USAID, possibly the Noor Al Hussein Foundation, and the two distributors participating in project implementation. The Director of the USAID Health, Population and Nutrition Office will administer the Prime Contractor's contract.

A separate Project Office will be established to house the Prime Contractor and counterpart staff for project implementation. The Office will be the action office for the project. It will be the responsibility of this Office to achieve project outputs. The Office will be managed by the Jordanian Project Manager with the guidance of the U.S. Contractor. Local staff will be hired for the remaining positions, and service contracts will be executed with local manufacturing, advertising and marketing firms. The project envisions hiring three or four local professionals, plus secretarial and accounting support.

IMPLEMENTATION PLAN FOR USAID/GOJ

Action	Start	End
=====		
1. Project Agreement Signed	06/15/88	
2. Conditions Precedent Met	07/15/88	
3. Advertising for Prime Contractor	06/15/88	08/15/88
4. Selection of Prime Contractor	08/21/88	08/25/88
5. Negotiation and execution of contract with Prime Contractor	08/25/88	10/22/88
6. Execute the Baseline Study	10/31/88	12/31/88
7. Initiate IE&C material development	10/31/88	12/31/88
8. Negotiate contracts with manufacturers		
9. Advertise local positions and local company contracts	12/15/88	01/15/89
10. Resident Advisor arrives	01/15/89	
11. Annual Plan submitted	01/31/89	01/31/93
12. Local companies and staff selected	01/15/89	03/15/89
13. Initial Vehicle Procurement	01/30/89	03/1/89
14. Project Office established	03/01/89	06/30/93
15. Quarterly progress reports by Resident Advisor	04/01/89	06/30/92
16. Procure IUDs	04/15/89	12/15/96
17. Interim Evaluation	01/90	02/90
18. Final Evaluation	01/92	02/92
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IMPLEMENTATION PLAN FOR PRIME CONTRACTOR

Activity	Start	End
=====		
1. Initiate Baseline Survey	10/31/88	12/31/89
2. IE&C material development	10/31/88	12/31/89
3. Resident Advisor in place	01/15/88	06/30/92
4. Establish housing and subsistence in Jordan for Resident Advisor	01/15/89	02/15/89
5. Identify office space, procure office furnishings	01/15/89	03/01/89
6. Establish Project Office	01/15/89	03/01/89
7. Provide short term experts	01/15/89	06/30/92
8. Execute contracts with local office staff and local companies	01/15/89	03/30/89
9. Prepare Annual Plan	01/31/89	03/31/89
10. Procure Project Office Vehicle	02/01/89	03/15/89
11. Train local staff	03/01/89	06/30/92
12. Quarterly progress reports by Resident Advisor	04/01/89	06/30/92
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IMPLEMENTATION PLAN FOR THE PROJECT OFFICE

Activity	Start	End
<u>PROJECT ADMINISTRATION/MANAGEMENT</u>		
1. Prepare cash advance requests and liquidation reports to USAID	01/15/89	03/15/93
2. Select local Advertising, Marketing and Distributors	03/15/89	
3. Preparation of Annual Marketing Plan	04/01/89	04/01/93
4. Ongoing reporting and progress reports	04/01/89	06/30/93
5. Meeting of Steering Committee to approve Annual Plan	04/01/89	06/01/93
6. Procure non-contraceptive commodities	08/01/89	08/01/93
<u>INFORMATIONAL CAMPAIGN FOR MEDICAL COMMUNITY</u>		
1. Prepare Information, Education & Communication materials for physicians and for pharmacists	04/01/89	06/01/93
2. Distribute IE&C materials	05/15/89	06/30/93
3. Conduct seminars, luncheons	06/01/89	04/30/93
4. Detailmen approach physicians	05/15/89	06/30/96
5. Salesmen approach pharmacists	06/01/89	06/30/96
<u>TRAINING MOH AND NGO BIRTH SPACING PRACTITIONERS</u>		
1. Identify short term TA to develop basic curriculum	06/01/89	06/30/89
2. Identify trainers locally	07/01/89	08/30/92
3. Conduct general training	10/01/89	10/30/93
4. Conduct IUD training	08/01/89	04/30/93
5. Trainees visit MCH and PHC clinics	10/01/89	06/30/93
<u>INFORMATIONAL CAMPAIGN FOR THE GENERAL PUBLIC</u>		
1. Preparation of media plan	04/01/89	04/30/93
2. Development of media spots	05/01/89	06/30/93
3. Advance public relations campaign	05/15/89	06/30/90
4. Commencement of advertising	07/15/89	06/30/93
<u>COMMERCIAL MARKETING OF BIRTH SPACING PRODUCTS</u>		
1. Develop logo	01/15/89	05/01/89
2. Develop brands	01/15/89	05/30/89
3. Develop product packaging	04/30/89	06/30/89
4. Prepare product specific information for physicians and point of sale material for pharmacists	05/01/89	06/15/89
5. Product launch	07/15/89	12/15/91

## C. Contracting Plan

### 1. Services

- a. Prime Contractor: The Prime Contractor will be responsible for (1) fielding a Resident Advisor for the Project Office; (2) initiating the Baseline Data Survey and IE&C material preparation; and, (3) providing short-term technical assistance to the Project when requested.

This contract will be competitively bid in the U.S. by USAID. USAID will sign an A.I.D. direct contract with the successful firm.

- b. Project Office Staff: The Project Office will have 3 or 4 professional staff and 3 or 4 support staff. These people will be recruited and selected by the Resident Advisor. The Steering Committee will execute contracts with the successful candidates.
- c. Associated local firms: The Project Office will competitively compete indefinite quantity type contracts for one advertising and one market research firm to assist in product development and the information campaigns.
- d. Manufacturers & distributors: MOH and USAID will negotiate agreements with manufacturers and their authorized distributors. These agreements will be executed by the Project Steering Committee.

### 2. Goods

- a. IUDs: If it is decided that it is necessary to donate IUDs to the public sector, USAID will do the procurement.
- b. Project Vehicle: A duty-free vehicle will be procured in accordance with A.I.D. rules and regulations.
- c. Office Space: The Project Steering Committee will sign the rental agreement with the owner of the building in which the Project Office will be located for the first year. After that, the Project Office General Manager will sign.
- d. Office Furnishings: All purchases and service agreements for the Project Office will be executed by the Project Office Manager.
- e. Clinical Supplies: The Project Office will procure locally and arrange delivery of clinical supplies needed by the MOH and cooperating NGO's.

## V. Monitoring Plan

Several mechanisms have been built into the project design to monitor the progress of implementation over the course of the project. The formal project monitoring role rests mainly with the Project Steering Committee; however, the overall monitoring effort will be a collaborative effort of the MOH, USAID, Project Office and the technical assistance contractor. The resident advisor and general manager of the project office will be members of USAID's private sector advisory group. The specific monitoring mechanisms are described below.

### A. Annual Work/Marketing Plans

Each year, the Project Office will prepare an Annual Work Plan which describes all birth spacing activities it will undertake over a twelve month period. This annual plan will also include descriptions of the informational campaigns and birth spacing training which will be undertaken. In addition, the plan will include detailed marketing plans to be undertaken with the assistance of the participating pharmaceutical distributors. After the first year of project implementation, the annual plan will include summaries of achievements of the previous years such as: annual sales figures for birth spacing products; quantitative results of the informational campaigns; and, numbers of outlets reached through the distribution system. An example of an annual plan is provided in Annex F.

### B. Tracking Studies

Tracking studies will be conducted at a minimum of two points during project implementation (9 and 24 months after product launch). The methodology and sampling design of the tracking studies will be the same as that of the baseline survey. The same methodology and sampling format is used so that comparability is maintained and so that actual increases in awareness, trial, usage and shifts in attitudes can be measured over time. Depending on planning needs, tracking studies may be repeated on an annual basis.

### C. Retail Audits

Retail audits will be conducted by an independent marketing research company on an annual basis beginning six months after product launch. The retail audit will be able to measure the actual distribution of the products in the market place and check on the nature of sales to consumers.

### D. Management Information System (MIS)

The Project Office will implement and maintain a management information system (designed with the assistance of the technical assistance contractor). This MIS is designed to help track the performance of project products in the marketplace and to help measure changes in consumer off-take (i.e. contraceptive use) due to project efforts.

#### E. Special Reports

The international experience in projects similar to the Birth Spacing Project suggests that a series of specialized reports are useful for monitoring project progress. The specialized reports are based on techniques developed for use in social marketing programs, and consist of the following:

- Quarterly Financial Report
- Quarterly Analyses of Sales Target Vs. Actuals
- Quarterly Analyses of Distribution Targets Vs. Actuals (biannually)
- Advertising and Promotional Events, Planned Vs. Actuals
- Highlights of Past Activities and Future Activities (biannually)
- Monthly Sales Report, By Brand, in Units and JDs

These special reports will be prepared by the Project Office and the Resident Advisor. The Project Office will submit these reports to the Project Steering Committee.

#### F. Reports from the Technical Assistance Contractor

The contractor will prepare quarterly progress reports concerning the conduct of the program and the provision of both long-term and short-term technical assistance. These quarterly reports will be submitted to USAID and to the Project Steering Committee.

#### G. Audit of Use of Funds

Since the Project Office must manage considerable portions of the project budget and arrange for a variety of services from the private sector, the Project will finance annual independent audits of the Project Office during the life of the project. These audits would be conducted by a local private auditing firm contracted by Project Steering Committee. These audit reports will be submitted to the Project Steering Committee. Since the Project Office will be a new entity, an external project audit may also be required. If so, such an audit would be arranged by USAID/Amman and would probably occur in the third or fourth year of implementation.

#### H. USAID Mission Quarterly Reports and Reviews

These reports include semi-annual project implementation reports prepared by the Project Officer which are reviewed by the Mission and submitted to AID/W and quarterly project financial reports prepared by the Mission Controller.

## VI. SUMMARY OF ANALYSES

Detailed project analyses are contained in Annex E and contain thorough discussions of significant technical issues considered during project design. The summaries offered below highlight the findings of these analyses.

### A. Contraceptive Market Analysis

#### 1. Available Birth Spacing Products and Sales Volumes

Jordan is relatively well supplied with good quality contraceptives manufactured by major multinational pharmaceutical manufacturers, including Schering, Wyeth, Searle, Organon, and London Rubber Company. Although there are some contraceptives donated to the public sector and NGOs, over 90% of contraceptives are sold through pharmacies (orals, condoms and spermicides) and private physicians (IUDs).

Pharmaceutical distributors estimate the volume of contraceptives consumed per year as follows:

Oral contraceptives	350,000 cycles
Intrauterine Devices (IUD)	12,000 units
Injectables	prohibited
Condoms	130,000 pieces
Spermicides	200,000 tablets.

#### 2. Distribution of Birth Spacing Products in Jordan

There are no birth spacing products manufactured in Jordan. All products are imported in a finished form and packaged, ready for sale. International companies are represented in the country by distributors, usually under an exclusive arrangement. Some manufacturers also have an agent in country who is directly in charge of the detailing and promotion of the products to the medical community. The distributor is responsible for all sales and in those cases where there is no direct company agent, the distributor is also responsible for the detailing and promotion activities. There are four major distributors in Jordan: Jordan Drug Company, Sabbagh Druggist, Salfity Medical Store and Arab Company for Agriculture and Pharmaceutical Products.

Pharmaceutical products can only be imported by a licensed distributor. The licensed distributor must apply for permission to be the the agent for a manufacturer. Finally, each pharmaceutical product of the approved manufacturer must be certified by the MOH's Pharmaceutical Technical Committee. Consequently, it can take a licensed distributor between 17 and 24 months to secure permission to import a specific pharmaceutical product. This affects orals and spermicides;

IUDs are classified as a medical device and condoms as a latex product. The major implication for the Project is that if the Project planned to import orals and spermicides for distribution in the private sector, it would delay Project implementation by as much as 24 months to secure permission to import. (Products donated to the public sector are not subjected to this process.)

Once the Pharmaceutical Technical Committee approves a specific pharmaceutical for import, the MOH assigns a retail price. This price is based on landed cost plus a fixed profit margin. The consequences for the Project are that low retail prices mean low profit margins for the pharmacist, and, therefore, the pharmacist tends to push products in the high price range. Second, inflexible ceiling prices (which these are) mean that as product costs increase, profit margins decrease and can become unprofitable at the assigned price.

Distributors sell orals, condoms and spermicides to pharmacists and IUDs to physicians. Distribution is done by the distributors' salesmen and detailmen. The salesmen visit the 624 registered pharmacies in Jordan at least once a month to take product orders, review stock levels and retrieve expired product. The detailmen are trained medical representatives who make regular rounds to physicians to introduce new products and/or remind physicians about current product lines. Detailmen only sell the IUD.

Prices for orals, spermicides and condoms are considered affordable by the majority of the target population. However, the IUD is considered disproportionately costly. IUDs cost the physician 5-6 Jordanian dinars (US\$15-18), but the consumer pays the physician 30-40 Jordanian dinars (US\$90-120) for the inserted IUD. For this reason, the Project plans to train MOH and NGO personnel in IUD insertion, and procure IUDs for the public sector.

## B. Technical Analysis

Jordan enjoys a relatively sophisticated pharmaceutical sector. A range of good quality products are available, prices appear reasonable (with the exception of the IUD), and the distribution network is strong. In other words, the infrastructure is in place. What is missing is the "software": i.e. a positive attitude toward birth spacing as a maternal/child health tool among the medical community and the general public, and marketing skills in the private sector.

Given this situation, the Project does not plan to procure birth-spacing products, with the exception of the IUD. The Project plans to take advantage of the strong networks already in place in the private sector by negotiating agreements with the international manufacturers and local distributors to adopt products already on the market as Project products. The manufacturer will be expected to repackage its products for the Jordan market and the distributors' detailmen will be expected to sell the Project products.

The Project will concentrate on increasing sales of contraceptives through an information, education and communication campaign based on market information gathered from consumers, physicians, and pharmacists. This campaign will include a heavy training component for the medical community and sophisticated marketing techniques for the general population.

### C. Demand Analysis and Projection

The statistics on contraceptive use in Jordan are derived from standard fertility surveys which are oriented to obtaining data on total family size and the desire to have more children. As a result, contraceptive use data are somewhat skewed toward family size limitation desires rather than for birth-spacing motivations. Nevertheless, such statistics do give an indication of current contraceptive use patterns.

Contraceptive use among married women in Jordan is at about 26%, with IUDs and the pill being the preferred methods by a considerable margin. This prevalence rate has remained fairly constant for the last thirteen years (increasing from 21 percent in 1972 to 26 percent in 1985). However, 20 percent of the married women (1983 Survey) and 33 percent of their husbands (1985 Survey) surveyed say they do not wish to have another child now but do not use contraceptives.

Since the Project is designed to change attitudes, it is expected that total impact may take as long as twenty years. This impact is expected to be characterized by a steady and constant growth in numbers of MWRA who practice traditional method contraception and modern method contraception. By the end of the sixth Project year, however, significant progress toward project goals can be expected.

Using existing data, assuming a twenty year projection and a slight surge in initial product uptake, and correcting for demand that would exist even without the Project, impact on contraceptive prevalence, for example, can be estimated as follows:

PROJECTION OF INCREASED PREVALENCE

1989	.62%
1990	1.24%
1991	2.47%
1992	3.71%
1995	4.94%
2000	7.41%
2010	12.35%

PERCENT MARKET INCREASE  
DUE TO PROJECT

	<u>1989</u>	<u>1995</u>	<u>2010</u>
Orals	3.55%	28.41%	71.01%
Condoms	3.32%	34.58%	86.45%
IUD	3.16%	25.25%	63.12%
Vaginals	6.18%	49.40%	123.50%

A more immediate impact of the Project is that the demand for modern, more effective contraceptives will first increase within the current user population. Thus, even though the overall 26% prevalence rate may not change immediately, there will be a beneficial medical impact as users of traditional methods shift to modern, more effective methods of birth spacing.

D. Financial Analysis

The major costs of the Project will be technical assistance, research and training. These costs will be financed by the USAID contribution. Since the contraceptive products will be made available through existing commercial channels, no revenues will be generated to the Project. However, increased sales of contraceptives will increase profits to the participating distributors and manufacturers. The Project intends to negotiate an agreement with the manufacturers that five percent of the profit from increased sales will be contributed to a Project fund to finance future marketing efforts. Also, see Cost Estimate and Financial Plan, Section III.

#### E. Economic Analysis

Improved health is not a benefit that easily lends itself to cost/benefit style comparison. In essence, one must balance costs of the Project against the benefits received through the three most direct health improvements. In estimating these benefits, it was first necessary to specifically estimate 1) the reduction in births, 2) the reduction in infant deaths and, 3) the reduction in maternal deaths. In all three cases, conservative estimates have been used to help ensure that the estimate as a whole is quite conservative.

Once values were obtained for the benefit categories, then these benefits were quantified. The major benefit category is that of infant deaths averted. The savings due to a birth averted is estimated to be \$14,500. Using the conservative estimate of \$14,500 savings for a birth averted, then the internal rate of return for this Project will be at least ten percent. If the value of an infant death averted is as high as \$20,000, then the internal rate of return will be in excess of forty percent.

#### F. Social Soundness Analysis

Whereas mother and child health are commonly and strongly held values, birth limitation is culturally sensitive and controversial. Although birth spacing is intended as a mother/child health intervention, contraceptives are basic tools for lengthening birth intervals. Traditionally, however, contraceptives have been associated with birth limitation. Consequently, whereas the health value of birth spacing should be a relatively easy concept for Jordan to accept, the Project will have to work to change the image of contraceptives.

#### G. Administrative Analysis

The Project combines three types of organizations in a collaborative effort: public sector (MOH), NGO, and commercial firms. Each of the three types of organizations has distinctly different administrative systems and operational styles. The Project is designed to work with each, utilizing existing systems and operations and not requiring any of the participating organizations to change administratively.

To accomplish this, the Project design was structured on an administrative model developed by USAID/Jordan and the GOJ in other projects which combine public and private resources toward a common goal. This model requires the establishment of a separate Project Office which enters into agreement with and finances activities of private sector organizations. The Project Office, however, is also accountable to and reports to a Steering Committee which is chaired by senior MOH officials.

As a separate entity, the Project Office can adopt an internal administrative system and operational style similar to that found in the private sector. That being the case, the Project Office can respond quickly to the business demands of participating commercial firms. As the agent of the GOJ and USAID, however, the Project Office will ensure that the private sector adheres to GOJ policies and applicable regulations.

In conclusion, no administrative impediments are anticipated which would hinder Project implementation.

#### 7. Environmental Analysis

As a health care project which does not include activities directly affecting the environment (such as construction of facilities, water supply systems, etc.), this Project is categorically excluded from the Initial Environmental Examination, Environmental Assessment and Environmental Impact Statement as set forth in A.I.D. Environmental Procedures, 22 CFR Part 216.2 (c)(2)(viii).

## VII. Conditions and Covenants

### A. Conditions Precedent to Disbursement

#### 1. First Disbursement

Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.

- a. An opinion of counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of the Grantee, and that it constitutes a valid and legally binding obligation of the Grantee in accordance with all of its terms;
- b. A statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement.

#### 2. Additional Disbursement

Prior to any disbursements for other than the technical assistance prime contract, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D. Evidence of the establishment of a Project Steering Committee to coordinate with the Project Office, USAID and the Prime Contractor in the implementation of the Project.

#### 3. Notification

When A.I.D. has determined that the conditions precedent have been met, it will promptly notify the Grantee.

#### 4. Terminal Dates for Conditions Precedent

If the conditions precedent have not been met within ninety (90) days of the date of this agreement, or such later dates as A.I.D. may agree to in writing, A.I.D. at its option, may terminate all or any portion of this agreement by written notice of the Grantee.

## B. Covenants

### 1. Project Evaluation

The Parties agree to establish an Evaluation Program as a part of this Project. Except as the Parties may otherwise agree in writing, the program will include, during the implementation of the Project:

- a. Evaluation of progress toward attainment of the objectives of the Project;
- b. Identification and evaluation of problem areas or constraints which may inhibit such attainment;
- c. Assessment of how such information may be used to help overcome such problems; and
- d. Evaluation, to the degree feasible, of the overall impact of the Project.

### 2. Operational Efficiency of the Project Office

The Parties agree to delegate sufficient authority to the Project Office to implement the Project activities for which the Project Office is responsible and to direct the day-to-day work of private sector and public sector organizations participating in the Project.

### 3. Preservation of Normal Business Practices for Cooperating Commercial Firms

The Parties agree to make every reasonable effort to assure that the cooperating commercial firms (distributors, manufacturers, etc.) are allowed to operate utilizing standard business practices and procedures.

### 4. Post-Training Staff Assignments

Except as the Parties may otherwise agree in writing, the Parties shall make every reasonable effort to assure that each person trained under this Project will return to positions where they can dispense birth-spacing services or further the objectives of the Project.

## VIII. EVALUATION ARRANGEMENTS

### A. General

Because of the nature of the Birth Spacing Project, much of the international experience gained in the field of social marketing will apply when selecting evaluation criteria and techniques. Reliance on standard contraceptive prevalence data in evaluation will have to be modified because of the birth spacing objectives of the Project rather than those of birth aversion. If possible, evaluation methods involving infant death aversion and maternal death aversion should be developed for end-of-project evaluations.

### B. Initial Evaluation

At the end of the first year of implementation, the Project Steering Committee, the Resident Advisor, the Managing Director, the MOH and USAID will assess the effectiveness of implementative arrangements and overall progress. Modifications in organizational responsibilities or implementation procedures may be made at this time to improve implementation performance if deemed necessary.

### C. Mid-Term Evaluation

Internal evaluation of implementation activities and the results of marketing activities will be regular and on-going. The data available for these internal evaluations will be generated by the development of Annual Work/Marketing Plan. Tracking studies, various market assessments, monthly sales data, etc. The regular review of such information will be common practice at the Project Office. Under the Project, those individuals and entities reviewing this information to evaluate progress will include: The Project Steering Committee, the Project Office, the Resident Advisor, and USAID/Amman. These data will also be the basis of the formal mid-term evaluation. Issues for review in the mid-term evaluation will include but will not be limited to: effectiveness of informational campaigns; appropriateness of product pricing; volume of sales of project products; extent of product distribution; appropriateness of brand names and package designs; adequacy of product promotional activities; and, media availability.

USAID/Amman and the MOH will conduct the mid-term evaluation of the project. The mid-term evaluation will be composed of a representative from the MOH, USAID/Amman, the technical assistance contractor and the Project Office. The purpose of this evaluation will be to review what has been accomplished to date, specifically addressing what has been undertaken/accomplished by the local project as well as by the US contractor. The mid-term evaluation will be an opportunity to reassess the project goals, as originally designed and to decide if any modifications are needed.

#### D. Final Evaluation

The final evaluation is scheduled for April of 1993. The purpose of the final evaluation will be to review what has been accomplished over the entire life of the project, specifically measuring objectives vs. achievements. This will include an assessment of the overall developmental impact of the project on birth spacing practices; the status of maternal/child health; the identification of problem areas; and analysis of the achievement of outputs against key assumptions; and, the need for a follow-on project in birth spacing. Total estimated cost for this evaluation is \$90,000 which will need to be conducted by a three person team for one month.

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E.O. 12356: N/A

TAGS: N/A

SUBJECT: JORDAN: MARKETING OF BIRTH SPACING PROJECT  
(278-0275) ANPAC

REF: AMMAN 02508

1. ANPAC ON THE SUBJECT PID WAS HELD MARCH 10, 1988, CHAIRED BY DAA FULLER. THE MISSION WAS REPRESENTED BY USAID/JORDAN HEALTH OFFICER, WILLIAM JANSEN. JANSEN ADVISED THE ANPAC THAT THE SUBJECT PID WAS THE CULMINATION OF A LONG DIALOGUE WITH THE GOJ ABOUT THE NEED FOR EXPANDED CONTRACEPTIVE SERVICE DELIVERY AND THOROUGHLY EXPLAINED THE RECENT THINKING WITHIN THE GOJ WHICH NOW MAKE A BIRTH SPACING PROJECT FINALLY POSSIBLE. THE ANPAC NOTED THAT THE SUBJECT PROJECT REPRESENTS A MAJOR BREAKTHROUGH IN THE POLICY DIALOGUE WITH THE GOJ. AFTER LENGTHY DISCUSSION ABOUT THE NATURE OF THE PROJECT AND ISSUES TO BE EXAMINED DURING THE DEVELOPMENT OF A PROJECT PAPER, THE ANPAC APPROVED THE PID (LOP FUNDING: 5.0 MILLION/EST GRANT) AND GRANTS THE MISSION AUTHORITY TO APPROVE THE PP IN THE FIELD. BUREAU REQUESTS MISSION CONFIRM PROPOSED TIMING AND SCHEDULE FOR PROJECT AUTHORIZATION/OBLIGATION, AND INCLUDE ANY SPECIAL RESOURCES (AID/W, CONTRACT, ETC.) REQUIRED TO COMPLETE

PROJECT DEVELOPMENT EFFORT.

2. THREE ISSUES IDENTIFIED BY THE PROJECT REVIEW COMMITTEE (PRC) AND TWO ADDITIONAL ISSUES INTRODUCED BY DAA FULLER WERE DISCUSSED. FOLLOWING IS A SUMMARY OF DECISIONS MADE DURING THE ANPAC MEETING.

- A) POLITICAL SENSITIVITIES: THE ANPAC NOTED THAT THE PID DID NOT DISCUSS SOURCES OF RESISTANCE TO SUCH A PROJECT. IN THE PP OR A SIDE MEMO, THE MISSION SHOULD ANALYZE THE POLITICAL SENSITIVITIES AND HOW WE CAN HELP MINIMIZE THESE IN PROJECT IMPLEMENTATION.

- B) NATURE OF THE EXISTING MARKET: THE ANPAC CONCLUDED THAT THE EXISTING COMMERCIAL MARKET FOR CONTRACEPTIVES AND CONSUMER SEGMENTATION SHOULD BE CAREFULLY EXAMINED DURING PROJECT DESIGN. MARKET FACTORS SUCH AS

COMPETITION, PRICING, DISTRIBUTION, SALES LEVELS, USAGE RATES, AND SOCIO-ECONOMIC CHARACTERISTICS OF CONSUMERS SHOULD BE PART OF THIS ANALYSIS.

- C) PROJECT FINANCED CONTRACEPTIVE COMMODITIES: GIVEN THE FACT THAT CONTRACEPTIVES ARE ALREADY COMMERCIALY AVAILABLE IN JORDAN, QUESTIONS WERE RAISED ABOUT WHETHER THE PROJECT SHOULD FINANCE CONTRACEPTIVE COMMODITIES AT ALL. ANPAC EXPRESSED CONCERN OVER THE DEPENDENCY ON SUBSIDIZED COMMODITIES WHICH COULD RESULT IF THE PROJECT RELIES ON AID-FINANCED COMMODITIES. THE POTENTIAL FOR SELF-SUFFICIENCY COULD BE HIGHER IF EXISTING COMMERCIAL BRANDS ARE USED INSTEAD. HOWEVER, THE USE OF EXISTING BRANDS ALONE COULD LIMIT THE PROGRAM'S FLEXIBILITY TO MODIFY PRICES, PROMOTIONAL STRATEGIES AND DISTRIBUTION. THE ANPAC DECIDED THAT THE PROJECT DESIGN SHOULD EXPLORE USING COMMERCIALY AVAILABLE CONTRACEPTIVES TO THE EXTENT POSSIBLE, AND, IF AID-FINANCED CONTRACEPTIVES ARE USED, HOW RELIANCE UPON THIS SOURCE OF SUPPLY WILL BE PHASED OUT OVER TIME, AND DISCUSS HOW REVENUES GENERATED FROM SALE OF THESE CONTRACEPTIVES WILL BE USED.

- D) A JORDANIAN IMPLEMENTING ENTITY: THE ANPAC NOTED THAT THE PID OUTLINES AN APPROACH IN WHICH USAID AND AN INSTITUTIONAL CONTRACTOR APPEAR TO TAKE THE LEAD (AND A VERY VISIBLE) ROLE IN UNDERTAKING A BIRTH-SPACING PROGRAM. GIVEN THE HISTORIC SENSITIVITIES IN JORDAN REGARDING CONTRACEPTIVE PROGRAMS, THE ANPAC DECIDED THAT THE PROJECT MUST UTILIZE A JORDANIAN ENTITY AS THE IMPLEMENTING AUTHORITY FOR THE PROJECT. THE ANPAC IDENTIFIED THREE POSSIBLE SCENARIOS FOR OBTAINING A JORDANIAN IMPLEMENTING ENTITY: (1) USE AN EXISTING JORDANIAN COMPANY OR ORGANI-

ZATION; (2) HELP CREATE A NEW JORDANIAN ORGANIZATION; OR (3) A U.S. CONTRACTOR ESTABLISHES AN ENTITY IN JORDAN (CHARTERED UNDER JORDANIAN LAW) AS A JOINT VENTURE. IF, FOR SOME REASON, ONE OF THESE OPTIONS IS NOT ADOPTED IN THE FINAL PROJECT DESIGN, THEN AID/W MUST BE SO NOTIFIED IN ADVANCE OF PP COMPLETION AND PROJECT AUTHORIZATION. IT WAS ACKNOWLEDGED, HOWEVER, THAT IN ANY OF THESE OPTIONS, THERE REMAINS AN IMPORTANT IMPLEMENTATION ROLE FOR TECHNICAL ASSISTANCE CONTRACTOR.

- E) THE ANPAC ALSO NOTED THAT THE ROLE OF THE MINISTRY OF HEALTH (MOH) AND GOJ COUNTERPART FUNCTIONS MUST BE CLEARLY DEFINED IN THE PP. AN EXAMINATION OF THESE ROLES SHOULD BE INCLUDED AS PART OF THE PP'S IMPLEMENTATION ARRANGEMENTS SECTION AND PROVIDE SUPPORTING RATIONALE/ JUSTIFICATION FOR ANYTHING OTHER THAN THE HOST-COUNTRY CONTRACT MODE.

- F) THE ROLE OF THE BIRTH SPACING CCUNCIL: THE ANPAC

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FELT THAT THE COUNCIL COULD PLAY AN IMPORTANT ROLE IN THE PROJECT, PARTICULARLY IN GAINING THE SUPPORT AND PARTICIPATION OF SUCH KEY ORGANIZATIONS AS THE JORDAN MEDICAL ASSOCIATION AND THE JORDAN PHARMACEUTICAL ASSOCIATION. THE PROJECT PAPER, HOWEVER, SHOULD CLEARLY DEFINE THE FUNCTIONS OF THE COUNCIL AND ITS RELATIONSHIP TO: AN IMPLEMENTING ENTITY; A TECHNICAL ASSISTANCE CONTRACTOR; THE MISSION; AND, THE MOH.

3. IN ADDITION TO THE ABOVE ISSUES, THE ANPAC REVIEWED THE RECOMMENDATIONS OF THE PRC FOR DESIGN GUIDANCE IN PREPARING THE PP. AS A RESULT OF THE REVIEW, THE ANPAC ENDORSED THE RECOMMENDATION THAT THERE BE A DEMAND ANALYSIS FOR BIRTH SPACING.

AS PER PARA 2 ABOVE, THE PRC NOTED THAT ESTIMATING THE ACTUAL DEMAND FOR BIRTH-SPACING SERVICES IS AN IMPORTANT FACTOR FOR PROJECT DESIGN. THE COMPLEXITIES INVOLVED IN ESTIMATING THIS DEMAND ARE INCREASED BY THE FACT THAT THERE IS NO PRIOR CONTRACEPTIVE SERVICE DELIVERY PROJECT ON WHICH TO BASE ESTIMATES. CONSIDERABLE ATTENTION TO THE DEMAND ANALYSIS IS THEREFORE ESSENTIAL. THE ANPAC RECOMMENDS THAT A DEMAND ANALYSIS EXPERT BE INCLUDED ON THE PROJECT DESIGN TEAM. IT WAS ALSO NOTED THAT THE SCOPE OF WORK FOR THE HEALTH ECONOMIST PROPOSED IN THE PID, APPEARS TO BE REPETITIOUS OF THE WORK OF OTHER TEAM MEMBERS. THE ANPAC RECOMMENDS THAT THE DEMAND ANALYST BE SUBSTITUTED FOR THE HEALTH ECONOMIST ON THE DESIGN TEAM. WHITEHEAD

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B. LOGFRAME

	NARRATIVE	VERIFIABLE INDICATORS	MEASUREMENT VARIABLES	ASSUMPTIONS
GOAL	Improve mother and child health.	Decline in infant mortality. Decline in maternal mortality. Increase in female life expectancy.	Vital statistics. Census data. Health surveys.	Other factors having a negative impact on life span and infant and maternal mortality do not occur.
PURPOSE	Increase the practice of birth spacing and thus reduce levels of infant and maternal mortality.	Decrease in number of births at less than 24 months birth interval. Increased average birth interval. Reduced infant and maternal mortality.	Family health surveys. Vital statistics. Hospital records and surveys. Project tracking studies.	MOH will continue to emphasize primary health care delivery. Ongoing projects (i.e. HEALTHCOM, Nurses Training, ORS, etc.) achieve their objectives.
OUTPUTS	Birth spacing service providers in MOH and NGO clinics trained.	Knowledge of MOH and NGO personnel.	Pre and Post training exam results.	Appropriately skilled trainees and trainers are available and nominated in a timely manner.
	Doctors knowledge of health benefits of birth spacing and desirability of birth spacing products increased.	Workshops held and papers presented at JMA meetings. Prescription levels of birth spacing products increased. Display and distribution of project materials.	Meetings/proceedings of JMA. Medical histories and clinic records. Counts of displays and materials distributed. Tracking studies.	Doctors are receptive to the birth spacing message.
	Pharmacist's & pharmacy personnel knowledge of health benefits of birth spacing and desirability of birth spacing products increased.	Workshops held and papers presented at JPA meetings. Sales levels of birth spacing products increased. Display and distribution of project materials.	Meetings/proceedings of JPA. Sales data. Counts of displays and materials distributed. Retail audits and tracking studies	Pharmacists are receptive the birth spacing message. Pharmacists and pharmacy personnel available for training.
	General public knowledge of health benefits of birth spacing and use of birth spacing products increased.	Number of users of birth spacing products and techniques increases.	Tracking studies. Family health and contraceptive prevalence surveys. Sales records.	General public is receptive to the birth spacing message. Products are available and affordable.
	Increased availability of IUDs within public sector.	Stocks at clinics increase.	Inventory checks, clinic records & task force verification.	Availability of product. MOH distribution system effective.

NARRATIVE	VERIFIABLE INDICATORS	MEASUREMENT VARIABLES	ASSUMPTIONS
INPUTS	Contracts with distributors.	Contract.	MOH endorses and supports project.
	Seminars with Doctors	Attendance lists.	Private sector cooperates in project. Project office formed and effective.
	Training of Pharmacists, pharmacy personnel, and MOH and NGO clinic personnel.	Attendance lists.	Contractor team executes subcontracts expeditiously.
	Commodities	Bills of lading, invoices.	Birth spacing council meets and makes decisions.
	Research on pharmacies, medical community attitudes and consumer attitudes and behavior.	Invoices, reports.	Fundamentalist leaders do not single out birth spacing for opposition.
	Consumer advertising.	Invoices, media monitoring.	Shipping quantities. Invoice amounts.
	Public relations campaign.	Invoices, PR materials.	Invoice amounts. Report statistics.
		Invoice amounts, media statistics.	
		Invoice amounts, PR material contents.	

C. STATUTORY CHECK LIST

5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable to: (A) FAA funds generally; (B)(1) Development Assistance funds only; or (B)(2) the Economic Support Fund only.

A. GENERAL CRITERIA FOR COUNTRY ELIGIBILITY

1. FY 1988 Continuing Resolution Sec. 526.  
Has the President certified to the Congress that the government of the recipient country is failing to take adequate measures to prevent narcotic drugs or other controlled substances which are cultivated, produced or processed illicitly, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully? NO
  
2. FAA Sec. 481(h). (This provision applies to assistance of any kind provided by grant, sale, loan, lease, credit, guaranty, or insurance, except assistance from the Child Survival Fund or relating to international narcotics control, disaster and refugee relief, or the provision of food or medicine.) If the recipient is a "major illicit drug producing country" (defined as a country producing during a fiscal year at least five metric tons of opium or 500 metric tons of coca or marijuana) or a "major drug-transit country" (defined as a country that is a significant direct source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government), has the President in the March 1 International Narcotics Control Strategy Report (INSCR) determined and certified to the Congress (without N/A

Congressional enactment, within 30 days of continuous session, of a resolution disapproving such a certification), or has the President determined and certified to the Congress on any other date (with enactment by Congress of a resolution approving such certification), that (a) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to prevent illicit drugs produced or processed in or transported through such country from being transported into the United States, and to prevent and punish drug profit laundering in the country, or that (b) the vital national interests of the United States require the provision of such assistance?

3. Drug Act Sec. 2013. (This section applies to the same categories of assistance subject to the restrictions in FAA Sec. 481(h), above.) If recipient country is a "major illicit drug producing country" or "major drug-transit country" (as defined for the purpose of FAA Sec 481(h)), has the President submitted a report to Congress listing such country as one (a) which, as a matter of government policy, encourages or facilitates the production or distribution of illicit drugs; (b) in which any senior official of the government engages in, encourages, or facilitates the production or distribution of illegal drugs; (c) in which any member of a U.S. Government agency has suffered or been threatened with violence inflicted by or with the complicity of any government officer; or (d) which fails to provide reasonable cooperation to lawful activities of U.S. drug enforcement agents, unless the President has provided the required certification to Congress pertaining to U.S. national interests and the drug control and criminal prosecution efforts of that country?

N/A

4. FAA Sec. 620(c). If assistance is to a government, is the government liable as debtor or unconditional guarantor on any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies and (b) the debt is not denied or contested by such government? NO
5. FAA Sec. 620(e)(1). If assistance is to a government, has it (including any government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities? NO
6. FAA Secs. 620(a), 620(f), 620D; FY 1988 Continuing Resolution Sec. 512. Is recipient country a Communist country? If so, has the President determined that assistance to the country is vital to the security of the United States, that the recipient country is not controlled by the international Communist conspiracy, and that such assistance will further promote the independence of the recipient country from international communism? Will assistance be provided directly to Angola, Cambodia, Cuba, Iraq, Libya, Vietnam, South Yemen, Iran or Syria? Will assistance be provided to Afghanistan without a certification? NO
7. FAA Sec. 620(j). Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property? NO
8. FAA Sec. 620(l). Has the country failed to enter into an investment guaranty agreement with OPIC? NO

9. FAA Sec. 620(o); Fishermen's Protective Act of 1967 (as amended) Sec. 5. (a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing vessel because of fishing activities in international waters? NO  
 (b) If so, has any deduction required by the Fishermen's Protective Act been made?
10. FAA Sec. 620(q); FY 1988 Continuing Resolution Sec. 518. (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? a) NO  
 (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1988 Continuing Resolution appropriates funds? b) NO
11. FAA Sec. 620(s). If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment? (Reference may be made to the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.) AID/W
12. FAA Sec. 620(t). Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption? NO

13. FAA Sec. 620(u). What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? (Reference may be made to the Taking into Consideration memo.) AID/W
14. FAA Sec. 620A. Has the President determined that the recipient country grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism or otherwise supports international terrorism? NO
15. FY 1988 Continuing Resolution Sec. 576. Has the country been placed on the list provided for in Section 6(j) of the Export Administration Act of 1979 (currently Libya, Iran, South Yemen, Syria, Cuba, or North Korea)? NO
16. ISDCA of 1985 Sec. 552(b). Has the Secretary of State determined that the country is a high terrorist threat country after the Secretary of Transportation has determined, pursuant to section 1115(e)(2) of the Federal Aviation Act of 1958, that an airport in the country does not maintain and administer effective security measures? AID/W
17. FAA Sec. 666(b). Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA? NO
18. FAA Secs. 669, 670. Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards, and without special certification by the President? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? (FAA Sec. 620E permits a special waiver of Sec. 669 for Pakistan.) NO

19. FAA Sec. 670. If the country is a non-nuclear weapon state, has it, on or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device? NO
20. ISDCA of 1981 Sec. 720. Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Assembly of the U.N. on Sept. 25 and 28, 1981, and did it fail to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the Taking into Consideration memo.) AID/W
21. FY 1988 Continuing Resolution Sec. 528. Has the recipient country been determined by the President to have engaged in a consistent pattern of opposition to the foreign policy of the United States? NO
22. FY 1988 Continuing Resolution Sec. 513. Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance? NO
23. FY 1988 Continuing Resolution Sec. 543. Does the recipient country fully cooperate with the international refugee assistance organizations, the United States, and other governments in facilitating lasting solutions to refugee situations, including resettlement without respect to race, sex, religion, or national origin? AID/W

B. FUNDING SOURCE CRITERIA FOR COUNTRY ELIGIBILITY

1. Development Assistance Country Criteria

FAA Sec. 116. Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?

N/A

FY 1988 Continuing Resolution Sec. 538. Has the President certified that use of DA funds by this country would violate any of the prohibitions against use of funds to pay for the performance of abortions as a method of family planning, to motivate or coerce any person to practice abortions, to pay for the performance of involuntary sterilization as a method of family planning, to coerce or provide any financial incentive to any person to undergo sterilizations, to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

N/A

2. Economic Support Fund Country Criteria

FAA Sec. 502E. Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

Not so determined

FY 1988 Continuing Resolution Sec. 549. Has this country met its drug eradication targets or otherwise taken significant steps to halt illicit drug production or trafficking?

YES

## 5C(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A includes criteria applicable to all projects. Part B applies to projects funded from specific sources only: B(1) applies to all projects funded with Development Assistance; B(2) applies to projects funded with Development Assistance loans; and B(3) applies to projects funded from ESP.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

### A. GENERAL CRITERIA FOR PROJECT

1. FY 1988 Continuing Resolution Sec. 523; FAA Sec. 6347. If money is sought to obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified?  
Regular Congressional Notification Procedure
2. FAA Sec. 611(a)(1). Prior to an obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance, and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?  
a) Yes  
b) Yes
3. FAA Sec. 611(a)(2). If legislative action is required within recipient country, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?  
None Necessary

4. FAA Sec. 611(b); FY 1988 Continuing Resolution Sec. 501. If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.) N/A
5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively? N/A
6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. Not so susceptible
7. FAA Sec. 601(a). Information and conclusions on whether projects will encourage efforts of the country to:  
 (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions. birth-spacing and the total market for birth-spacing products in Jordan.  
 (a), (b) & (e) project will assist in increasing the demand for  
 (c), (d) & (f) N/A
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise). U.S. Pharmaceutical manufacturers selling contraceptives in Jordan will benefit from an increased total market
9. FAA Secs. 612(b), 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars. The host country will contribute at least \$2.2 million worth of activities from public and private sources

10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? Jordan is not an excess currency country
11. FY 1988 Continuing Resolution Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? N/A
12. FY 1988 Continuing Resolution Sec. 553. Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel? NO
13. FAA Sec. 119(q)(4)-(6). Will the assistance (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? N/A

14. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (either dollars or local currency generated therefrom)? N/A
15. FY 1988 Continuing Resolution. If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government? N/A
16. FY Continuing Resolution Sec. 541. If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.? N/A
17. FY 1988 Continuing Resolution Sec. 514. If funds are being obligated under an appropriation account to which they were not appropriated, has prior approval of the Appropriations Committees of Congress been obtained? N/A
18. FY Continuing Resolution Sec. 515. If deob/reob authority is sought to be exercised in the provision of assistance, are the funds being obligated for the same general purpose, and for countries within the same general region as originally obligated, and have the Appropriations Committees of both Houses of Congress been properly notified? N/A
19. State Authorization Sec. 139 (as interpreted by conference report). Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision). When date is confirmed cable will be sent

**B. FUNDING CRITERIA FOR PROJECT**

**1. Development Assistance Project Criteria**

a. FY 1988 Continuing Resolution Sec. 552 (as interpreted by conference report). If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities (a) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (b) in support of research that is intended primarily to benefit U.S. producers?

N/A

b. FAA Secs. 102(b), 111, 113, 281(a). Describe extent to which activity will (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and

The Project will make birth-spacing services more widely available to all Jordanians and less costly

insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

- c. FAA Secs. 103, 103A, 104, 105, 106, 120-21. Does the project fit the criteria for the source of funds (functional account) being used? Yes
- d. FAA Sec. 107. Is emphasis placed on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? N/A
- e. FAA Secs. 110, 124(d). Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)? YES
- f. FAA Sec. 128(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? YES

- g. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.
- The Project is designed to meet the current and latent demand for birth-spacing services. The project relies on the existing commercial and public distribution systems to expand service delivery
- h. FY 1988 Continuing Resolution Sec. 538. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions?
- NO
- Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?
- NO
- Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?
- NO
- i. FY 1988 Continuing Resolution. Is the assistance being made available to any organization or program which has been determined to support or participate in the management of a program of coercive abortion or involuntary sterilization?
- NO
- If assistance is from the population functional account, are any of the funds to be made available to voluntary family planning projects which do not offer, either directly or through referral to or information about access to, a broad range of family planning methods and services?
- NO

- j. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? YES
- k. FY 1988 Continuing Resolution. What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)? N/A
- l. FAA Sec. 118(c). Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (a) stress the importance of conserving and sustainably managing forest resources; (b) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (c) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (d) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (e) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared N/A

or degraded; (f) conserve forested watersheds and rehabilitate those which have been deforested; (g) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (h) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (i) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (j) seek to increase the awareness of U.S. government agencies and other donors of the immediate and long-term value of tropical forests; and (k) utilize the resources and abilities of all relevant U.S. government agencies?

- m. FAA Sec. 118(c)(13). If the assistance will support a program or project significantly affecting tropical forests (including projects involving the planting of exotic plant species), will the program or project (a) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land, and (b) take full account of the environmental impacts of the proposed activities on biological diversity?

N/A

- n. FAA Sec. 118(c)(14). Will assistance be used for (a) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; or (b) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas? NO
- o. FAA Sec. 113(c)(15). Will assistance be used for (a) activities which would result in the conversion of forest lands to the rearing of livestock; (b) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undegraded forest lands; (c) the colonization of forest lands; or (d) the construction of dams or other water control structures which flood relatively undegraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development? NO
- p. FY 1988 Continuing Resolution If assistance will come from the Sub-Saharan Africa DA account, is it (a) to be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant; (b) being provided in N/A

accordance with the policies contained in section 102 of the FAA; (c) being provided, when consistent with the objectives of such assistance, through African, United States and other PVOs that have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa; (d) being used to help overcome shorter-term constraints to long-term development, to promote reform of sectoral economic policies, to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services, education, and income generating opportunities, to bring about appropriate sectoral restructuring of the Sub-Saharan African economies, to support reform in public administration and finances and to establish a favorable environment for individual enterprise and self-sustaining development, and to take into account, in assisted policy reforms, the need to protect vulnerable groups; (e) being used to increase agricultural production in ways that protect and restore the natural resource base, especially food production, to maintain and improve basic transportation and communication networks, to maintain and restore the natural resource base in ways that increase agricultural production, to improve health conditions with special emphasis on meeting the health needs of mothers and children, including the establishment of self-sustaining primary health care systems that give priority to preventive care, to provide increased access to voluntary family planning services, to improve basic literacy and mathematics especially to those outside the formal educational system and to improve primary education, and to develop income-generating opportunities for the unemployed and underemployed in urban and rural areas?

2. Development Assistance Project Criteria  
(Loans Only)

- a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest. N/A
- b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest? N/A
- c. FY 1988 Continuing Resolution. If for a loan to a private sector institution from funds made available to carry out the provisions of FAA Sections 103 through 106, will loan be provided, to the maximum extent practicable, at or near the prevailing interest rate paid on Treasury obligations of similar maturity at the time of obligating such funds? N/A
- d. FAA Sec. 122(b). Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities? N/A

3. Economic Support Fund Project Criteria

- a. FAA Sec. 531(a). Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA? YES  
YES
- b. FAA Sec. 531(e). Will this assistance be used for military or paramilitary purposes? NO
- c. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? N/A

5C(3) - STANDARD ITEM CHECKLIST

Listed below are the statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. PROCUREMENT

1. FAA Sec. 602(a). Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? YES
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him? YES
3. FAA Sec. 604(d). If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? N/A
4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.) N/A
5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those N/A

countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)

6. FAA Sec. 603. Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates? NO
  
7. FAA Sec. 621(a). If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? YES  
NO
  
8. International Air Transportation Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available? YES
  
9. FY 1988 Continuing Resolution Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? YES
  
10. FY 1988 Continuing Resolution Sec. 524. If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)? YES

**B. CONSTRUCTION**

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used? N/A
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP), or does assistance have the express approval of Congress? N/A

**C. OTHER RESTRICTIONS**

1. FAA Sec. 122(b). If development loan repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? N/A
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N/A
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? YES

4. Will arrangements preclude use of financing:

- a. FAA Sec. 104(f); FY 1987 Continuing Resolution Secs. 525, 538. (1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; or (4) to lobby for abortion? YES
- b. FAA Sec. 483. To make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? N/A
- c. FAA Sec. 620(g). To compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? N/A
- d. FAA Sec. 660. To provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? N/A
- e. FAA Sec. 662. For CIA activities? N/A
- f. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? YES

- g. FY 1988 Continuing Resolution Sec. 503. To pay pensions, annuities, retirement pay, or adjusted service compensation for prior or current military personnel? N/A
- h. FY 1988 Continuing Resolution Sec. 505. To pay U.N. assessments, arrearages or dues? N/A
- i. FY 1988 Continuing Resolution Sec. 506. To carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? N/A
- j. FY 1988 Continuing Resolution Sec. 510. To finance the export of nuclear equipment, fuel, or technology? N/A
- k. FY 1988 Continuing Resolution Sec. 511. For the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? N/A
- l. FY 1988 Continuing Resolution Sec. 516; State Authorization Sec. 109. To be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? N/A

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المملكة الأردنية الهاشمية

وزارة التخطيط

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DATE 19/7/1988  
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الرقم  
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الموافق

Mr. Richard A. Johnson  
Acting Director  
USAID/Jordan  
Amman.

Subject: Marketing of Birth Spacing Project.

Dear Mr. Johnson,

Thank you for your letter dated 5th June, 1988 enclosing the project paper and the draft agreement including annex I for the above-mentioned project. I trust that this project will improve the program in maternal and child health and primary health care.

Accordingly, we request that the proposed project be implemented through the provision of a US \$5.0 million grant to be incrementally funded over the life of the project.

Sincerely yours,

*Taha H. Karara*  
Minister of Planning

cc. Ministry of Health.

## E. PROJECT ANALYSES

### 1. Contraceptive Market Analysis

#### a. Available Birth Spacing Products and Sales Volumes

The Jordan pharmaceutical market has evolved into a sophisticated commercial market where all major multinational pharmaceutical manufacturers are active. At present, there exist in the market several brands each of oral contraceptives, condoms, spermicides, and IUDs at prices considered affordable by the majority of the potential users.

##### 1. Oral Contraceptives

More than ninety percent of oral contraceptives are obtained through commercial and private channels. There have been some government purchases through the Armed Forces Health Office and international organizations have donated a small amount to the public sector and some NGOs.

The total number of cycles distributed per year is estimated at 350,000 with the following breakdown:

distributed through army medical services: 15,000/year  
non-profit institutions, donated product: 10,000/year  
physicians/pharmacies: 325,000/year

There are currently 11 brands in the market distributed by four companies, ranging from the traditional high-dose product to the latest triphasic low-dose oral contraceptive. These brands, like all pharmaceutical products, are only available through pharmacies. Their market share in Jordan, as reported by the local distributors, is as follows:

Schering 40% -leading product Microgynon 21 (low-dose)  
Wyeth 40% -leading product Nordette 21 (low-dose)  
Searle 12% -leading product Ovulen (high-dose)  
Organon 8% -leading product:Lindiol (high-dose),  
currently registering Marvelon (low-dose)

The market, therefore, appears relatively well supplied with good quality oral contraceptives manufactured by prestigious pharmaceutical companies. The Birth Spacing Project anticipates executing agreements with these companies to use oral contraceptives that are already recognized in Jordan rather than to introduce a new product that has no competitive or health advantage.

## 2. Intrauterine Devices (IUDs)

The IUD is classified as a medical device and not a pharmaceutical. As with oral contraceptives, the IUD is distributed through private sector channels. The Jordan Family Planning and Protection Association and other NGOs do receive small quantities as donations; however, the bulk of IUD distribution is directly to the physicians.

Three manufacturers are represented in Jordan and account for an estimated total sale of 12,000 units per year. Although the unit price to the physician is 5-6 JD (\$15-18), the price for an inserted IUD is 30-40 JD (\$90-120). Given the retail price for a cycle of pills of 600 fils (\$1.80), the price to the consumer of 30-40 JD is exorbitant and represents a constraint to potential users. For this reason, this Project anticipates working with the Ministry of Health to bring down the price of inserted IUDs. If it is not possible to cap the retail price, the Project will consider purchasing IUD's through A.I.D. procurement and then train MOH medical staff as necessary to insert IUDs in MCH and PHC clinics.

The estimated market share of commercially available IUDs is as follows:

Schering	50%	- Nova T and Copper T 200
Organon	25%	- Multiload
Searle	25%	- Gravigard

Small quantities of the Copper T 380A have been donated by international organizations to the local NGOs.

## 3. Injectables

Given GOJ and AID prohibitions, this Project does not plan to include injectables among products to be developed.

## 4. Condoms

Condoms are not classified as pharmaceuticals; they are categorized as a latex product. With the exception of small quantities purchased by the armed forces, condoms are available through private sector channels only. All consumer sales are through pharmacies. There has been a slight sales increase in recent years which is attributed by some distributors to concern about AIDS. The sales estimates for condoms under the Project take these recent sales trends into account, although in a conservative manner given the special social characteristics of the Jordan market.

The total condom market is estimated at from 115,000 to about 130,000 pieces per year with London Rubber Company (LRC) brands accounting for 65-70% of all sales. New brands are introduced regularly by other suppliers, but often cannot compete with the name recognition of LRC brands and are then removed again. The LRC brands have been present for the past 30 years.

The most popular brands distributed by LRC are:

- Durex Gossamer
- Durex Fetherlite
- Durex Nu-form
- Durex Fiesta
- Durex Allergy (this is the only non-lubricated condom in the market)

Currently, the condom market is shifting towards the more expensive brands. Very little is known at present about the condom user; however, some speculate that this trend may reflect a better informed and educated population.

As with oral contraceptives, the Project plans to take advantage of the condom products already established in the market place by negotiating agreements with the manufacturer and distributor to include specific product lines within the Project. It is unlikely that the Project could successfully compete against these well-established brands.

#### 5. Spermicides

Again, spermicides are distributed through the private sector. Several manufacturers are represented through local distributors. The total market is estimated at 200,000 tablets per year with Rendell's holding an estimated 60%. The rest of the market is shared between Speton, Neosampoon and a very recent introduction, Lorophyn.

As with oral contraceptives and condoms, the retail prices are considered acceptable and the market is well served, making it unnecessary for the Project to introduce new, unknown brands.

## b. The Distribution of Birth Spacing Products in Jordan

### 1. Licensing and Registration

There are no birth spacing products manufactured in Jordan. All products are imported in a finished form and packaged, ready for sale. International companies are represented in the country by importers/distributors usually under an exclusive arrangement. Some manufacturers also have an agent in country who is directly in charge of the detailing and promotion of the products to the medical community. The distributor is responsible for all sales and in those cases where there is no direct company agent, the distributor is also responsible for the detailing and promotion activities. Distributors normally assign detailmen exclusively by manufacturer; the number of detailmen depends on the number of physicians and the volume of sales.

Pharmaceutical products can only be imported by a licensed distributor. Distributors are licensed by the GOJ to deal in pharmaceuticals. To qualify, the owner must be a trained pharmacist. Once the distributor is licensed, he/she must apply for permission to be the agent for a manufacturer and sell their specific products in Jordan. Review of a potential distributor's application for permission to be the agent for a specific company takes 5-6 months once the applicant certifies they satisfy the following conditions:

- The distributor must be licensed by the Ministry of Health (MOH) to deal in a specific pharmaceutical.
- The owner of the distributing company must be a trained pharmacist

The pharmaceutical product the distributors are allowed to handle must in turn be certified as a pharmaceutical by the MOH's Pharmaceutical Technical Committee. This procedure takes 12 to 18 months; generic or priority pharmaceuticals may take less time. Licensed pharmaceuticals must meet the following conditions:

- The products to be imported must originate directly from the manufacturer, not from another distributor overseas.
- The manufacturer of the product to be imported has to be registered with Ministry of Trade and Commerce as well as the Ministry of Health
- The local distributor has to be officially appointed by the manufacturer

- The product has to be approved by FDA (or equivalent) in the country of origin, and full information on the price range there must be available before it can be presented to the MOH

These registration and certification processes directly affect any contraceptive procurement plans for the Project. Typically, in a project where contraceptives play a major role, A.I.D. procures the contraceptives. In the case of Jordan, high quality, reasonably priced condoms, spermicides and oral contraceptives are already available on the local market. Furthermore, were USAID to donate products, distribution contracts between U.S. manufacturers and a local, competitively selected distributor would need to be set up, pharmaceutical product(s) registered as described above, and detailmen and salesmen trained, etc. This would delay project implementation by at least 24 months. It is therefore recommended that, with the possible exception of the IUD, that USAID not donate contraceptive products. As a result, the Project plans to enter into agreements with manufacturers and local distributors to provide the necessary birth spacing products.

## 2. Ceiling prices for pharmaceuticals

Once the MOH Pharmaceutical Technical Committee determines that the product complies with Jordan's quality requirements, a retail price is assigned by the MOH. The MOH computes a retail price using a formula based on landed cost plus a fixed profit margin. The result is then compared to the retail price of similar products available in Jordan and overseas. This fixing of a ceiling price has a number of negative impacts on the sector and potentially for the Project.

Setting ceiling prices has two consequences of particular relevance to the Project at hand. First, pharmacists tend to push brands with the highest profit return. Since the profit margin is a fixed percentage, pharmacists push the highest priced brand in any particular line. This could compromise the success of the Project's brands if a low retail price is translated into a low profit margin for the pharmacist. Secondly, even if the landed or distribution costs for a product increase, it is almost impossible to have the ceiling price raised. The result is that if product cost increases, the profit margin decreases. As a consequence, some pharmaceutical products have been removed from the market in the past because they became unprofitable at the assigned price.

### 3. Commercial Distribution

As discussed above, with the exception of a small amount of donated products in the public sector, contraceptive products are distributed and sold through private sector channels. Licensed distributors sell directly to retailers; pharmaceuticals are sold only to pharmacies. Since condoms are not classified as pharmaceuticals they could be sold to any retail outlet; however, in practice they are only sold to pharmacies. IUDs are sold directly to the physicians who then insert them. All sales are on credit, normally 60 to 90 days.

Distribution of pharmaceutical products depends largely upon the effectiveness of detailmen trade nomenclature and salesmen employed by the distributor, or, in some cases, by the manufacturer. Detailmen are trained medical representatives who make regular rounds to physicians to introduce new products and/or remind physicians about current product lines. The detailmen leave product information and product samples with the physician but do not sell products except for the IUD.

There are approximately 3500 registered physicians in Jordan of which 1500 are in the private sector. The rest work for the government or armed forces. The pharmaceutical distributors' detailmen visit them on the average once every 4 to 6 weeks. During the visit the detailmen present up to four different products in varying degrees of detail. During new product introductions the entire visit will be dedicated to the new product. These physician visits are also used to obtain feedback about the company's products and their competition.

Each distributor selects the physicians its detailmen visit according to specialty or work setting. As an example, Schering visits 1600 physicians regularly, 25% of whom are considered key doctors in the public sector. This number may vary depending on the product line of each company.

The detailmen are also responsible for visiting pharmacies to obtain market feedback and review the prescriptions being received by the pharmacies. Detailmen also have the additional responsibility of undertaking special promotion activities such as company sponsored seminars and scientific congresses. Distributors normally assign detailmen by company line. Depending on the size of the market, each company may be represented by one to four detailmen.

Effective detailmen are critical to Project success. They are the ones in permanent contact with the physicians and the pharmacies. No major training component would be required for existing force of detailmen since they are already well informed about the contraceptive products. Some limited training, of detailmen, however, is necessary to educate them about specific promotional strategies used by the Project. Close coordination with the distributor, therefore, will be necessary to guarantee full compliance with the projects objectives. If, however, a new product is introduced with a distributor not familiar with contraceptive products, an intensive training component for the detailmen would be conducted.

There are 624 registered pharmacies in Jordan, 50% of them in Amman. These are visited at least once a month by the salesmen of each distributor and more often if a special request is received. Salesmen take product orders, review stock levels and retrieve expired product. Each distributor has between 5 and 6 salesmen. If existing contraceptive products and distributors are used in the Project, the distributor's sales force will be trained in Project objectives and products to help ensure that the pharmacies are well stocked with Project products and point-of-sale materials.

#### 4. Major distributors in Jordan

Jordan Drug Company: This company represents Schering AG and Rendells. Schering also has a regional office in Amman that reports directly to Berlin and is staffed by an office manager and three detailmen who are in charge of the product promotion and all contact with physicians. The products of the Jordan Drug Company include a large line of oral contraceptives, 2 IUDs and one vaginal spermicide. Schering is currently actively collaborating in other contraceptive marketing projects and has expressed interest, along with the local distributor, in the Project.

Sabbagh Druggist: This company represents Organon. Its product line includes two oral contraceptives and one IUD. It is currently in the process of registering a new low-dose oral contraceptive. Both the manufacturer and the distributor have expressed interest in the Project.

Salfity Medical Store: This company is the distributor for Durex products and has been in the condom market for 30 years. Its product line includes several condom brands that vary in price and product characteristics. The manufacturer, London Rubber Company, has been actively involved in social marketing programs in Pakistan and India. The distributor has expressed interest in such a project in Jordan.

Arab Company for Agriculture and Pharmaceutical

Products: This company represents Wyeth and has a full line of oral contraceptives. Wyeth also has a Territory Manager who reports directly to the main office in the United States. Wyeth currently holds a contract to supply AID/W with oral contraceptives. This distributor has also expressed interest in the Project.

5. Point of Sale: The Pharmacy

Prescriptions are normally required by the pharmacies only for drugs considered dangerous if not administered under the direct supervision of a physician. Contraceptives do not fall in this category; however, a large percentage of first time users of oral contraceptives consult a physician first. Consequently first time users ordinarily present prescriptions. Pharmacists stock those contraceptives for which there is demand and they often assess demand by numbers of prescriptions brought to them. At this point, if asked by a customer which brand to select, he/she will normally recommend a brand which is currently popular. Consequently, one of the first Project objectives is to reach the physicians who influence the pharmacies stock choices.

For the contraceptive market, however, the majority of consumers consult directly with the pharmacy. Pharmacists in general are well trained, although not specifically in the pros or cons of various contraceptive methods. However a large percentage of sales is actually done by other staff who have no technical training. This creates a problem for relaying good product information for people who by-pass physicians. It is therefore considered important to not only train the physicians in method differentiation, but to train the pharmacy staff as well. In this manner, the consumer will be able to obtain accurate answers about the birth spacing products through the pharmacy.

Brand switching may occur where specific product promotion schemes originating with the distributor increase the pharmacists' profit margin. This practice, however, only happens between products that have identical characteristics, as in the case of Nordette and Microgynon whose formulas and dosage are identical. Pharmacies will rarely switch a brand on a customer that asks for it by name. Contraceptives in general create a high level of brand loyalty among their users so brand switching will probably not be a significant problem.

c. Pricing of Birth Spacing Products in Jordan

1. Pricing variables and weights

Pharmaceutical products are exempt of customs taxes. They are however subject to an import duty which is fixed at 7% of the C&F (Cost plus Freight) charges. The margins that distributors and pharmacies are allowed to charge are also regulated by law. Currently distributors are allowed to charge a 4% mark up on the total of the C&F charges plus the landing costs to compensate for the administrative burden of importing the product. Additionally they can charge another 15% as a profit mark up.

Pharmacies are allowed to charge a 6% on the cost of the product as an administrative cost and an additional 20% as profit. As a general rule for pharmaceuticals, a product that has a C&F equal to 100 will end up having a price to the public of 166 (see Table 6).

TABLE 6

<u>PHARMACEUTICAL PRODUCTS</u>	
<u>COST DISTRIBUTION</u>	
C & F	100
IMPORT DUTIES - 7%	107
LANDING COSTS - 2%	109
ADMIN. COSTS - 4%	114
DISTRIBUTOR PROFIT - 15%	131
PHARMACY ADMIN. COSTS - 6%	138
PHARMACY PROFIT - 20%	166
COST TO CONSUMER	166
=====	

Other non-pharmaceutical products such as condoms do not have regulated prices. Import taxes and duties on condoms are 32% and landing expenses are approximately 5%. The importer/distributor typically gets a margin of 30-40%. The condom market as with other consumer products is a promotion-intensive market based on incentives to the retailer in the form of discounts or merchandise bonuses. The margin for the pharmacy is also not regulated and it is approximately 20 to 25%.

IUDs, classified as medical devices, are assessed differently. Approximately 14% of the C&F cost in taxes and duties and the importer/ distributor keeps a margin of approximately 30%.

## 2. Price Ranges of Products

The prices of the more popular brands of oral contraceptives range from 640 fils (\$1.92) to 750 fils (\$2.25). This is not considered to be a high price by local distributors in comparison with international prices and they assert that it is affordable for the majority of Jordanians (the average minimum wage is approximately 100 JD, or \$300, a month). As a reference, a soft drink is about 150 fils (\$.45), a pack of locally manufactured cigarettes 300 fils (\$.90) and a pack of imported cigarettes 500 fils (\$1.50).

Prices for spermicides range from 35 to 51 fils (\$.10-\$ .15) per tablet and they come in boxes of 12 except for Neosampoon which comes in tubes of 20 tablets.

Because of price controls for pharmaceuticals, and the difficulty of obtaining a price increase, distributors are reluctant to lower any of their prices. This reluctance is based on a fear that the government might take it as a precedent to lower the prices of the whole pharmaceutical line of a distributor or restrict the prices of new products even more. However, consumer research is needed to determine to what extent current price levels are an impediment to product use to a wide spectrum of consumers. If research results show that price levels are an impediment, the Project should make an effort to adjust the prices to more affordable levels.

IUDs do not have a price to the consumer since they are mainly sold directly to the physician. The price to the doctors is between 4 JD (\$12.00) and 6 JD (\$18.00) depending on the brand. The price charged by the physician to the user is between 30 JD (\$90.00) and 40 JD (\$120.00) which is considered to be beyond the means of many potential users. It may well be very difficult to get physicians to lower their prices. Therefore, the project design contemplates the alternative of supplying IUDs to the MOH for their distribution and insertion, with appropriate training, through their system. The private sector, of course, would continue to distribute IUDs to the physicians, but the lower income users would have an alternative source through the auspices of the Project.

Condom prices are not regulated and they range from 15.840 JD (\$47.52) per gross for Gossamer to 16.840 JD (\$50.52) per gross for Nu-form (currently the top of the line product for LRC). The per condom price to the consumer, then ranges from 110 fils (\$.33) to 117 fils (\$.35). Condoms come in packs of 3 and 12 units. As with the other products, if consumer research determines that price is an impediment to use by a wider number of potential consumers, the Project will meet with the distributor to seek mechanisms for lowering the prices or for introducing a lower priced product.

## 2. Technical Analysis

### a. The Health Problem

Internationally, it is widely recognized that short birth intervals are a primary contributor to child and maternal mortality and morbidity. The statistics demonstrating that contribution are conclusive. Although the relationship between birth intervals and improved maternal child health is proven, the exact reasons why birth spacing saves lives are not fully understood. Experts, however, do offer possible explanations for the relationship of birth intervals to infant and child health. One is that because a pregnant woman's health and nutritional status affect her fetus, the child's environment begins before its birth. A woman may be physically depleted from a recent pregnancy. If she becomes pregnant again too soon, her pregnancy may result in a low-birth weight baby who is much less likely to survive. Birth spacing helps to avoid this disadvantage. Another explanation offered is that closely spaced siblings compete for food and other necessities in the household. For example, a young child may be weaned too soon if the mother becomes pregnant again, often depriving the child of necessary nutrients. If the weaning occurs in the first six months, the infant will also be deprived of the immunity against disease conveyed by mother's milk. Birth spacing thus give infants and children a headstart.

For example, the infant mortality rate in Jordan for children who are born less than 24 months after their siblings ranges between 92 and 128 per 1000 births, a rate comparable to that in Rwanda or Senegal. Infant mortality among these Jordanian children is two to three times as high as those children born between 24 and 36 months intervals (38 per 1000) and three to four times the rate for those born at 36 to 60 months intervals (29 per 1000). With regard to maternal mortality and morbidity, four primary complications typically represent the major health risks. One is hemorrhage or bleeding near the end of pregnancy or at delivery. It is most common among older women with many children. Where blood transfusion is not available, such a hemorrhage may be fatal. The second is toxemia, a condition which includes swelling of the feet and hands, high blood pressure and protein in the urine. Toxemia is more likely for women having their first child. While early diagnosis and treatment can greatly lower the risk of death, untreated toxemia can lead to seizures and death. A third complication which can contribute to maternal mortality is sepsis. Sepsis is an infection due usually to complications from an obstructed or difficult delivery.

It can also be caused by unsanitary conditions during delivery. The fourth common complication is obstructed labor. Obstructed labor, which may also lead to hemorrhage or sepsis, results from a birth canal blocked either by small pelvic size or previous injury. Where delivery by Caesarean section is not available, obstructed labor may be fatal.

b. The Private Sector

The whole premise of the Project's design is to rely on the resources and strengths of Jordan's private sector. In addition to this premise is the requirement that participating distributors and manufacturers invest staff, distribution systems and commodities to make a successful project. In return for this investment, the Project offers the distributors and manufacturers assistance in expanding the total market for birth spacing project, i.e. the potential for increased sales over time. This wedding of public and private resources in social marketing has worked well in a few other countries and is well suited to Jordan.

For example, the success of the Project depends on the wide availability of contraceptive products at affordable prices. These objectives are attainable in Jordan since there are a variety of good quality birth spacing products available at a range of prices. By incorporating these products into the project design and by working closely with the private sector distributors, the project will have access to an effective and efficient distribution system that will ensure that the products are present at the retail outlets that potential consumers frequent.

Currently, the pharmaceutical market includes several types of good quality contraceptive products imported by local distributors through exclusive contracts with international manufacturers. The market, though small, has the latest in contraceptive technology and the distributors have on going plans to introduce the latest products. With the exception of the IUD, prices for contraceptive products at the pharmacy level are considered to be at an affordable level for the majority of the target population. It is also a highly competitive market with the major manufacturers present.

The introduction of a new pharmaceutical product requires a significant investment and an intimate knowledge of the market. Unlike consumer products, pharmaceuticals can only be promoted to physicians and may not be openly advertised using mass media. Therefore, for a pharmaceutical company, the target market is the physician and not the consumer or end user. For a typical pharmaceutical company a new product will be successful, if the company is able to convince the physicians to write prescriptions for their product which will then turn into sales at the pharmacy level.

The distributors take the products to the physicians through their detailmen. These are highly trained individuals who know all about the products and can discuss them with the physicians during the visits. During each visit several products are presented to the physician in varying degrees of detail. Distributors also deliver the product to pharmacies through an active group of salesmen that visit them regularly. Medical promotion is expensive and requires highly trained personnel for it to be effective. The more products available for promotion the better the cost distribution.

The introduction of USAID donated products into the market would require a significant investment in assigning the distributor, registering the products, training the required personnel and undertaking the promotion activities. The USAID products, although of good quality, do not offer anything new to what is already in the market and have the additional handicap of being manufactured by companies not known in the local market. Generating a market and convincing physicians that they should prescribe these new products, rather than the ones they have been prescribing during the last several years would be a difficult and perhaps futile endeavor.

Additionally, according to Jordan law, donated products cannot be sold through the commercial sector without special waivers. This implies that any project set up to depend on donated product would be reliant on the granting of special waivers which may jeopardize its long term continuity. The project design, therefore, has been developed to consider locally available products, with the possible exception of the IUD.

Several brands of oral contraceptives, spermicidal products, condoms and IUDs are available in the market. All of them, except the IUD, are sold through pharmacies. The IUD however is sold directly to the physicians and they decide what price to charge their patients. It is considered impractical to try to get physicians to reduce the price of their services. Those clients that currently can afford their services are not within the target population of this project. However, it is important that the use of IUDs as a birth spacing product be promoted and that it be made available at a reasonable price. The project strategy, therefore, is to make this product available through MOH and NGO clinics and providing MOH and NGO staff with the necessary training. The proposed IUD will be the 380 A Copper T purchased by AID/W. Products donated to the MOH do not have to contend with the restrictions that the commercial sector would face.

As mentioned above, there are several high quality contraceptive products in the market. Each manufacturer is represented by a different distributor. Since the project requires intensive promotion with the medical community and the pharmacies, it would be an added advantage to obtain the collaboration of the major distributors. The distributors for Schering, Wyeth, Organon, Rendell's and Durex products have all expressed their interest in participating in the project. Their products are market leaders, the companies are respected by the physicians and pharmacists and their prices are at an acceptable level.

The project has been designed as a collaborative effort with the participating manufacturers and distributors. This approach builds on the considerable resources of these established distributors in the market and on pre-existing, trusted brands. It is expected that the distributors will agree to hold the prices of the selected products at an acceptable level; identify the outer package of the selected products with a project-designed logo; promote the products to the physicians and pharmacies through their detailmen and salesmen; distribute the project brochures and training materials; assist in the training of the pharmacy personnel; contribute to the project fund in proportion to their sales; actively participate in the project steering committee and in other activities that will promote project success. The distributors' input will be defined and agreed upon individually and Letters of Agreement will be signed with each one.

The project will provide an extensive and specialized public relations campaign; specific research activities on physician, pharmacist and consumer practices; widespread birth spacing informational campaigns; training materials and consumer brochures. All these activities plus an active coordination with the distributors will be carried out through a project office staffed by a local high-level marketing specialist, a local brands manager and support staff. Additionally, they will receive technical assistance as needed through a U.S. contractor who will also provide a social marketing expert as long-term resident advisor. This mix of skills will be founded on the proven capabilities of Jordanian market research and advertising companies.

Project results will be measured through sales and tracking studies. The distributors will provide all the necessary sales data required to monitor project progress while the project will implement consumer tracking studies that will indicate changes in attitudes and practices. In each area, the project builds on measurement techniques currently in use in Jordan's private sector. Therefore, the project in this area as well, utilizes the existing capacities and skills of Jordan's marketplace.

i. Demand Analysis and Projection

One factor in the design of this project has been the estimation of the demand for birth spacing and birth spacing products in future years. Unfortunately, all the research results necessary to make more accurate demand projections are not available at this time. The need for this additional research information has been recognized and this research will be conducted as part of the Project.

Additional research is required for two reasons. The first is because of the birth spacing approach taken within the project. Demand for birth spacing rather than family-size limitation, has not classically been a question that has been asked when conducting health and fertility surveys. The question that approaches it most closely is "Do you wish to limit family size?" or "Do you wish to have more children?", but either of these questions is clearly directed at numeric limitation (with all of the attached negative connotation) and not at the health implications of improved spacing. For this reason, there are no specific data on the demand for birth spacing service. Extrapolation possibilities from indications of demand for another service (family size limitation) which coincidentally is provided by the same types of product are limited.

The second factor that requires new research is the matter of demand within the specific target audience. It is much easier to conceptually define C and D class consumers as the first levels of participant in the formal market place than it is to numerically define these classes by income or another quantified measure. In addition, even if the class definition had been precisely delineated, the health and fertility survey information that would feed the demand analysis are not stratified by economic indicator.

Having noted the limitations in the available data, it is possible to make reasoned demand projections with the knowledge that these projections will be modified as further studies of the demand are completed and this information becomes available. Of course, when examining the demand analysis it must be recognized that demand projections for any new product or program necessarily involve some degree of professional judgment. In the following discussions these areas of judgment are treated as assumptions and are made explicit. To the extent that these assumptions prove to be accurate, the demand projections will be accurate. If time shows the assumptions to have been inaccurate, then the demand estimates will also be in error.

Projections of demand can generally be performed in two ways, either "top-down" or "bottom-up". A "top-down" projection starts with some easily projectable variable related to demand and then derives demand from the projected variable or its components. A "bottom-up" projection begins with some type of base value and projects forward from that number. The demand analysis performed here used a basically "top-down" approach. At certain points in the process "bottom-up" projections were also used for consistency checks to ensure that the projected demand values were still within certain historically established guidelines.

#### Stage 1 - Population

The basic variable from which the remainder of the projection is being generated in this case is population and, more specifically, the population of married women of reproductive age (15-44). The population of Jordan in 1988 is estimated to be approximately 3 million. The approximate annual growth rate is 3.5 percent. This growth rate is assumed to remain relatively constant over the initial years of the 20 year projection period. By the years 2000 and 2010 the population growth rate is assumed to have slowed somewhat due to general development changes. Of particular interest within this overall population is the number of married women of reproductive age (MWRA). The MWRA is approximately 310,000 in 1988 and comprises about 21 percent of the total female population. This percentage will increase somewhat (to around 23 percent) by the end of the projection period due to the slight reshaping of the population structure under the reduced fertility assumptions of that period.

The MWRA population was divided into four groups for the purposes of this projection. These groups are consistent in nomenclature and make-up with groups delineated in the 1983 family health survey (FHS). The groups are 1) modern method contraceptors, 2) traditional method contraceptors, 3) non-contraceptors who have expressed a desire to limit family size and 4) non-contraceptors who have not expressed a desire to limit family size. In the 1983 FHS these groups comprised 21 percent, 5 percent, 20 percent and 54 percent of the overall population, respectively. This percentage distribution is assumed to hold constant over the projection period except for the impact of the program under consideration. These four groups become the basic target markets for this program and are shown in Table 9. The demand for the products will be projected separately for each of these groups (See Table 7).

## Stage 2 - Projected users within the target markets

Two assumptions were necessary to project the number of new users within each of the four target groups. The first assumption is the total impact that the program will have on the projected members of that group at the 20 year projection point. This impact is stated in percentage terms and can be translated as the percentage of women who would otherwise be in the group at the projected time but are, instead, using one of the products included within the program under consideration.

In the case of the projected modern method users, the total impact value can be interpreted as the number of women who would be using a modern method even without the existence of the program, but are specifically using one of the products provided by the program. The second assumption has to do with the manner in which this 20-year impact is reached. A program that took off quickly and then reached a plateau has a different impact over the 20 year projection period than one that builds slowly and takes off after several years of ground work. In contrast to either of these scenarios, the assumption in this case is that the total impact will be reached through fairly steady and constant growth.

This basically means that over the life of a twenty year projection, one twentieth of the impact of the project would be felt after one year, one half after ten years, etc. There are slight deviations from this pattern in the early years as a result of a projected slight surge in initial product uptake due to the presence of an immediate unsatisfied demand. This is represented by the fact that 1 twentieth of the projected impact is felt by the end of 1989 when, in fact, the project will have only been in full swing for 6 months.

From these two assumptions it is possible to generate a value for the percentage impact within each of the target market categories. These values comprise Table 2. The small column of values labelled "Max at 20" is the maximum percentage impact within the target group. The row labelled "Curve Factor" reflects the shape of the impact curve. Since the actual number of individuals in each target market is known at each point in time from Table 1, simple multiplication provides the number of users of the program within each of the categories. Summation of these values gives the total number of users of the program's products (see Table 8).

Since one of the target population categories consisted of women who were already modern method users, a slight correction is necessary. These individuals are those that are likely to have been using modern birth spacing methods even without the impetus of the program and therefore must be subtracted. The result is reported as net new users in the last row of Table 9 (see Table 9).

It is at this point that the first consistency check was performed. Past experience has shown that it is rare for a country to drastically change the overall rate of contraceptive prevalence in a short time. Even countries with strong contraceptive service delivery programs have only increased contraceptive prevalence by 2 to 3 points per year over the long haul. Countries without strong programs and highly focused efforts generally change much more slowly. In any case, the impact of a single program such as that under consideration here is unlikely to exceed one point per year in overall prevalence. To check this value the overall impact on contraceptive prevalence was computed and compared to an arbitrarily assigned maximum of 1 point per year. The computed values never exceed the allowed maximum but at the same time are not so small as to be insignificant. This provides some indication that the projections are probably not overly optimistic while still being large enough to have a noticeable impact.

### Stage 3 - New users by method

Once the estimates of total demand for the project's products have been generated, it is desirable to project the demand for the specific products. These projections will be necessary for both the commodities portion of the economic analysis and to show to the hoped for private sector participants to give them some indication of the financial benefits likely to result from participation. At present, modern method users are distributed among users of oral contraceptives, IUDs, condoms, and sterilization. Approximately 38 percent of modern method users use oral contraceptives, 43 percent use IUDs, 14 percent have been sterilized and 5 percent use condoms.

Because the Project does not promote sterilization (the concept of birth spacing is not, in fact, consistent with sterilization), it is assumed that the new users due to the program will be distributed largely among the three other modern methods. Vaginal methods, which are used too little to show on the CPS will also likely have a larger, though still minor impact among new program users. The new users are assumed to divide evenly between orals and IUDs for the vast majority (92 percent) of the demand. The remaining 8 percent is taken mostly by condoms with one percent going to vaginals.

Tables 12 and 13 can both be generated from these assumptions and the previously discussed information. Table 12 shows the number of new users of each of the four methods for each of the projection periods. In Table 13, the product usage by each of these projected users is converted into a sales figure. The units are cycles for oral contraceptives and pieces for each of the other products (see Tables 10 and 11).

#### Stage 4 - Summary

Because this is a relatively small program in a country of modest size there is a danger that the sales projections will seem insignificant. In order to correct this impression, a series of summary tables was developed. The first three summary tables (Tables 12, 13, and 14) show the sales levels for each product without the program and with the program in place. Table 15, specifically, shows the percent increase in the market size due to the presence of the program. Although the program starts rather modestly, the impact at the 20 year projection horizon is a substantial 60 to 70 percent increase in the market for orals, IUDs and condoms. Because of the current small activity in vagina's, the impact on that market is an even more significant 120 percent (i.e. the market more than doubles) see Tables 12, 13, 14 and 15.

While these summaries are useful, they may not be the best presentation to attract private sector participation in the project. The private sector typically thinks in terms of market growth from year to year, rather than in terms of before and after or with and without. The final two tables (16 and 17) show the projected impact of the project on annual market growth. In Table 16 can be seen the rate of "natural increase" in the respective markets. This increase is basically due to the growth of the population and a constant percentage of contraceptors. In Table 17 is shown the same annual growth rates but including the impact of the project. It is easy to see that annual growth rates are significantly higher with the program in place than without it (See Tables 16, 17 and 18).

TABLE 7

## POPULATION AND CONTRACEPTIVE USE TRENDS

	1988	1989	1990	1991	1992	1995	2000	2010
POPULATION	3,000,000	3,105,000	3,213,675	3,326,154	3,442,569	3,600,000	4,000,000	4,800,000
FEMALES	1,500,000	1,522,500	1,606,837	1,663,077	1,721,285	1,800,000	2,000,000	2,400,000
MWRA	310,000	326,025	337,436	349,246	361,470	378,000	400,000	552,000
NC-FAM LIM 20%	62,000	65,205	67,487	69,849	72,294	75,600	88,000	110,400
TRAD METHOD 5%	15,500	16,301	16,872	17,462	18,073	18,900	22,000	27,600
MOD. METHOD	65,100	68,465	70,862	73,342	75,909	79,380	92,400	115,920
NON CONTRIBUTORS	167,400	176,054	182,215	188,194	195,194	204,120	237,600	298,080
TOTAL TARGET	244,900	257,560	266,574	275,904	285,561	298,620	347,600	436,080

TABLE 8

## PERCENT OF TARGET POPULATION IN THE PROJECT

	CURVE FACTOR		1990	1991	1992	1995	2000	2010
DEMAND	MAX AT 20	0.05	0.1	0.2	0.3	0.4	0.6	1
% TRADITIONAL	25	1.25	2.5	5	7.5	10	15	25
% NC-FAM LIMIT	15	0.75	1.5	3	4.5	6	9	15
% MOD. METHOD	2	0.1	0.2	0.4	0.6	0.8	1.2	2
% NON CONTRIBUTORS	15	0.75	1.5	3	4.5	6	9	15

TABLE 9

## NEW USERS IN THE PROJECT BY TARGET GROUP

	1989	1990	1991	1992	1995	2000	2010
TRADITIONAL	204	422	873	1356	1890	3300	6900
NC-FAM LIMIT	489	1012	2095	3253	4536	7920	16550
MODERN	68	142	293	455	635	1109	2318
NON CONTRIBUTORS	1320	2733	5658	8784	12247	21384	44712
TOTAL USERS		2082	4309	8920	13848	19308	33713
NET NEW USERS		2013	4167	8626	13392	18673	32604
IMPACT ON PREVALENCE	0.62%	1.24%	2.47%	3.71%	4.94%	7.41%	12.35%
MAXIMUM IMPACT ALLOWED	1	2	3	4	7	10	20

TABLE 10

NEW USERS IN THE PROJECT BY METHOD

	PERCENT	1989 USERS	1990 USERS	1991 USERS	1992 USERS	1995 USERS	2000 USERS	2010 USERS
ORALS	46	926	1917	3968	6161	8590	14998	31359
CONDOMS	7	141	292	604	937	1307	2282	4772
IUD	46	926	1917	3968	6161	8590	14998	31359
VAGINALS	1	20	42	86	134	187	326	682
STERILE	0	0	0	0	0	0	0	0

TABLE 11

SALES OF PROJECT PRODUCTS BY METHOD

	1989	1990	1991	1992	1995	2000	2010
ORALS	12,039	24,921	51,586	80,087	111,666	194,972	407,669
CONDOMS	14,092	29,171	60,385	93,747	130,712	228,228	477,204
IUD	463	958	1,984	3,080	4,295	7,499	15,680
VAGINALS	2,013	4,167	8,626	13,392	18,673	32,604	68,172
STERILE							

TABLE 12

SALES BY METHOD WITHOUT THE PROJECT

	1989	1990	1991	1992	1995	2000	2010
ORALS	339,066	350,933	363,216	375,929	393,120	457,600	574,080
CONDOMS	326,025	337,436	349,246	361,470	378,000	440,000	552,000
IUD	14,671	15,185	15,716	16,266	17,010	19,800	24,840
VAGINALS	32,603	33,744	34,925	36,147	37,800	44,000	55,200
STERILE (TOTAL)	9,781	10,123	10,477	10,844	11,340	13,200	16,560

TABLE 13

TOTAL SALES BY PRODUCT WITH THE PROJECT

	1989	1990	1991	1992	1995	2000	2010
ORALS	351,105	375,854	414,802	456,015	504,786	652,572	981,749
CONDOMS	340,117	366,607	409,631	455,217	508,217	688,228	1,029,204
IUD	15,134	16,143	17,700	19,346	21,305	27,299	40,520
VAGINALS	34,616	37,911	43,551	49,539	56,473	76,604	123,372
STERILE (TOTAL)	9,781	10,123	10,477	10,844	11,340	13,200	16,560

TABLE 14

PERCENT MARKET INCREASE DUE TO THE PROJECT

	1989	1990	1991	1992	1995	2000	2010
ORALS	3.55%	7.10%	14.20%	21.30%	28.41%	42.61%	71.01%
CONDOMS	3.32%	8.65%	71.29%	25.94%	34.58%	51.87%	86.45%
IUD	3.16%	6.31%	12.62%	18.94%	25.25%	37.87%	63.12%
VAGINALS	6.18%	12.35%	24.70%	37.05%	49.40%	74.10%	123.50%
STERILE (TOTAL)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

TABLE 15

PERCENT NATURAL MARKET INCREASE (FROM PREVIOUS PERIOD)

	1990	1991	1992	1995	2000	2010
ORALS	3.50%	3.50%	3.50%	4.57%	16.40%	25.45%
CONDOMS	3.50%	3.50%	3.50%	4.57%	16.40%	25.45%
IUD	3.50%	3.50%	3.50%	4.57%	16.40%	25.45%
VAGINALS	3.50%	3.50%	3.50%	4.57%	16.40%	25.45%
STERILE (TOTAL)	3.50%	3.50%	3.50%	4.57%	16.40%	25.45%

TABLE 16

## PERCENT MARKET INCREASE WITH THE PROJECT IN PLACE (FROM PREVIOUS PERIOD)

	1990	1991	1992	1995	2000	2010
ORALS	7.05%	10.36%	9.94%	10.69%	29.28%	50.44%
CONDOMS	7.79%	11.74%	11.13%	11.75%	31.36%	54.02%
IUD	6.67%	9.65%	9.30%	10.12%	28.13%	48.43%
VAGINALS	9.52%	14.88%	13.75%	14.00%	35.65%	61.05%
STERILE (TOTAL)	3.50%	3.50%	3.50%	4.57%	16.40%	25.45%

TABLE 17

## GROSS REVENUE FOR PRODUCTS PROVIDED BY THE PROJECT IN DINARS (JD)

	1989	1990	1991	1992	1995	2000	2010
ORALS	7,704.936	15,949.217	33,014.879	51,255.600	71,466.071	124,782.029	260,907.878
CONDOMS	1,409.243	2,917.133	6,038.466	9,374.718	13,071.240	22,822.800	47,720.400
IUD	1,852.148	3,833.946	7,936.269	12,321.058	17,179.344	29,995.680	62,718.240
VAGINALS	1,026.734	2,125.340	4,399.454	6,830.152	9,523.332	16,628.040	34,767.720
TOTAL	11,993.061	24,825.636	51,389.068	79,781.527	111,239.987	194,228.549	406,114.238

TABLE 18

## GROSS REVENUE FOR PRODUCTS PROVIDED BY THE PROJECT IN DOLLARS (USD\$ .340)

	1989	1990	1991	1992	1995	2000	2010
ORALS	\$22,661.88	\$46,909.46	\$97,102.59	\$150,751.77	\$210,194.33	\$367,005.97	\$767,376.11
CONDOMS	\$4,144.83	\$8,579.80	\$17,760.19	\$27,572.70	\$38,444.82	\$67,125.88	\$140,354.12
IUD	\$5,447.49	\$11,276.31	\$23,341.97	\$36,238.41	\$50,527.48	\$88,222.59	\$184,465.41
VAGINALS	\$3,019.81	\$6,251.00	\$12,939.57	\$20,088.68	\$28,009.80	16,628.040	\$102,258.00
STERILE (TOTAL)	\$35,273.71	\$73,016.58	\$151,144.32	\$234,651.55	\$327,176.43	\$571,260.44	\$1,194,453.64

#### 4. Financial Analysis

In preparing the cost estimates and financial plan for the Project, several factors were taken into account or assumptions made. These factors affected some of the calculations made and some of the values assigned to specific variables. The following discussion presents the assumptions underlying each line item of the project cost estimate. The material is presented both as a justification for the estimates and to allow future adjustments to be made more easily in the event that time or programmatic changes show the assumptions to be in error. All values in the cost estimate have been rounded up to the next hundred.

The project cost estimate was prepared in three sections. The first section includes those costs associated with the Project Office in Amman and local costs for implementation activities managed by the Project Office. The second section covers those costs associated with the US contractor that provides the expatriate advisor and short-term technical assistance. The final section includes the estimated costs for the various alternate schemes of commodity supply and other project costs.

##### A. Local Project Costs

###### 1. Project Office Staff

All local salaries include an added cost element for the social security (15 percent) typically provided in Jordan. Offering social security is needed to be competitive with larger firms and to ensure that there is no difficulty in staffing the Project Office. Assumptions related to the salary level set for each staff positions follow:

- Project Manager: The project manager is assumed to be a senior manager from the pharmaceutical industry. He would typically have 15 or more years of experience, preferably running a local distribution office.
- Brands Manager: The brands manager would be a relatively senior individual, perhaps one step below the project manager in experience.
- Accountant: A senior accountant capable of generating financial statements and verifying the accuracy of invoices as well as maintaining accounts was used as the model for this line item.
- Secretary/Assistant: This position was envisioned as a bilingual executive secretary capable of working with limited direction in a typically hectic private sector environment.

- Typist/Clerk: This is a strictly typing and filing position.
- Driver: The driver was also envisioned to be able to serve the functions of expeditor, messenger and "Gofor."
- PR Assistant: An assistant to handle administrative duties for the initial Public Relations (PR) campaign. This is a temporary position roughly equivalent in capability to the secretary/assistant position detailed above.

## 2. Office Maintenance

First class office will be required for the Project with sufficient and suitable space for the six above named individuals plus a senior expatriate advisor, a small conference room and a space for short-term consultants. The variables related to the Project Office costs include:

- Rent: Typical for first class offices.
- Utilities: Electricity, water, and fuel are not included in the rent and must be priced separately.
- Furniture/Furnishings: Appropriate desks, chairs, bookcases and file cabinets for five professional offices plus two clerical offices and a small conference room are included (\$1,500 per room) are included. The major costs in this category are for the installation of light fixtures, carpets, and other furnishings that are not normally provided with office space.
- Phones: Two phone lines have been assumed. A two-line system is \$4,000. Installation is \$750 per line.
- Copier: Medium volume (less than 10,000 per month).
- Telefax: With the increasing popularity of telefax, this has been assumed rather than a Telex.
- Computers (3): Three microcomputer systems have been assumed. One is for management, one for accounting, and one for word processing.

- Software: For each system, the purchase of a word processing package and an analytic package is assumed. In addition, it is assumed that a database package and a statistical package will be purchased for the office.
- Other Equipment: A dual language typewriter, two calculators and a postage scale are included.

### 3. Other direct costs

This category includes the cost of operating the office such as:

- Copy/Reproduction: 5,000 copies per month at \$0.10.
  - Publications: Two Jordanian newspapers plus two professional publications and two trade publications.
  - Postage/Telex/Fax: \$400 per month.
  - Phones: Local charges at \$300 per year plus international calls at \$50 per week.
  - Cleaning: Costs for a char person and supplies have been estimated.
  - Supplies: \$400 per month.
  - Miscellaneous: \$500 per month.
4. Vehicle: The nature of the project office may allow the purchase of a non-US vehicle however, a GM Celebrity has been estimated. Operating expenses include:- Gas, oil, maintenance, tires, insurance and title.
5. In-Country Travel: It is assumed that the project personnel will use the project vehicle for in-country travel except to Aqaba. Twelve overnight trips for two to Aqaba are assumed. Transportation - Twenty-four Amman/Aqaba round trips at \$50. and Per diem - Thirty-six days at \$115.
6. Training/Seminars: There is a substantial to gain the active support of the private and public medical community. Most of this takes the form of seminars or workshops with doctors, pharmacists and clinic personnel for example:
- Doctors: An initial set of meetings and a follow-up set are assumed. The meetings take place in each of the four major cities and the expenses include the meeting facility and a meal. A total of approximately 1500 doctors are reached in this program.

- Private Pharmacists: Again, two sets of meeting are held in each of the four major cities. The introductory meeting is similar in nature to the first meeting held for the doctors. The cost is about half due the size of the audience. The second set breaks the pharmacists into smaller groups and includes pharmacist's assistants and other staff. Because of the increase in overall reach these meetings are assumed to cost about \$20,000. Approximately 600 pharmacists and an equal number of assistants and staff are reached in these two sets of meetings.
  - PHC Directors: A set of meeting similar to those organized for the doctors is assumed for the Primary Health Care (PHC) Directors. Only approximately 200 of these individuals are involved in the meetings
  - Post Partum Counseling: Training of a limited cadre (around 30) of public health trainers to talk to clinic personnel is an economical way of reaching the diverse clinic system. These individuals can be handled in one meeting in each of the four major cities. These individuals are employees of the MOH and, therefore, salaries are not included in the estimate. Personnel from the five or six major NGOs are also given the same instruction.
  - IUD Insertion: A team of two or three trainers in IUD insertion is assumed to spend 60 person-days with personnel in the health clinics training clinic personnel in IUD insertion. These trainers are also MOH personnel.
7. Observational Visits: Experience shows that much can be gained from tours to study projects in other countries. Ten trips of two weeks each were assumed. Transportation - \$3000 per trip airfare. and Per diem - Fifteen days per person per trip at \$125.
  8. Informational Campaigns: The informational campaign budget includes the cost of development as well as placement of the message. Media time is assumed to be at the reduced "Public Service" rate, but not free. Advertisements are placed beginning June, 1989 (with three months remaining in project year 1).
  9. Research: Research is required throughout the project to measure and verify consumer acceptance of the message and the products, retail stock and sales patterns.

## B. U.S. Contractor Costs

1. Salaries: Salaries were calculated as being unloaded i.e without benefits. All benefits are included in the overhead calculation. Specific assumptions follow:
  - Project Advisor: The expatriate advisor is assumed to be a senior individual roughly equivalent in experience and professional stature to the project manager
  - Short Term TA: A total of 100 days of short-term Technical Assistance are assumed to be provided in the areas of advertising, research, management and contracts. Half (50 days) of this TA is assumed to be provided by contractor staff at an approximate annual salary level of \$50,000 or about \$2300 per day. Over the life of the Project, the total number of days of short-term technical assistance from contractor staff was estimated at 225.
  - Home Office Support: Some support in the home office will be required to effectively operate the field office. Twenty percent of the time of a home office manager (salary \$50,000) and secretary (salary \$23,000) are assumed.
2. Consultants: Over the life of the Project, a total of 260 days of short-term technical assistance from consultants was estimated as necessary. This was calculated at an average daily rate of \$250
3. Overhead: The Contractor's overhead rate is assumed to be 25 percent on the consultant's costs, 70 percent on the expatriate advisor (mostly to cover fringe benefits) and 150 percent on other contractor staff.
4. Housing and Allowances: Calculated at about \$50 per day.
5. Relocation: The expatriate advisor was assumed to relocate with three dependents. Home leave R&R travel are also included in this line item.
6. In-country Travel: The expenses for the expatriate advisor's in-country travel is assumed to be handled by the U.S contract and not the Project Office. Transportation was calculated at six trips to Aqaba at \$50 plus \$50 per month in local travel and per diem at twelve days at \$115/day.

7. International Travel: One trip to the U.S. per year are assumed for the expatriate advisor in conjunction with home leave or R&R travel. Transportation costs were estimated at \$2000 per round trip (from the U.S.) and per diem at \$125 per day. Over the life of the Project, a total of 47 round trips were estimated and 600 days of per diem.
8. Other Direct costs: These costs were estimated at \$400 per month for items such as international calls from the U.S. office to Amman, supplies and other items expended mostly in the U.S. office.

#### C. Commodities and Other Project Costs

1. Evaluation: An internal mid-term evaluation (printing and distribution cost only) and a final evaluation by an outside contractor were assumed in estimating total evaluation costs.
2. Audit: An annual audit of Project Office operations by an outside audit agency was calculated using standard commercial rates in Jordan for audits (\$15,000 each).
3. Contingencies: The contingency line includes about 3% for inflation and approximately 3.5% for unforeseen project requirements. This makes the total contingency rate about 7.5% of total project costs.
4. Commodities: All of the above project costs ignore the cost of any commodities that might be provided by USAID. At the writing of the Project Paper a number of alternate contraceptive commodity supply scenarios were being investigated. Costs to the program for the first 4 years of operation have been provided for all of these alternates. (See Table 21)

Alternate A assumes that all commodities used by the project will be provided by the private sector. Alternate B assumes that all goods sold by the private sector will be provided by the private sector. Goods distributed by the public sector are assumed to be donated by USAID. Public sector distribution is assumed to be about 10 percent of overall sales for all products. Alternate C assumes that all IUDs will be distributed by the public sector and that these IUDs will be donated by USAID. All other goods will be for sale only through the private sector and will be provided by the private sector.

Alternate D involves distribution through the private sector only. All goods are assumed to be locally supplied. Alternate E assumes that all project goods (both for private sale and public distribution) are donated by USAID. Note that this alternative is not allowed under present Jordanian regulations. It is estimated that attaining the waivers necessary to put this alternative in place would delay product introduction by approximately 2 years. Alternate F assumes that goods are available for private sale only and that all goods are donated by USAID. As in the case of Alternative E, this alternative is not allowable under present Jordanian law.

TABLE 19

COMMODITY ALTERNATIVES CONSIDERED IN  
CALCULATING COST REQUIREMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Alternative A	0	0	0	0	0	
Alternative B	900	1,800	3,700	5,700	6,400	18,500
Alternative C	2,500	2,500	5,000	5,000	30,000	30,000
Alternative D	0	0	0	0	0	
Alternative E	8,500	17,700	36,600	56,800	64,302	183,900
Alternative F	7,700	15,900	32,900	51,200	57,900	165,600

In calculating the commodity line item of the budget, alternate C was used as a means of estimating contraceptive requirements. Other commodities will be necessary as well to support an enhanced IUD program in the public sector. These will mainly be clinical supplies such as: forecups, sterilization trays, gloves, chemicals, examination beds, etc. Although exact requirements of these other commodities are difficult to determine, the design team estimated that \$145,000 would be needed.

5. Economic Analysis

Improved health is not a benefit that easily lends itself to cost/benefit style comparison. In the short run, it is easy to compare savings in such areas as insurance premiums and publicly provided health care to costs of preventive care programs. In the long run, however, it is the overall increase in productivity and longevity experienced by a healthier population that must be weighed against the costs of improved health care or the costs of a specific health intervention.

In the case of the birth spacing project we are examining a health service that relatively directly relates to a reduced health cost. The provision of these increased birth spacing practices will directly reduce infant mortality and maternal mortality. The increase in birth interval will also result directly in a requirement for less frequent (and therefore fewer) birth-related medical services. Although this project is basically the initial investment in a program that will have much greater effects over the long term, the immediate impact alone is sufficient to more than justify the activity.

The basic nature of this analysis is in the form of a balancing of the costs of the project against the benefits received through the three most direct health improvements. In estimating these benefits it was first necessary to specifically estimate 1) the reduction in births, 2) the reduction in infant deaths and, 3) the reduction in maternal deaths. In all three cases, conservative estimates have been used to help ensure that the estimate as a whole is quite conservative.

To estimate all three factors the sales of project contraceptives was converted to couple-years of protection (CYP). The CYP measure represents, in theory, a measure of the contraceptive protection provided to couples regularly using the products in the proper manner. From CYP it is possible to estimate the three impacts as follows:

- a. Births averted is estimated as CYP divided by average birth interval. In essence, if the average birth interval were 24 months, then 24 months of contraceptive protection represent one birth averted.
- b. Infant deaths averted is estimated by assuming that the contraceptives are used to postpone a birth from an undesirably short birth interval to one greater than 24 months. Currently, nearly half of the births occurring in Jordan occur with a birth interval of less than 24 months. A value of 40 percent was used in this analysis to again ensure a conservative estimate. The average infant mortality rate for births with a birth interval of less than 24 months in Jordan is known to be around 90. The average infant mortality rate for births with an interval in excess of 24 months is less than 30. This difference was used to compute the infant deaths averted due to product use.

c. Maternal mortality could not be estimated using Jordan specific data. Ideally, a value for women dying in child-birth should be used to compute the maternal deaths averted value. Since this datum was not readily available a very conservative world-wide statistic was used. On a world-wide basis the maternal mortality rate for women who practice no form of contraception is about 80 per 10,000. The same rate among women who practice any form of contraception is around 3. Again, the difference in the rates was used to compute the maternal deaths averted. The results of all of these calculations can be seen in Table 22.

TABLE 20

THREE TYPES OF PROJECT IMPACT

	1989	1990	1991	1992	1993
Births averted at an average birth interval of 27 months.					
	586	1213	2511	3899	4411
Infant deaths averted assuming all protected couples use birth spacing only long en.					
Low interval births	234	485	1004	1559	1764
Deaths at low interval	22	45	92	143	162
Deaths at 2+ interval	9	18	38	59	67
Deaths averted	13	26	54	84	95
Maternal deaths averted.					
Maternal deaths w/o project	3	5	11	18	20
Maternal deaths w/ project	0	1	1	2	2
Maternal deaths averted	2	5	10	16	18

Once values have been obtained for the three benefit categories it is only necessary to quantify the benefit and perform the trade-off analysis. Again, good data were not readily available and conservative estimates had to be used.

The major benefit category is that of infant deaths averted. The analysis is therefore most sensitive to the value used for this benefit. The discussion of it will therefore be saved until last.

The savings due to a birth averted were estimated to be \$100. Even though a large portion of births in Jordan occur without the benefit of hospital care and a large number of children pass their initial years with no hospital or clinic care at all, the numbers of births using birth attendants and the level of informal medicine as well as the cost of those infants that do receive this care make this a very conservative estimate.

The value of a maternal death averted has been arbitrarily set at a low \$5,000. This was done primarily to allow the analysis to proceed. The analysis could have used a zero value and not seriously changed the rate of return, but this is so patently offensive a quantification of the value of a human life that another alternative had to be chosen.

As was stated previously, the bulk of the analysis hinges on the value assigned to the benefit of an infant death averted. There are basically two approaches to this analysis. One is to set a value for this benefit and compute the appropriate rate of return. The other is to compute an acceptable rate of return and determine what value for this benefit causes that return to be realized.

Both of these approaches were used in this case. In Table 23 can be seen the results of assigning a conservative value to the benefit of an infant death averted and computing the rate of return. You can see that even with a value as low as \$20,000 the rate of return is greater than 40 percent. In Table 23 the value of the rate of return was arbitrarily set at an acceptable 10 percent. The value of the death averted benefit was then determined that would give this result. That value turned out to be \$14,500.

In conclusion, if the value of an infant death averted is at least \$14,500, then the internal rate of return for this project will be at least 10 percent. If the value of an infant death averted is as high as \$20,000 then the internal rate of return will be in excess of 40 percent.

TABLE 21

RATE OF RETURN AT A CONSERVATIVE VALUE  
ASSIGNED TO INFANT DEATH AVERTED

	1989 Year 1	1990 Year 2	1991 Year 3	1992 Year 4	1993 Year 5
Project costs	\$1,175,500	\$921,000	\$926,500	\$902,000	\$1,075,000
Cumulative cost with interest	\$1,175,500	\$2,214,050	\$3,361,955	\$4,600,151	\$6,135,166
Value of project health benefits	\$254,030	\$525,843	\$1,088,495	\$1,689,888	\$1,912,000
Cumulative benefit with interest	\$254,030	\$805,276	\$1,974,299	\$3,861,617	\$6,159,778
Assumptions:				PROJECT I.R.O.R. —————	10.00%
Cost of birth	\$100				
Value of infant death prevented	\$14,500				
Value of maternal death prevented	\$5,000				

TABLE 22

VALUE OF INFANT DEATH AVERTED USING AN INTERNAL RATE  
OF RETURN ARBITRARILY FIXED AT 10%

	1989 Year 1	1990 Year 2	1991 Year 3	1992 Year 4	1993 Year 5
Project costs	\$1,175,500	\$921,000	\$926,500	\$902,000	\$1,075,000
Cumulative cost with interest	\$1,175,500	\$2,566,700	\$4,519,880	\$7,229,832	\$11,196,765
Value of project health benefits	\$323,655	\$669,966	\$1,386,829	\$2,153,053	\$2,436,041
Cumulative benefit with interest	\$323,655	\$1,123,083	\$2,959,146	\$6,295,857	\$11,250,240
Assumptions:				PROJECT I.R.O.R. —————	40.00%
Cost of birth	\$100				
Value of infant death prevented	\$20,000				
Value of maternal death prevented	\$5,000				

## 6. Social Soundness Analysis

### a. Socio-Cultural Context

Jordanians place a high value on children and on the health of family members. The predominant religion (Islam) also reinforces the responsibility of parents for the health and well-being of children. These pre-existing social values suggest that interventions which are introduced as means to improve and maintain the health of mothers and children will be well received. As mentioned above, however, contraception is often popularly viewed as being synonymous with the limitation of children or birth control. Such objectives have traditionally been sensitive and controversial in Jordan. By presenting birth spacing as an MOH technique, the Project builds on the positive social values associated with the health of children and mothers. The Project should also help in making contraception a more socially acceptable option for couples.

Other indicators suggest that there should be a growing receptivity to birth spacing promotional campaigns and general MCH care. Jordan population is increasingly urban (about 70%) and women are becoming better educated. More than 90% of the population has access to both radio and television. These statistics indicate that birth spacing promotional campaigns would be very effective if they are carefully designed and based upon market/consumer research.

### b. Beneficiaries

Theoretically, all women and couples in their reproductive age are potential beneficiaries of this project. In actuality, however, younger women just entering or in their earlier reproductive period would be the major beneficiaries of a successful project. This is due to the fact that their total reproductive life could be more influenced than those who have already had several short-interval births.

Because of the predominant urban residency pattern in Jordan, urban dwellers are going to be the most numerous and the earliest beneficiaries. Another reason is that urban areas are replete with hospitals, clinics, private physicians and pharmacies, all sources of health services and contraceptives. Areas classified as rural, however, are almost entirely accessible by roads and serviced by small stores and pharmacies. Rural residents, therefore, will also benefit. The smaller Bedouin population may be less well reached. Although largely settled for at least part of the year, the Bedouin do still migrate and are more traditional. Other beneficiaries obviously include

the pharmaceutical retail outlets and members of product distribution chain which will realize some project from the sales of birth spacing products. The commercial entities involved as sub-contractors will also benefit both from the new business opportunity and the exposure to modern marketing techniques used by the contractor in implementing major portions of the Project.

c. Participation

The proposed project is principally one of marketing birth spacing products and the delivery of birth spacing services. To construct a marketing strategy and to design packaging for the product, surveys will be conducted among potential users, pharmacists and physicians. consumer surveys will help create both promotional, IBC materials and birth spacing products which maximize their acceptability to and use by the general public.

Because of the predominant role of the medical community in the delivery of health care services and as influential opinion leaders within the population regarding health, it is critical that the medical community participate in the implementation of the Project. Physicians, in particular, are authoritative sources of health information for the general populace and to do influence popular perceptions and behavior regarding health.

d. Socio-Cultural Feasibility

The Project concept was developed with careful attention to existing social valued regarding the health of mothers and children. As a result, this is a birth spacing project and not a project with the specific objective of reducing population growth. This birth spacing, MCH approach, we believe, is the most feasible socially to work with contraceptive services.

There are other feasibility issues which will be more closely investigated during the Project Research. One of these is popular preferences for specific contraceptive methods. Among contraceptive users, at present, IUDs and the pill are the most popular methods of contraception. The reason for this popularity are varied; but, the project will need to examine the popular acceptability of these and other contraceptive methods and the best means of promoting them as birth spacing technologies.

Another consideration is the socio-cultural characteristics of the system of private medical practice and of the retail pharmaceutical trade. Pharmacists perceptions about and willingness to promote and openly display contraceptive products for birth spacing needs to be explored. Similarly, the patterns among physicians for the extension of advice and product referrals to patients needs to be better understood with respect to pregnancy and birth spacing.

#### e. Impact on Women

As mentioned above, women represent one of the two primary groups of beneficiaries targeted by the project. The maternal health objectives are clear and have been articulated and quantified previously in the project paper. To help assure the projected level of impact on women, the Project has several built-in mechanisms to reach women.

One is the research used to develop annual plans and marketing plans. Much of the research data will be collected directly from women so that birth-spacing services will be delivered in ways designed to have the greatest outreach to women possible. The second main mechanism is informational campaigns directed specifically toward women.

Women will also be trained to provide birth-spacing services to clients and consumers. The example, many of the pharmacy assistants in Jordan are women and these pharmacy employees will receive training as part of this project.

#### 7. Administrative Analysis

From the inception of the Project, the administrative structure for the provision of the services required and the attainment of the defined objectives has been carefully examined. The importance of the administrative structure becomes even more pronounced with the project design's having reliance upon commercial firms and other private sector entities. The Project combines three types of organizations in a collaborative effort, these three types are: the public sector, represented by the MOH; non-governmental or voluntary organizations; and, commercial firms associated with marketing in general and pharmaceutical sales in particular. Each of the three types of organizations involved in the Project has very different administrative systems and operational styles. The Project is designed to work with each, utilizing its own existing systems and operations and not requiring any of the types of organizations to change administratively.

To accomplish the task of ultimate flexibility in administering the activities and components planned, the project design was structured on an administrative model developed by USAID/Amman and the GOJ in similar projects which combine public and private resources toward a common goal. This model requires the establishment of a separate Project Office which enters into agreement with and finances activities of private sector organizations (see Illustration 1). The Project Office, however, is also accountable to and reports to a Steering Committee which is chaired by senior governmental officials. The Project Office's annual operating budgets are first approved by the Steering Committee before operating funds are transferred to the Project Office by USAID/Amman. In addition, the Project Office provides services (such as training and birth spacing informational materials) to the public sector (MOH) staff.

This separate Project Office model has worked well in the PETRA Project in Jordan and offers several administrative advantages. The Project Office, being a special purpose, separate entity, can adopt an internal administrative system and operational style similar to that found in the private sector. That being the case, the Project Office can respond to the needs of participating commercial firms (i.e. distributors, advertising companies, market research companies, etc.) to maintain standard business practices in the conduct of the work they perform for the Project. Allowing the participating commercial firms sufficient autonomy to operate normally is essential if top quality firms are to be attracted to invest or participate in the Project.

However, the valid oversight and monitoring requirements of the public sector must also be met. The Project Office acts as the agent of the MOH and USAID/Amman in assuring that the project activities undertaken by various groups of the private sector adhere to government policies and applicable regulations. The GOJ and policies and USAID/Amman have a significant supervisory and monitoring mechanism over the Project Office in the role of the Project Steering Committee. The approval of annual work plans and annual operating budgets gives the Steering Committee considerable oversight strengths for virtually all project activities.

The role of the technical assistance contractor helps to make the administrative model of the Project Office even more sound. The contractor's Resident Advisor will work out of the Project Office and the short-term technical assistance will be provided through the Project Office. This fact strengthens the technical and administrative capacity of the Project Office to execute its responsibilities. The resident advisor also offers technical recommendations to the Project Steering Committee. These recommendations will include commentary on how well the overall administrative structure of the Project is functioning and the identification of any specific administrative problems which require attention or modifications in the administrative structure adopted.

In conclusion, no administrative impediments are anticipated which would hinder Project implementation. Although the specific agreements with participating pharmaceutical distributors remain to be finalized after Project authorization and the signing of the Project Agreement, the Project will use the existing examples of international precedents (such as similar agreements with pharmaceutical distributors representing Schering products in the Dominican Republic). There have already been expressions of interest from distributors in Jordan representing Organon, Schering and London Rubber Company.

## 8. Environmental Analysis

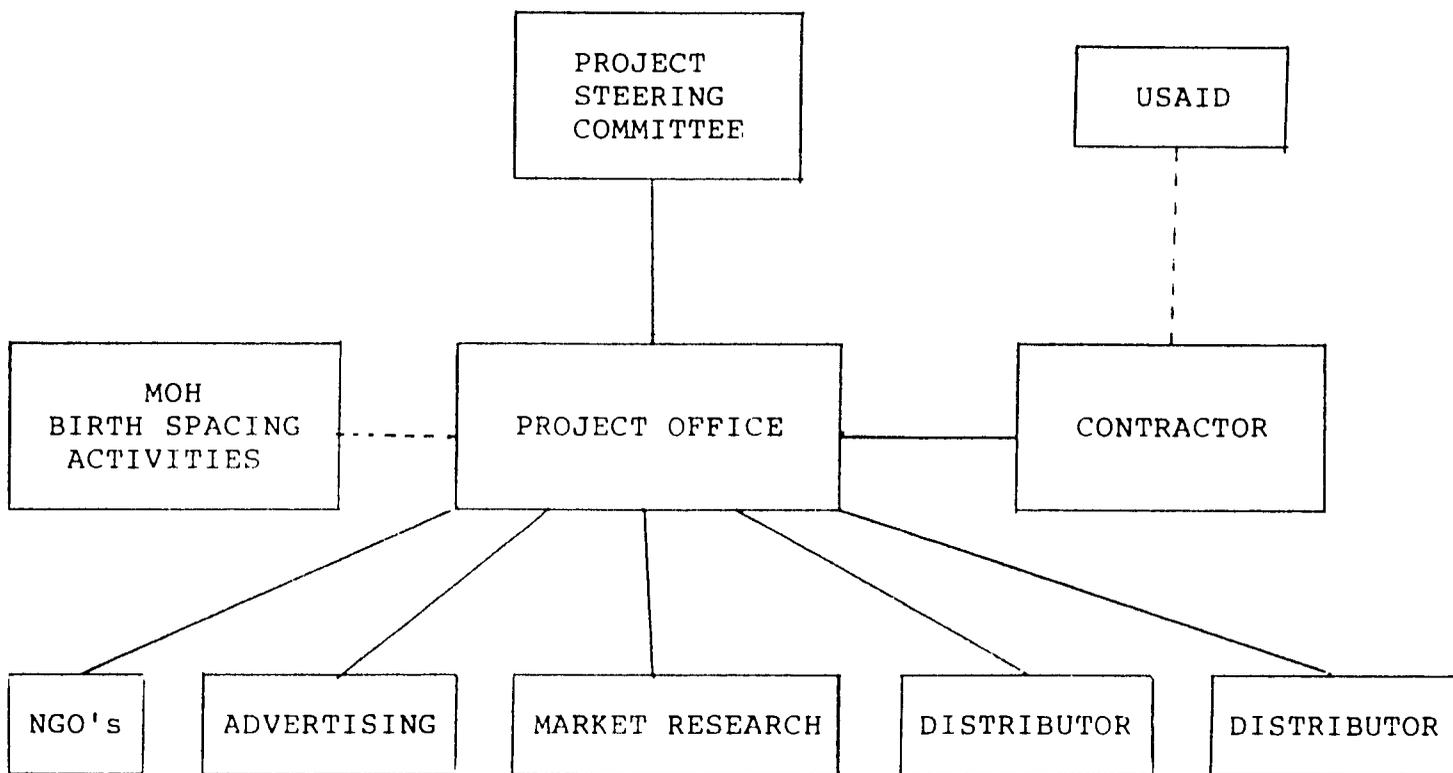
This project falls under Section 216.2(c) (viii) of A.I.D.'s Environmental Procedures which excludes the requirement of an initial environmental examination or any other environmental documentation for "programs involving, health care or population and family planning services.....".

Implementation of the Project will be conducted by an independent Project Office under the oversight of the Project Steering Committee. The Project Steering Committee, chaired by the Ministry of Health, will monitor project implementation, with particular attention to tactical issues with respect to the policy and political implications of introducing Jordan to birth spacing. The Project Office will be staffed by Jordanian pharmaceutical and marketing professionals. (During the first three years, a resident U.S. advisor will serve as the Project Manager's counterpart.) The major areas of work for the Project Office will include: consumer, market and audience research; training of health professionals in the provision of birth spacing services; the conduct of informational campaigns about birth spacing as a health technology; and, the management of distribution agreements with selected commercial distributors and manufacturers for birth spacing products.

1) Informational campaigns about birth spacing as an important health technology to improve maternal child health. These will mainly consist of efforts to raise awareness and acceptance of the concept of birth spacing within the medical community and general public; and (2) Enhanced birth spacing product distribution and promotion. These product marketing and distribution efforts will increase access to quality, affordable birth spacing products, information and services in both the public and private sectors.

ILLUSTRATION 1

ADMINISTRATIVE STRUCTURE OF  
THE BIRTH SPACING PROJECT



F. Sample Of Annual Work Plan Outline

I. ENVIRONMENT/COMPETITION

A. The State of the Industry

1. Quantitative table on size of market (couple-year of protection, monetary volume of sales in local currency and units) for a five-year period with a few years projected in the future.
2. Table covering five years on market shares by:
  - a. Competitive Brands
  - b. Segments
3. Advertising Data -- Competitive expenditures (if applicable) by company and/or brands and basic selling propositions or themes.
4. Regionality Index
5. Seasonality Index
6. Other comments on significant trends in industry

B. The State of Our Product

1. A sales history in units, couple-year of protection, revenues and share of market.
2. Historical review of advertising and sales promotion strategies employed.
3. Significant comments on physical product, consumers' general perception of product, and physician/pharmacist perceptions.

II. CAPABILITIES/OPPORTUNITIES

General overview statements on:

- o Strengths
- o Problems/Weaknesses

as they relate to each of the following marketing elements:

Product	Promotion (and positioning)
Packaging	Sales Performance
Procurement	Profitability
Distribution	Market Research

### III. ASSUMPTIONS/POTENTIALS

Statement on assumptions and risks underlying plan.  
For example:

- o Market will grow by \_\_\_\_% in the coming year.
- o Revenue or profit contribution forecast will be realized.
- o Attrition from line extension "A" will be X; resulting in average brand share of \_\_\_\_%.
- o Importation and registration of shipments will occur on \_\_\_\_\_ (Date).
- o Line extension "A" will be introduced on what date and will produce what volume in fiscal year.
- o Price advance of \_\_\_\_% will be taken on what date with what effect on volume.

### IV. OBJECTIVES/GOALS

A. <u>Quantitative Goals</u>	<u>Fiscal Year</u>		
	<u>198 / 8</u>	<u>198 / 8</u>	<u>198 / 8</u>
1. Total Marketing Revenue Forecast			
2. Couple Year of Protection			
3. Brand Objectives: Share %			
4. Sales -- in Units, Total Income			
5. Revenue/Per C.Y.P.			

#### B. Marketing Objectives

To include such things  
as:

New Users

Number of Doctors  
Trained

Increase in Correct  
Insertions

C. Line Extension (e.g., Ultra Thins)

1. Year Ahead (be specific with projections and dates)
2. Long Range

D. Distribution Objectives

Key pharmacies, clinics, hospitals, and physicians and percent total.

E. Other If Desired

V. **MARKETING STRATEGY**

A. Year Ahead Strategies (regarding product, pricing, packaging, promoting, positioning and place).

An enumeration of strategies, i.e., generalized plans, to be employed. For example:

1. Introduce new line in second quarter.
2. Concentrate marketing efforts in high sales potential areas - 30% of country accounting for 60% of brand volume.
3. Introduce newly designed packaging in second quarter.
4. Alter advertising and promotion spending emphasis to more promotions; special coupons and in-packs.
5. Aim advertising at new target audience.

B. Long Range Strategies

An enumeration of long range strategies to be employed. For example:

The primary long range strategies will be (a) add new lines to the basic line; (b) increasing distribution; (c) increasing advertising to consumers, physicians, or pharmacists; (d) increasing C.Y.P. by \_\_\_\_%; (e) altering of advertising and promotion expenditures as a percent of sales revenues.

## VI. COMMUNICATIONS PLAN

### A. Target Profile

#### 1. Purchaser

- a. Who purchases: socio-economic profile.
- b. Percent done by women, men.
- c. Influences on purchase decision.
- d. Frequency of purchase.
- e. Brand loyalty and switching.

#### 2. Motivation to Purchase

- a. What are key influencing factors taken into consideration prior to purchase for:
  - (i) Each segment of the market.
  - (ii) For FOF brand.
- b. Consider role of family members or peer in the purchase decision.
- c. Consider roles of physicians and pharmacists.

#### 3. Usage

- a. Who uses:
  - (i) For each segment of market.
  - (ii) For FOF brand.
- b. Consumption environment; who buys, who uses, how much, when.
- c. Consumption motivation; what are key consumption expectations for each market segment and for FOF brand.

### B. Communications Objectives\*

A statement covering the messages that you want to communicate to target audience, to include:

- o Key Benefits
- o Reasons Why
- o Action Steps Desired
- o Tone

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\* Separate statements for consumer, physician and pharmacist campaigns by types of media.

C. Communications Strategy

The generalized plan to achieve objectives.

D. Indirect Advertising (Public Relations) Plan

Include number of articles to be placed, number and types of TV and radio programs on which to appear.

E. Production Requirements

1. Advertising

- a. Number of advertisements to be produced.
- b. Timing of production and insertion or air dates.

Budget should not appear here but in Budget Section of Plan.

It is suggested that use be made of a planning calendar to show production and exposure dates for each advertisement.

VII. MEDIA PLAN

A. Media Considerations

1. Target Audience
2. Geographic Emphasis
3. Seasonality
4. Purchase Cycle
5. Creative Requirements
6. Promotional Activity
7. Budget Considerations

B. Objectives

1. Estimated gross target impressions.
2. Estimated reach for target audience for defined period.
3. Estimated frequency for target audience for defined period.
4. CPM (cost-per-thousand impressions) for total for target (if obtaining) audience for defined period.

5. Other -- Example might be "message environmental" or other qualitative, rather than quantitative, objective.

C. Strategies (The Generalized Plan)

D. Plan

1. Detailed table of expenditures by category, by month. (Be sure totals tie in with Budget Section totals.)
2. "Total Events" Planning Calendar Show GRP's (Gross Rating Points) as:
  - a. GRP's; and,
  - b. Target Group GRP's.

Calendar (flow chart) includes advertising, promotions and label changes as planned for coming year.

3. Spot Radio or Newspaper Allocation Plan

List of markets in each group -

- a. % of Population in Markets
- b. % of Industry Sales in Markets
- c. % of Brand National Volume in Markets

VIII. SALES PROMOTION PLAN

A. Objectives

1. Consumer
2. Trade -- Distribution, Display, Shelving, Detailing to physicians and pharmacists.

B. Strategies

C. Plan

1. Description of each event.
2. Timing.
3. Budget should be included in Budget Section of plan.

## **IX. MARKET RESEARCH PLAN**

- A. Objectives (include marketing decisions to be made)
- B. Strategies
- C. Plan
  - 1. List description and timing of projects.
  - 2. Budget appears in Budget Section.

## **X. PACKAGING PLAN**

- A. Objectives
  - 1. Consumer communications.
  - 2. Physical properties of packaging materials.
- B. Strategies
- C. Plan
  - 1. Project descriptions and timing.
  - 2. Planning calendar for label changes - showing major graphic changes and all consumer "slugs" (e.g., new improved).

## **XI. PROCUREMENT PLAN**

- A. Objectives
- B. Strategies
- C. Plan

Prioritized list of procurement with target dates for:

- 1. Quantities needed by what dates
- 2. Registration, if needed
- 3. Warehousing requirements

## **XII. PRICING PLAN**

- A. Objectives
- B. Strategies

C. Plan

Include competitive price analysis for all major brands:

	<u>CSM Brand</u>	<u>Brand "A"</u>	<u>Brand "B"</u>	<u>Brand "C"</u>
Trade Cost for Unit				
Unit Retail Selling Price				
Per Case Selling Price				
Trade Profit Per Case				
Trade & Profit on Selling Price				
Consumer Cost/ Couple-Year of Protection				

XIII. BUDGET

Two documents are to be included: FY 8. /8. FY 8 /8.

1. Budget Allocation (form to be same as used by Controller's Department)
2. Detailed Explanation of Budget Allocation Items

This is a back-up document which is keyed to each item appearing on the budget allocation document. It will show in complete detail the rationale for the gross amounts that are itemized on the Budget Allocation. This will eliminate the need for detailed budgets appearing in the plans sections of the book.

XIV. SALES FORECAST

Use standard sales control form to show next year's standard unit projections compared with previous two years sales -- broken down by month.

Month by Fiscal Year

FY . / .    FY . / .    % Change

April

May

Month by Fiscal Year

FY . / .    FY . / .    % Change

June

July

August

September

October

November

December

January

February

March

**TOTAL**