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A.I.D. Project No. 391-0472  
Dollar Appropriation No. 72-118/91037  
Budget Plan Code: QES8-88-27391-KG-13  
Project Agreement No.88-23

TENTH AMENDATORY AGREEMENT

TO

PROJECT GRANT AGREEMENT

BETWEEN

THE PRESIDENT OF THE ISLAMIC REPUBLIC OF PAKISTAN

AND THE

UNITED STATES OF AMERICA

FOR

MALARIA CONTROL II

DATED: September 29, 1988

(CONFORMED COPY)

Loan and Grant Agreements

FM, LMD (if Loan)

FM/PAID

FM/CAD

GS/ANE

ANE/Desk

ANE/TR Officer

ANE, FD Officer & File

✓TPC/CDIE/DI

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TENTH AMENDATORY AGREEMENT TO PROJECT GRANT AGREEMENT  
FOR  
MALARIA CONTROL II PROJECT EXTENSION

Dated: September 29, 1988

Between

The President of the Islamic Republic of Pakistan (hereinafter referred to as the "Grantee")

and

The United States of America, acting through the Agency for International Development ("A.I.D.").

Article 1: Purpose of Amendment

This Tenth Amendatory Agreement to Project Grant Agreement No.391-0472 dated May 19, 1982 is hereby entered into between the Parties above named to grant the Grantee additional United States ("U.S.") Dollars under this Project, to modify Annex 1 describing the Project Extension, to add new Conditions Precedent and their terminal dates, to extend the Project Assistance Completion Date (PACD), and to amend Sections 3 and 4 of the original Project Grant Agreement.

Article 2: Financing

Section 3.1 of the original Project Grant Agreement is hereby deleted, and the following substituted in its stead:

"SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant to the Grantee under the terms of this Agreement an additional seven Million United States ("U.S.") Dollars (\$7,000,000). The total Grant comprising the original Agreement, the First Amendatory Agreement, the Second Amendatory Agreement, the Third Amendatory Agreement, the Fourth Amendatory Agreement, the Fifth amendatory Agreement, the Sixth Amendatory Agreement, the Seventh Amendatory Agreement, the Eighth Amendatory Agreement, the Ninth Amendatory Agreement, and this Tenth Amendatory Agreement shall not exceed Forty-Eight Million United States ("U.S.") Dollars (\$48,000,000) and United States Owned Pakistan Rupees Twenty One Million (Rs. 21,000,000) ("Grant").

The grant may be used to finance foreign exchange costs as defined in Section 6.1 of this Agreement and local currency costs as defined in Section 6.2 of this Agreement, of goods and services required for the Project."

**Article 3: Annex 1 - Page 2**

Annex 1 - Page 2 is hereby deleted and the attached Annex 1 describing Project Extension 1988-92 and summary of project cost by expense category and source of funding of the extended project, is substituted in its stead.

**Article 4: Project Assistance Completion Date (PACD)**

Section 3.3.(a) of the original Project Grant Agreement is hereby deleted, and the following substituted in its stead:

"(a) The PACD, which is September 30, 1992, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement."

**Article 5: Conditions Precedent**

1. A new Section 4.2A is hereby added after Section 4.2 of the original Project Grant Agreement as follows:

"SECTION 4.2A: Conditions Precedent to Disbursements for  
Procurement of Insecticides in United States  
Fiscal Year 1989 through United States  
Fiscal Year 1992

Except as A.I.D. otherwise agrees in writing, prior to a specific disbursement in each year under this Grant component, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, from United States FY 1989 through United States FY 1992, for the procurement of insecticides, the Grantee shall, within 90 days from the commencement of each United States fiscal year, provide to A.I.D., in form and substance satisfactory to A.I.D., the following:

1. Evidence that the insecticides procured by A.I.D. for the preceding years program have been effectively utilized for the program in the preceding spray operations;
2. A statement furnishing the quantities of insecticide required for the next spray operations program, the scientific basis for calculating those quantities, and the specifications of the insecticide required;
3. A certification/letter from the office of Secretary Health each provincial government, that, for the next insecticidal spray operations in the respective province, the provincial governments will allocate sufficient local currency budget to utilize the entire quantity of insecticide, being provided by the Directorate of Malaria Control (DOMC);

4. Evidence that the previous external review has certified that satisfactory progress was achieved towards program objectives, set forth in the project extension with respect to implementation of last spray operations, malaria surveillance, functional integration, and operational research;

5. Intermediate Benchmarks:

Evidence that sets of intermediate benchmarks have been met on a United States fiscal year (FY) basis as follows:

a). For United States FY 1989 Insecticide Procurement

1. Malaria Surveillance Output:

- a. Evidence of the total number of slides collected in the preceding one year, in the four provinces of Pakistan, through Active Case Detection (ACD) and Passive Case Detection (PCD).
- b. Evidence of total number of patients suffering from pyrexia of unknown origin (PUO) and suspected clinical malaria, attended/treated as outpatients in the preceding one year, in the general health facilities of the rural and urban areas separately.

2. Operational Research:

Operational research activities have been carried out principally at the National Institute of Malaria Research & Training (NIMRT), and at the provincial malaria control programs (MCPs).

- a. Evidence of total number of research protocols completed and in publication form at the NIMRT, reported to the DG Health/Chairman Malaria Coordination Committee (MCCC), and reviewed by the MCCC.
- b. Evidence of efforts made by NIMRT/MOH to increase professional staff positions filled, in the area of operational research at the NIMRT.

3. Meeting of Malaria Coordination Committee (MCCC):

- a. Evidence of the MCCC having met at least one time to review the overall Malaria Control Program (MCP), malaria operational research activities, progress made in integrating the malaria control program with general health services, and plan future policies and actions for further progress toward integration.
- b. Evidence that the MCCC has reviewed the completed operational research protocols and, if approved, circulated them to the provincial MCPs.

b). For United States FY 1990 Insecticide Procurement

1. Malaria Surveillance Output:

- a. Evidence that twenty five per cent or more of the outpatients suffering from PUO and suspected clinical malaria, attended/treated as outpatients at the health facilities of general health services in the rural areas, and five percent or more of the outpatients suffering from suspected clinical malaria who attended the health facilities of general health services in the urban areas, have been screened for malaria during the preceding one year period.

2. Operational Research:

- a. Operational research protocols: Evidence that NIMRT initiated at least four new research studies additional to those completed in 1987/88, and submitted at least two completed reports to the Director General (DG) Health/ Chairman of Malaria Control Coordination Committee (MCCC).
- b. Evidence that 85 per cent of all professional posts at NIMRT have been filled with qualified staff actively participating in research activities.

3. Meeting of Malaria Coordination Committee (MCCC):

- a. Evidence that the MCCC has met at least twice in the preceding one year period to review the MCP with particular regard to its operational research activities and its progress made in integrating the malaria control program with general health services.

c). For United States FY 1991 Insecticide Procurement

1. Malaria Surveillance Output:

- a. Evidence that fifty per cent or more of the outpatients suffering from PUO and suspected clinical malaria attending the health facilities of general health services in the rural areas, and twenty five percent or more of the outpatients suffering from suspected clinical malaria attending the health facilities of general health services in the urban areas, have been screened for malaria during the preceding one year period.

2. Operational Research:

- a. Operational research protocols: Evidence that at least four new research studies additional to those completed in 1988/89 initiated in 1989/90 by the NIMRT and at least three completed reports additional to those of 1989/90, in publication form, have been submitted to the Director General (DG) Health/Chairman MCCC, for review and approval by the MCCC.
- b. Evidence that 85 per cent of all professional posts at NIMRT are filled with qualified staff actively participating in research activities.

3. Meeting of Malaria Coordination Committee (MCCC):

- a. Evidence that the MCCC has met at least twice to review the MCP with particular regard to its operational research activities and its progress made in integrating the malaria control program with general health services.
- d). For United States FY 1992 Insecticide Procurement
- 1. Malaria Surveillance Output:

Evidence that eighty five per cent or more of the outpatients suffering from PUO and suspected clinical malaria attending the health facilities of general health services in the rural areas, and fifty percent or more of the outpatients suffering from suspected clinical malaria attending the health facilities of general health services in the urban areas, have been screened for malaria during the preceding one year period.

2. Operational Research:

- a. Operational research protocols:  
Evidence that at least four new studies additional to those completed in 1990/91 initiated by NIMRT and at least four completed reports in publication form, have been submitted to the Director General (DG) Health/Chairman MCCC, for review and approval by the MCCC.
- b. Professional posts of NIMRT:  
Evidence of 85 per cent of professional posts of NIMRT continued to be filled with qualified staff and participating in research activities.

3. Meeting of Malaria Coordination Committee (MCCC):

- a. Evidence that the MCCC has met at least twice in the preceding year to review the MCP with particular regard to its operational research activities and its progress made in integrating the malaria control program with general health services."

2. Section 4.3 of original Project Grant Agreement is amended to add the following new section:

"SECTION 4.3A. Conditions Precedent to Construction of a Facility for the National Institute of Malaria Research and Training (NIMRT)

Prior to any disbursement under this Project component or to the issuance by A.I.D. of documentation pursuant to which such disbursements will be made, the Grantee shall provide evidence, in form and substance satisfactory to A.I.D. that:

1. The title deed of the land allocated for National Institute of Malaria Research and Training (NIMRT) has been obtained from the relevant authority;

2. A certification that the land is free from all legal encumbrances;

3. The Ministry of Health has taken action to fill the vacant professional staff positions at the NIMRT and that the incumbents selected have or are likely to join the posts in the very near future; and

4. The Grantee has agreed to cover all operating and maintenance charges relating to maintenance of the building to be constructed."

3. A new Section 4.6A is hereby added after Section 4.6 as follows:

"SECTION 4.6A: Notification

When A.I.D. has determined that the conditions precedent specified in each of Sections 4.2A and 4.3A have been met, A.I.D. will promptly so notify the Grantee.

4. New subsections to Section 4.7 are added as subsections 4.7(f), 4.7(g), and 4.7(h) to read as follows:

"(f) If all of the conditions specified in Section 4.2(A) as amended, have not been met by the dates specified or such later date as A.I.D. may agree to in writing; A.I.D., at its option, may terminate this Agreement by written notice to the Grantee.

(g) If all of the conditions specified in Section 4.3(A) have not been met by December 1989, or such later date as A.I.D. may agree to in writing; A.I.D. at its option, may cancel the then undisbursed balance of the grant funds, to the extent not irrevocably committed to third parties, by notice to the Grantee.

(h) If all the conditions specified in Section 4.5, as previously amended, have not been met by December 1990, or such later date as A.I.D. may agree to in writing; A.I.D., at its option, may cancel the then undisbursed balance of the Grant to the extent not irrevocably committed to third parties, and may terminate this agreement by written notice to the Grantee."

All other terms and conditions of the original Project Grant Agreement shall remain in full force and effect.



### PROJECT SUMMARY

This extension to the Malaria Control II Project will build on the success of the foregoing six years but will put a stronger emphasis on institution building, particularly on malaria operational research and on adoption of passive case detection (PCD) in general health services. This includes the augmentation of capability of health delivery services at the federal, provincial and municipal health facilities to provide malaria surveillance, treatment, and case follow up to assist in reducing the malaria parasite reservoir in humans.

The project extension is designed to assist the Government of Pakistan (GOP) to achieve self sufficiency through concerted efforts to establish a fully functioning, nation wide PCD system and limiting the insecticidal spray applications only to the epidemiological malaria positive areas. The project extension will also help Pakistan become self sufficient in malaria control expertise through long term training.

In an effort to integrate malaria control activities into the general health services since 1976, administrative integration has been instituted as a first step in all four provinces, but the full functional integration has not been accomplished as yet. In Punjab, in 1986, malaria microscopic services and laboratories were decentralized and malaria microscopists were assigned to rural health centers (RHCs), thus allowing the RHCs to operate as malaria microscopy centers and as PCD posts. This process of decentralization of malaria microscopy services in the outreach health facilities has not been implemented in other provinces. Project extension will assist all provinces in establishing malaria microscopy, provision of treatment, case follow up and reduction of malaria parasite reservoir and improve the malaria control capabilities of Deputy Directors (DDs), District Health Officers (DHOs), Medical Superintendents (MSs), Medical Officers (MOs), laboratory/diagnostic staff, and field staff of all general, specialized, and municipal health facilities of the federal and provincial health services/departments.

For Operational Research, the GOP established the National Institute of Malaria Research and Training (NIMRT) on May 16, 1985. This new institution has only recently started working on malaria operational research protocols. The project extension will ensure that, at this research institute malaria operational research capability is established, a system of developing protocols and carrying out operational research is established, and the on-going operational research is augmented.

The extension of Malaria Control II, like its predecessor, will consist of four components: (1) Program Management: short and long term technical assistance to strengthen malaria control in the areas of program management, entomology, epidemiology, safe handling of insecticide, evaluation, surveillance, urban malaria control, and environmental management; (2) Training: short term technical assistance

to strengthen training capability of NIMRT to meet incountry needs in this field, long and short term overseas training, fellowships and in-service training programs for malaria control and general health services staff/personnel in the specific aspects of malaria control; (3) Operational Research: short term technical assistance to strengthen capabilities of NIMRT and provincial malaria control programs to conduct operational research and field studies, supplies and equipment for research, budget support for field studies and budget support for operational research; (4) Commodity Support: residual insecticide, spray equipment, malaria control vehicles, ULV and fogging machines, adulticide, microscopes, and other necessary commodities.

The project will include funding for construction of a building for NIMRT provided the GOP makes available a suitable piece of land with GOP title to it. Alternatively, a suitable, privately-owned building could be purchased to house the institution if the earlier option fails.

A summary of project cost by expense category and source of funding for FY 1989 and for the life of the project is shown below as page 3 (amendment 7).

SUMMARY OF PROJECT COSTS BY EXPENSE CATEGORY AND SOURCE OF FUNDING<sup>b</sup>  
(in 000s)

ILLUSTRATIVE

Annex 1 (Amendment 7)  
Page 3

Expense Category	Cumulative FY 82, FY 83, FY 84, FY 85, FY 86, FY 87, FY 88 TO DATE			Life of Project Funding <sup>a/</sup>		
	A.I.D.		G.O.P. (in Rs.)	A.I.D.		
	Dollar Grant (in \$)	U.S. Owned Rupees (in Rs.)		Dollar Grant (in \$)	U.S. Owned Rupees (in Rs.)	G.O.P. (in Rs.)
Technical Assistance	826	3,500	-	1,503	3,500	-
Training	1,150	3,638	-	1,284	3,638	-
Commodities	44,046	890	25,032	60,661	890	136,392
Other Costs	1,470	12,972	233,423	2,006	12,972	920,084
<b>Total</b>	<b>47,492</b>	<b>21,000</b>	<b>258,455</b>	<b>65,454</b>	<b>21,000</b>	<b>1056,478</b>
Contingency	508	-	-	546	-	-
<b>GRAND TOTAL</b>	<b>48,000</b>	<b>21,000</b>	<b>258,455</b>	<b>66,000</b>	<b>21,000</b>	<b>1056,478</b>

<sup>a/</sup> Subject to the availability of funds to A.I.D. for this purpose, and to the mutual agreement of the parties at the time of each subsequent increment.

<sup>b/</sup> Either party may unilaterally, with written notice to the other, adjust line items in this budget to a maximum of 15% per line item, provided, however, that the total obligated amount shown in the budget is not exceeded.