

ACTION MEMORANDUM TO THE DIRECTOR, USAID/CAMEROON

FROM : Herbert W. Miller, Program Officer, USAID/Cameroon

SUBJECT : Chad Relief and Rehabilitation Project (677-0041)
Medicines and Medical Supplies Sub-Activity

I. Problem: In conformance with the subject Chad Relief and Rehabilitation Project Paper and Project Grant Agreement, an Activity Justification Paper (Attachment A) for a proposed sub-activity to furnish Chad with medicines and medical supplies has been submitted for approval. Authority to approve such actions relevant to the Chad Relief and Rehabilitation Project has been vested in the Director, USAID/Cameroon by a special Redlegation of Authority signed by the Assistant Administrator for Africa on November 2, 1982.

II. Discussion:

A. Activity Description

As a result of the recent civil war, Chad's rural health delivery system has been seriously disrupted due to a penurious lack of material resources. Previous stocks were looted during the period of unrest and Chad's present financial situation prevents it from rebuilding the supply. This situation has resulted in a predictable and significant increase in the numbers of untreated illnesses and consequent further spread of diseases in the urban centers and rural areas. In an attempt to address this urgent problem the Government of Chad (GOC) has requested AID's assistance under the Chad Relief and Rehabilitation Project in providing a limited supply of medicines and medical supplies for distribution to 15 medical centers and 30 dispensaries. These medicines will be sufficient for an approximate three months supply. In addition to the requested medicines and medical supplies, the sub-activity will provide short-term technical assistance to help Chad's National Pharmacy to plan and develop a system of distribution, management and control for future medicines and supplies to be provided from all sources.

B. Activity Purpose

The purpose of the sub-activity is to provide Chad with a three-month supply of basic medicines in order to meet some of that country's immediate medical needs and thereby help to ameliorate present conditions resulting from the long period of civil war. Health is one of the selected areas identified in the Chad Relief and Rehabilitation Project Paper for which AID's assistance has been provided. The proposed sub-activity is designed to help reestablish the efficient functioning of Chad's National Pharmacy and assist its technical and administrative staff resume normal operations for supplying the existing network of medical delivery services. The National Pharmacy will be provided with outside advisory services from UNICEF and an international private voluntary organization, Medecins Sans Frontiere (MSF), both of which have extensive experience in the provision of medical supplies to Chad.

C. AID Country Strategy

The proposed strategy for the Chad Relief and Rehabilitation Project is for AID's authorized representative in Chad to approve Activity Justification Papers and execute sub-grant agreements for those activities to which - given limited resources of money, trained personnel and time - our assistance can be most useful. The proposed activity is consistent with the aforementioned strategy in that it will help the Chadian Government lessen human suffering with the provision of medicines as well as to provide assistance in the rehabilitation of Chad's long-neglected health service.

D. Beneficiaries of the Sub-Activity

The direct beneficiaries will be the Chadian recipients of improved health care resulting from the augmentation of medicines and medical supplies. Indirectly, benefits will accrue to the nation of Chad as a whole as the government health services and National Pharmacy begin to reestablish their normal operations.

E. Financial Summary

The \$560,000 proposed for financing this sub-activity will support Chadian relief and rehabilitation activities through the financing of commodities, transport and short-term technical assistance. AID will execute a sub-grant agreement with the GOC which will authorize disbursement for the aforementioned inputs up to the following levels:

Commodities and Freight	\$515,000
Technical Assistance	40,000
Operating Costs	<u>5,000</u>
Total	<u><u>\$560,000</u></u>

The above funding levels for the input categories are illustrative. The Activity Justification Paper attached hereto presents a detailed budget and illustrative commodity list for medical supplies which AID and the GOC will use in monitoring the funds provided by the Project. The budget line-items presented in the AJP may be revised by the GOC up to fifteen (15) percent between the major categories without prior approval of AID provided that the total sum shall not be exceeded.

F. Implementation Plan

Upon approval of the attached Medicines and Medical Supplies Activity Justification Paper, AID/Ndjama will execute a sub-grant agreement with the Government of Chad which will define the terms and conditions for the utilization of the funds being made available for the sub-activity. Following execution of this sub-grant agreement, AID will issue an implementation letter authorizing GOC to enter into a Host-Country contract with

the selected technical service consultants. A PIO/C will be issued by AID and the GOC which will authorize AID/W to begin procurement of the required medicines and medical supplies and to air-freight them to Ndjamena. With the aid of the technical assistance contractors, UNICEF and MSF, the GOC's National Pharmacy will prepare a distribution and management plan for the activity funded supplies. The technical assistance contractors will also help the National Pharmacy to organize its administrative and management systems for the distribution and control of future medical supplies expected to be furnished from other sources. End-use checks of the supplies provided under this sub-activity will be conducted with the assistance of MSF, UNICEF and AID/Ndjamena.

G. Socio-Economic and Technical Considerations

The Activity Justification for this sub-activity identifies the action to be undertaken as a simple provision of urgently needed medical supplies. The positive socio-economic benefits to be realized from the action are significant as people in selected areas of Chad will once again have access to basic medicines which will help to treat illness and assist in preventing the further spread of diseases. The resulting improved health of the beneficiaries will have a positive effect on the rehabilitation of the economy stemming from the increased productive efforts of the people.

The basic commodity list has been established with the assistance of MSF physicians, a CDC consultant and AID public health advisors. The National Pharmacy of Chad and the outlying medical service network have experienced personnel who, with the assistance of the technical assistance consultants, are capable of preparing distribution plans and establishing appropriate control systems. Given the relative simplicity of actions to be undertaken, the sub-activity therefore presents no significant technical or administrative issues.

H. Environmental Analysis

The approved Project Paper for the Chad R & R project contains an Initial Environmental Examination (IEE) which provides for deferred review of the sub-activities to be subsequently undertaken.

Action under this sub-activity will be the simple provision of medical supplies. The medicines to be procured are consistent with the essential drug list established by the World Health Organization and have been reviewed by a CDC physician and AID public health advisors for their appropriateness to Chad. As there will be no significant (i.e., harmful) effects on either the national, physical or socio-cultural environment, the sub-activity therefore presents no environmental issues which require further review.

I. Special Provisions

(1) The GOC will be responsible for contracting the technical services personnel provided for in the Activity Justification Paper.

AID, nevertheless, reserves the right to prior review and approval of both the contracts and the proposed contractors.

(2) The GOC will be responsible for preparing a plan, acceptable to AID, for the receipt, management, distribution and control of the medicines and medical supplies provided by AID under this sub-activity. In preparing this plan, the GOC will seek the advice and guidance of the technical assistance contractors, the Committee on Medical Coordination and the Commission on Medicines, Medical Supplies and Materials.

(3) The GOC will maintain records and receipts on the goods and services financed by AID under this sub-activity and will submit monthly reports to the AID representative in Chad in conformance with the Activity Progress Report format contained in Annex E to the approved Project Paper for the Chad Relief and Rehabilitation Project.

J. Additional waiver requirements are not anticipated for this sub-activity. The medicines and medical supplies are expected to be procured from Geographic Code 000 source/origin. Other minor commodity purchases will have their source and origin in countries included in Geographic Code 941 or Chad, or shall be purchased in Chad or Cameroon within existing limitations for Code 899 shelf-item procurement contained in Chapter 11 of AID Handbook 15. One light vehicle will be purchased from Code 935 source/origin and technical assistance services will be recruited from Code 899 source/origin under separate project waiver approved by the Assistant Administrator for Africa on September 30, 1982.

III. Recommendation: That under the ad-hoc delegation of authority to the USAID Cameroon Mission Director issued by the Assistant Administrator for Africa on November 2, 1982, you approve the attached Activity Justification Paper for the Medicines and Medical Supplies sub-activity under the Chad Relief and Rehabilitation Project.

This approval comprises a life-of-activity funding in the amount of \$560,000 and a target completion date for the sub-activity of September 30, 1983.

This approval also comprises a decision that the sub-activity presents no environmental issues which require further review.

Approved: *Ronald D. ...*

Disapproved: _____

Date: *Dec 30, 1982*

Clearances: CONT:RGarner *RG*
SMD:TBaranyi *TB*
PDE:CFortunato *CF* (Mission Environmental Officer)

Drafted by Herbert N. Miller, PRM

-5-

ACTIVITY JUSTIFICATION PAPER

Chad Relief and Rehabilitation Project (677-0041)

Activity Number 2 - Medicines and Medical Supplies

Total A.I.D. Contribution : \$560,000
Source of Grant Funding : Economic Support Fund
Non-A.I.D. Implementing Entities : Government of Chad (Pharmacie Nationale d'Approvisionnement - PNA)

I. Activity Description

A. Background: In April 1975, the Pharmacie Nationale d'Approvisionnement (PNA) was established as the Government of Chad (GOC) agency responsible for the storage and distribution of medicines and medical supplies in Chad. By 1977, Chad's medical facilities included four hospitals and two polyclinics located in N'Djamena, Moundou, Sarh and Abeche; nineteen medical centers; twenty infirmaries and 210 dispensaries, totalling 265 facilities.

Following the outbreak of war in 1979, the PNA ceased to function and many medical facilities closed. Others, affected by a shortage of personnel or a lack of medications and equipment and supplies were functioning well-below capacity. As a result, the people of Chad have had little or no health care for nearly three years.

The GOC has now re-opened the PNA, appointing as director a qualified pharmacologist. The PNA established a Committee on Medical Coordination among all the donor agencies in June 1982, and a Commission on Medicines and Medical Supplies and Materials (CMMSM). Based on recommendations of the World Health Organization and with the assistance of the CMMSM, the PNA developed a list of medications considered essential to improve the medical/health environment in Chad. Annex A contains the complete list of these medications.

In addition to the proposed AID contribution, UNICEF has given approximately \$213,350 in medical supplies and equipment, and Medecins Sans Frontieres has given supplies for reopening about ten rural medical centers and infirmaries in Chad. But these contributions are minimal and only partially address the need in this country of 4.4 million people.

B. Activity Details: The A.I.D. Chad assessment team recommended in September 1982 that the United States provide a supply of pharmaceutical drugs and medical supplies to partially meet the emergency health needs of Chad's people. Activity Justification Paper (AJP) proposes to follow on with that recommendation and provide a supply of medical commodities and short term technical assistance to aid the PNA in planning for the distribution and management of these and future medical supplies to be provided from other sources.

BEST AVAILABLE COPY

The goal to which this activity contributes is to ameliorate conditions within Chad created by the civil war and drought.

The purpose of this specific activity is to provide Chad's PNA with technical assistance and a three-months supply of basic medical commodities in order to meet some of Chad's immediate medical needs.

It is estimated that the funds available for commodities will provide three months of medical commodities for fifteen medical centers and sixty dispensaries. This constitutes approximately twenty-eight percent of the Ministry of Health's previous rural health facilities in Chad.

The PNA will be provided with a light duty utility vehicle and necessary equipment and supplies to be utilized by the short-term technical assistance team during its four months of consultancy, and thereafter by the PNA.

The sub-activity meets the requirements of the Chad Relief and Rehabilitation Project Paper by:

- addressing the "Selected Area" of health;
- producing results in 12-24 months that have significant and measurable impact in promoting recovery from the effects of the civil war and drought; and
- contributing to rehabilitation in the short run in such a way as to establish a base for future development activities.

OUTPUTS: The outputs of this activity are provided in tabular form in Section II "Objectives/Targets".

INPUTS: The inputs are provided in tabular form in Section III "Financial".

II. Objectives/Targets

A. Major Outputs

All Years

Medical centers/infirmaries receiving commodities	15
Dispensaries receiving commodities	60
Reestablishment of GOC (PNA) ability to provide required services to the rural areas	X

B. The major steps to be taken in order to reach these targets involve the following:

1. Ordering the commodities
2. Distributing them upon their arrival in N'Djamena
3. Receiving reports from final delivery points
4. End-use checks made during field trips by AID and UN personnel.

III. Financial

A. <u>A.I.D.</u>	(\$000)
1. Commodities (See Annex A for details)	\$360
a. pharmaceutical drugs	(294)
b. medical equipment	(11)
c. medical supplies	(35)
d. utility vehicle	(15)
e. other equipment and supplies	(5)
2. Transport of commodities	\$160
3. Technical Assistance (8 p/m)	<u>40</u>
AID TOTAL:	<u><u>\$560</u></u>

B. GOC

The in-kind contribution of experienced PNA and rural health service personnel in planning and coordinating the activity and distributing the commodities.

C. Except as AID may otherwise agree in writing, all pharmaceutical items will have their source and origin in Geographic Code 000. All other commodities will have their source and origin in Geographic Code 941 countries or Chad, or may be purchased in Chad and Cameroon within the limitations and regulations for shelf-item commodities from Geographic Code 899 source/origin countries.

The PNA will maintain records and receipts (to be retained by the organization for audit) as to goods and services financed by A.I.D., and will also provide monthly activity status reports for submission to A.I.D.

IV. Implementation Plan

- A. Provide AJP and list of costed commodities to USAID/Yaounde for review and approval. AID/N'Djamena-December 1982.
- B. Review and approval of AJP. USAID/Yaounde-December 1982.
- C. Draft and sign the Sub-Grant Agreement.
AID/N'Djamena and GOC - January 1983.
- D. Negotiate Host-Country contract for short-term technical assistance.
GOC - January 1983.

- E. Prepare PIO/C for AID/W execution. USAID/Yaounde; AID/Ndjamena January 1983.
- F. Distribution plan and logistical arrangements for delivery prepared. GOC - April, 1983.
- G. Supplies received by PNA/Chad and first monthly status report and receiving report furnished to AID/N'Djamena. GOC - May, 1983.
- H. Receiving reports from final delivery points furnished to AID/N'Djamena. GOC - beginning June 1983.
- I. End-use checks made during field trips by GOC, USAID, UN Agency and PVO personnel. AID/N'Djamena - beginning September 1983

V. Implementing Entities

A. AID will be responsible for financing and arranging for procurement of the medical supplies and their transportation to N'Djamena. The agency will assure the conduct of end-use checks through AID/N'Djamena.

B. The GOC will be responsible for assisting in the establishment of a medical supply list. It will be responsible for negotiating a project-funded, host-country contract for the short-term technical assistance. With the guidance of this technical assistance, the GOC will also be responsible for preparing a detailed distribution plan for the project-funded commodities, providing receiving reports from the ultimate delivery points, and establishing a control plan to assure proper end-use of the commodities.

C. Although not official parties to the sub-activity, UNICEF and Medecins Sans Frontiere personnel will assist through the CMMSM in establishing the Medical supply list, advising on the distribution plan, and assisting in the performance of end-use checks.

VI. Other Comments

A. Social Implications: Activity beneficiaries encompass a broad spectrum.

1. The most important beneficiaries are the local people who will begin receiving medical treatment that was suspended nearly three years ago. This treatment will affect positively men, women, and children in terms of increasing their standard of living including their ability to work and study. But particular benefits will accrue to women because of the key role they play in managing the home and in caring for their children. Now for the first time in many months, they can take heart that their children will receive proper medical attention.

2. A second group of beneficiaries will be the medical personnel, both indigenous and foreign, who will now have the means to practice their profession as they have been trained to. Some of the professionals have

remained at their jobs without salary for three years, providing what little help they could. Now, with the medical commodities provided through this activity, these professionals can again take satisfaction in providing necessary services to their communities.

4. The final beneficiary is the central government as it demonstrates its ability to serve the people. This trust is a vital force in nation building and the Government of Chad must demonstrate that it can provide for all its people if national reconciliation, rehabilitation, and economic development are to proceed. Illustrative of this point is the fact that the large nomadic herder population of Chad has become acquainted with the GOC largely through the latter's medical facilities.

B. Technical Administrative and Economic Analysis: As a result of the combined planning effort with the GOC, Medecins Sans Frontiere, (MSF) and UNICEF, the activity is believed to be technically and administratively feasible. The activity is assisting an already existing and necessary rural health system so that its centers can resume their function of reducing human illness and death, thus contributing to greater agricultural and other productivity. While the rural and central government cadre have not yet reached their pre-war levels of efficiency, trained personnel continue to return to their former jobs. With the planned help of the short-term technical assistance team and personnel from MSF AND UNICEF, the activity will not suffer from a lack of either technical personnel or GOC administrative and managerial capacity.

This same planning effort has also sought to make the activity as economically sound as possible. Transportation costs to N'Djamena constitute 45 to 50 percent of the costs of such medical commodities. Therefore, \$160,000 has been budgeted in this activity for air transport, leaving \$340,000, or 60 percent of the \$560,000 total, for the medical commodities themselves.

The Annex A list was prepared in close collaboration with the PNA and two medical doctors from MSF and is based on actual utilization rates at MSF-supported rural health centers. In order to utilize the limited funding as efficiently as possible, the list includes only those essential supplies obtainable at reasonable costs. The drugs have been reviewed by a U.S. Center for Disease Control (CDC) physician and two A.I.D. physicians. All drugs listed are consistent with the recently established essential drug list for Chad. This list indicates the appropriate, minimum drugs to be distributed by type of health facility and medical personnel administering the drugs. The Chadian essential drug list is consistent with the World Health Organization (WHO) essential drug list.

C. Environmental Analysis: This activity will provide pharmaceutical drugs and other medical commodities which have been approved by AID and the WHO as safe and effective. There will, therefore, be no significant (i.e., harmful) effect on the natural and physical environment.

ANNEX A

ILLUSTRATIVE MEDICAL COMMODITY LIST

ITEM NO.	ITEM	ITEM DOSAGE OR DESCRIPTION	UNIT OF ISSUE	QUANTITY	UNIT COST	TOTAL COST
1.	Ampicilline	500 mg gel. capsule. 2000 x 15 x 3	500	180	55.60	\$10,008
2.	Ampicilline	125 mg/5cc Syrup. 50 x 15 x 3	100cc	450	1.30	585
3.	Ampicilline*	1 gm. inj. 200 x 15 x 3	10	900	7.50	6,750
4.	Penicilline Phenofymethyl	250 mg tablets. 3000 x 75 x 3	1,000	675	24.75	16,706
5.	Penicilline Phenofymethyl	125 mg/5cc syrup. 50 x 75 x 3	100cc	2,250	1.35	3,038
6.	Tetracycline	250 mg. gel. capsule. 3000 x 75 x 3	1,000	675	25.06	16,915
7.	Bicillin*	1,000,000 units. 100 x 60 x 3 1,000 x 15 x 3		18,000 45,000) 87,808) (Estimated)
8.	Penicilline G*	1,000,000 units. 100 x 15 x 3 20 x 60 x 3		4,500 3,600))
9.	Streptomycine*	5 gm, 30ml. base. 200 x 15 x 3	1	9,000	1.82	16,380
10.	Sterile Water for inj.	5 ml.	25	9,072	5.00	45,360

* All injectable must be ordered in powder form only.

ITEM NO.	ITEM	ITEM DOSAGE OR DESCRIPTION	UNIT OF ISSUE	QUANTITY	UNIT COST	TOTAL COST
11.	Promethazine	25 mg. tablets. 1000 x 75 x 3	1,000	225	10.75	\$2,420
12.	Promethazine Pediatric expectorant	3 L. x 75 x 3	4 L.	170	14.98	2,547
13.	Acetyl Salicylique Pediatric tablet.	5,000 x 75 x 3	1,000	1,125	Unknown	6,000 (est.)
14.	Acetyl Salicylique	10 gr. tablet. 5,000 x 75 x 3	1,000	1,125	9.95	11,194
15.	Nitrofurantoin	100 mg. tablet. 1,000 x 75 x 3	1,000	225	5.50	1,233
16.	Iode Betadine Dermigue	1 Liter. 1L x 75 x 3	1	225	2.32	522
17.	Noscpine	5 mg. tablet . 1,000 x 75 x 3	24	9,375	1.44	13,500
18.	Aminophylline	3 gr. tablet. 1,000 x 75 x 3	1,000	225	14.45	3,251
19.	Aminophylline ^x	250 mg./10ml. 100 x 75 x 3	100	225	12.82	2,885
20.	Zinc Oxide	Tube/30 gr. ointment. 50 x 75 x 3	1	11,250	50	5,625
21.	Iode Chlorohydroxy Quinoline	100 mg. 2,000 x 75 x 3	100	4,500	4.18	18,810
22.	Benzyl Benzoate (powder or crystal form only)			75		(Unknown)
23.	Thermometer	Centigrade. 5 x 75 x 3	1	1,125	.85	957
24.	Stethoscope	Duel heat, Littman model	1	150	7.88	1,182

ITEM NO.	ITEM	ITEM DOSAGE OR DESCRIPTION	UNIT OF ISSUE	QUANTITY	UNIT COST	TOTAL COST
25.	Sphygomanometer	Aneroid, 33mm. bandage cuff.	1	75	66.75	5,006
26.	Hypodermic needles	25 gage x 1" (luer) 3 x 75 x 3	12	57	14.55	830
	"	18 gage x 1 1/2" (luer) 5 x 75 x 3	12	94	19.35	1,820
	"	21 gage x 1 1/2" (luer) 5 x 75 x 3	12	94	17.87	1,680
27.	Slides	Microscope, glass 3" x 1". 200 x 15 x 3	72	125	3.75	470
28.	Cover glass	Microscope, kimble, 10 oz/pkg. 1 x 15 x 3	pkg.	45	17.50	787
29.	Cotton	Roll, 12" x 3 yds. 4 lbs x 75 x 3	1Lb	900	2.84	2,556
30.	Gauze Bandage	Roll, 3" x 10 yds. 150 x 75 x 3	12	1,812	8.40	23,621
31.	Adhesive tape	Cotton fabric. 2" x 10 yds. 20 x 75 x 3	1	4,500	1.25	5,625
32.	Sponge	Surgical-2" x 2" 12 ply. 1,000 x 75 x 3	200	1,125	1.91	2,150
		-4" x 8" 12 ply. 400 x 15 x 3	200	90	10.86	978

TOTAL (estimated): \$319,204