

APPENDIX 3A, Attachment 1
Chapter 3, Handbook 3 (TM 3:43)

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE A = Add C = Change D = Delete
 Amendment Number _____ DOCUMENT CODE 3

COUNTRY/ENTITY Niger
 4. BUREAU/OFFICE AFR
 3. PROJECT NUMBER 683-0208
 5. PROJECT TITLE (maximum 40 characters) Improving Rural Health

6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 11 23 18 7
 7. ESTIMATED DATE OF OBLIGATION (Under '9' below, enter 1, 2, 3, or 4)
 A. Initial FY 78 B. Quarter C. Final FY 86

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

A. FUNDING SOURCE	FIRST FY '78			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	1,970		1,970	16,299		16,299
(Loan)	1,970		1,970	16,299		16,299
Other U.S. 1.						
2.						
Host Country						
Other Donors						
TOTALS	1,970		1,970	16,299		16,299

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROXIMATE PRIMARY PRIORITATION/PURPOSE	B. CDF	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) SDP	530	533		13,429		900		14,329	
(2) PH	530	533		1,970				1,970	
(3)									
(4)									
TOTALS				15,399		900		16,299	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
 11. SECONDARY PURPOSE CODE 580
 12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
 A. Code _____ B. Amount _____
 13. PROJECT PURPOSE (maximum 480 characters)

To support the GON's strategy to develop a viable rural health delivery system which demonstrates the value of prevention, early diagnosis timely curative intervention and proper referral.

14. SCHEDULED EVALUATIONS
 Interim MM YY 03 81 Final MM YY 11 08
 15. SOURCE/ORIGIN OF GOODS AND SERVICES 000 941 Local Other (Specify) _____
 16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

Extension of PACD to 12/31/87, with continuation of technical assistance contract and other core project activities.

17. APPROVED BY Peter Benedict
 Director USAID/Niger
 Date Signed 06/19/82
 18. DATE DOCUMENT RECEIVED IN AID/W. OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
 MM DD YY

Concurrence: CONT, SMitchell *sm*

ACTION MEMORANDUM FOR THE MISSION DIRECTOR

FROM: PDO, Erna Kerst ^{gk}

THROUGH: PDO, Sidney Chambers [&]

SUBJECT: Project Paper Supplement for Rural Health Improvement Project
(683-0208)

Problem: Your approval is requested for the attached Project Paper (PP) Supplement and Amended Project Authorization for Rural Health Improvement Project (RHIP). The PP Supplement will bring up to date AID/Washington financial management files on this project. The Authorization amendment allows the increase in life of project funding to \$16,329,000.

Discussion: The Rural Health Improvement Project, originally obligated in June 1978, is currently scheduled to end in December 1986. The follow-on activity, Niger Health Sector Support (NHSS) is planned for fourth Quarter FY 1986 obligation (August 1986). NHSS will be a sector grant approach to assistance, the first such program in which the Ministry of Health (MOH) will participate. Given the nature of the Conditions Precedent associated with a sector grant, and based on previous experience with the MOH in project start-up, it is expected that the full package of CPs to initial disbursement will require approximately six months to meet (February 1987). Even if the CPs are met expeditiously, a lapse in key technical assistance activities would be bound to occur if RHIP were to end in December 1986.

Technical assistance in health planning and management plays an important role in RHIP, and will be the pivotal point for policy reform and its monitoring under NHSS. A break in this technical assistance effort is considered harmful by both USAID and the MOH.

The Ministry of Health has formally requested a one-year extension of RHIP, to include the technical assistance contract, to December 31, 1987. The cost of this extension period is estimated at an additional \$900,000, bringing the authorized life of project value of the grant to \$16,329,000.

Because a further extension of PACD and further increase in funding exceed your authority under Africa Delegation of Authority 140, a request was made to the Assistant Administrator for Africa to approve a one year extension and increase in grant by \$900,000. The Assistant Administrator so concurred on May 12, 1986.

The brief Project Paper Supplement will provide AID/Washington with current financial data, as well as copies of all pertinent AID memoranda and the GON request for assistance.

Recommendation: That you sign below indicating approval of the Project Paper Supplement and Project Authorization for the Rural Health Improvement Project.

Approved P. Benedict

Disapproved _____

Date 6/19/86

Drafted: PDO, EKerst, qu 5/21/86

Clearance: GDO, MGould UG 5/27/86
 GDO, DLiberi J 5/24/86
 PDO, SChambers ca 5/21
 PROG, AFessenden R 5/28/86
 CONT, SMitchell BM 6/17/86
 D/DIR, ROCoulter T/1/86
 RLA, ANewton draft

RAW

PROJECT AUTHORIZATION AMENDMENT

Name of Country: Niger

Name of Project: Rural Health Improvement

Number of Project: 683-0208

1. Pursuant to Section 121 of the Foreign Assistance Act of 1961, as amended, the Rural Health Improvement Project for Niger was authorized on April 7, 1978 and amended on June 25, 1985. That authorization is hereby further amended, as follows:

a) The authorized life-of project funding is increased by \$900,000, from \$15,429,000 to \$16,329,000 ("Sixteen Million Three Hundred Twenty-nine Thousand United State Dollars").

b) The project assistance completion date is extended by one year, from December 31, 1986 to December 31, 1987.

2. Except as hereby amended, the authorization above remains in full force and effect.

Signature P. Benedict
Peter Benedict
Mission Director
USAID/Niger

Date 6/19/86

Clearances: RLA, ANewton (Draft)
an as on attached Action Memorandum

V

PROJECT PAPER SUPPLEMENT

RURAL HEALTH IMPROVEMENT PROJECT

(683-0208)

The attached memoranda and cables document the changes made in the Rural Health Improvement Project (RHIP) as a result of the decision to provide a bridge period between assistance offered under RHIP and the planned Niger Health Sector Support grant (683-0254), activities under which are expected to start during FY 87. Under this amendment, funding is provided for an additional year of technical assistance in health planning, and for the continuation of certain core project activities for which the Ministry of Health (MOH) does not have alternative funding readily available. No modification is made in project goal or purpose.

The extension of the host country contract for health information and planning is an especially important element of this extension period. Health planning will be the key technical assistance component of NHSS. During the one year bridge period, the current contractor will be able to maintain planning systems now being developed, and to prepare for shift to a sector grant activity, under which monitoring of policy and administrative reforms will be a major requirement for the MOH. A new, competed contract for health planning and management, more strongly accenting economics and management than the RHIP activity, will be awarded during FY 87. It is anticipated that there will be a short overlap between T.A. teams in late 1987.

During the extension period the following activities will be carried out. All are part of the current scope of the project.

1. Host country technical assistance contract with Tulane University for health planning, information and epidemiology at current level of effort (three long-term advisors, estimated eight person months of short-term technical assistance, short-term training courses for Ministry of Health personnel to be managed by the contractor, procurement of computer and computer supplies). The dollar value of this contract amendment is estimated at \$600,000. Additional technical assistance may also be financed in cold chain technology (currently offered under a separate host country contract).
2. Training, refresher courses, supervision and maintenance of the village health worker system. Estimated cost \$300,000.
3. Academic training at the two national public health schools in Niger (completion of 1986/87 academic year scholarships). No additional funds required.
4. Short-term U.S. or Third Country training for MOH personnel (as mutually agreeable to GON and USAID). No additional funds required.

The final budget breakdowns will be provided in a Project Implementation Letter to be issued following obligation of the new funds in a Project Agreement Amendment.

Because the extension of time and funding required exceeded the USAID/Niger Mission Director's delegated authority under Africa Delegation of Authority 140, the Assistant Administrator for Africa was requested to authorize the extension period. On May 12, 1986 the AA/AFR authorized USAID/Niger to proceed with PACD extension and \$900,000 increase in funding (State 151495). The relevant action memoranda are attached, as are revised budget and financial plan.

Payment Verification Policy

An audit survey of the project is scheduled to be carried out in late FY 86 in order to determine if a full audit is required. An end of project or post-project audit will be made if USAID determines that it is advisable. Project funds are budgeted for the 1986 audit under the special studies line item (Other Costs). The same provision would be made if end of project audit is required.

Host country contracting has been used as the implementation mode throughout this project. Because of perceived weaknesses in host country contracting and monitoring capabilities, however, USAID has been actively involved in monitoring of activities and examination of invoices. Direct reimbursement is made by USAID to the two technical assistance contracts: one with a US PVO, the other with a US university. United States Government audit provisions apply to both organizations. USAID has decided to discontinue use of the host country contracting mode for technical assistance in the future; however, for this one year extension a change to a new contract approach was not deemed feasible.

Major commodity procurement is accomplished through use of PIO/Cs and AID approved procurement agents

Accountability for local currency use is subject to provisions of Section 121(d) of the FAA. Detailed semi-annual review of project accounting is made by the USAID Controller's Office in order to determine if project (host country) accounting systems are of an acceptable standard. In cases where the monitoring and reporting systems are found to be deficient the project is decertified and no further advances of local currency can be made.

Reference may be made to annual statements of "Mission Financing Policy and Procedures" for more details on USAID financial management procedures.

Rural Health Improvement Project
(683-0208)
Budget (\$000)

	<u>Previous</u>	<u>This Amendment</u>	<u>Total</u>
Technical Assistance	5,066	600	5,666
Training	5,319	300	5,619
Construction	1,598	-	1,598
Commodities	1,949	-	1,949
Other Costs	1,467	-	1,467
<u>Total:</u>	15,399	900	16,299

(Contingency and inflation factored into line items)

Expenditures

Financial Plan by Year and Budget Category (\$000)

	Est. Expenditure 9/30/86	FY 1987	FY 1988	Total
Technical Assistance	3,492	2,000	174	5,666
Training	4,074	1,400	145	5,619
Construction	1,540	58	-	1,598
Commodities	1,822	127	-	1,949
Other Costs	1,191	251	25	1,467
	<u>12,119</u>	<u>3,836</u>	<u>344</u>	<u>16,299</u>

Rural Health Improvement Project
(683-0208)

Method of Implementation and Financing

<u>Method of Implementation</u>	<u>Method of Financing</u>	<u>Amounts (\$000)</u>
<u>Personnel:</u>		
TA Host Country Contracts	Direct Payment	5,666
<u>Commodities:</u>		
Purchase Orders and Procurement Agents	Direct to Vendors	1,949
<u>Construction:</u>		
GON Contract with Builder	Reimbursement to GON	1,598
<u>Training:</u>		
Direct Placement Host Country Placement	Direct Payment to Participant + School	5,619
<u>Other Costs:</u>		
Local Costs	Direct Payment	1,467
<u>Total:</u>		16,299

(Contingency and inflation factored into line items)

UNCLASSIFIED

STATE 151495

ACTION: AID INFO: AMB DCM CHRON

583-0208

RAFESVZCZCNMOE18
RR RUEHNM
DE RUEHC #1495 1332249
ZNR UUUUU ZZH
R 132249Z MAY 86
FM SECSTATE WASHDC
TO AMEMBASSY NIAMEY 7153
BT
UNCLAS STATE 151495

LOC: 70 454
14 MAY 86 2308
CN: 11698
CHRG: AID
DIST: AID

ACTION: PDS

INFO: DIR
A/DD
GDC
CONT
CHRON
NO
PROC

AIDAC

P.O. 12386: W/A

TAGS:

SUBJECT: NIGER REQUEST FOR AD HOC DELEGATION OF AUTHORITY TO AMEND THE RURAL HEALTH IMPROVEMENT PROJECT, (683-0208)

DUE DATE: 5-21-86

REF(S): NIAMEY 01618

1. CN FOR SUBJECT AMENDMENT WAS SENT TO HILL ON APRIL 25, 1986 AND EXPIRED MAY 10, 1986. AA/AFR, MARY EDELMAN CONCURRED MAY 12, 1986 IN USAID/NIGER'S AUTHORIZATION OF LOP INCREASE TO DOLS 16,329,000, AND APPROVED AD HOC DELEGATION OF AUTHORITY TO EXTEND PACT TO DEC 31, 1987.

2. COPY OF ACTION MEMO AS APPROVED WILL BE POUCHED SEPARATELY.

3. RE PARA 5 B, REPTEL, PLEASE TRANSMIT COPY OF FINAL BUDGET WHEN AVAILABLE. WHITEHEAD

BT
#1495

NNNN

UNCLASSIFIED

STATE 151495

ACTION RECORD	
NIAMEY	
Date	
Initials	

15

VZCZCNMI
 RR RUEHC
 DE RUEHNM #1618/01: 062 **
 ZNR UUUUU ZZE
 R 030930Z MAR 86
 FM AMEMBASSY NIAMEY
 TO SECSTATE WASHDC 4616
 BT
 UNCLAS SECTION 01 OF * NIAMEY 21618

683-0208

CLASS: UNCLASSIFIED
 CERGE: AID 2/28/86
 APPRV: DIR/DIA/PHMEDIC
 DATED: PDO: E. FRST
 CLEAR: ~~DIR/CS/DIR~~
 PDO: SCHAMBERS
 GDO: DMAXWELL (DR
 DISTR: AMB DCM AID CERO

AIDAC

FDR AFR/PD/SWAP CAMERON PIPPITT

E.O. 12355 N/A

SUBJECT: NIGER REQUEST FOR AD HOC REDELEGATION OF
 - AUTHORITY TO AMEND THE RURAL HEALTH
 - IMPROVEMENT PROJECT (683-2202)

1. USAID REQUESTS AFR/PD/SWAP ASSISTANCE IN PROCESSING OF SUBJECT REQUEST FOR AA/AFR APPROVAL. TEXT FOLLOWING HAS BEEN CLEARED BY RLA.

2. PROBLEM: YOUR APPROVAL IS REQUIRED FOR AN AD HOC REDELEGATION OF AUTHORITY TO AMEND THE PROJECT AUTHORIZATION FOR THE RURAL HEALTH IMPROVEMENT PROJECT (RHIP, 683-0208). AN ADDITIONAL ONE YEAR EXTENSION OF PACT AND NEW FUNDING OF 900,000 ARE REQUESTED SO AS TO ENSURE A BRIDGE BETWEEN RHIP AND THE FOLLOW-ON ACTIVITY, NIGER HEALTH SECTOR SUPPORT (683-2254). THE EXTENSION OF TIME AND INCREASE IN FUNDING REQUIRED ARE BOTH WITHIN YOUR CURRENTLY DELEGATED AUTHORITY TO APPROVE, AS ASSISTANT ADMINISTRATOR FOR AFRICA.

3. DISCUSSION:

A. THE RURAL HEALTH IMPROVEMENT PROJECT, ORIGINALLY OBLIGATED IN JUNE 1979, IS CURRENTLY SCHEDULED TO END IN DECEMBER 1986. THE FOLLOW-ON ACTIVITY, NIGER HEALTH SECTOR SUPPORT (NESS) IS PLANNED FOR FOURTH QUARTER FY 1986 OBLIGATION (AUGUST 1986). NESS WILL BE A SECTOR GRANT APPROACH TO ASSISTANCE. THE FIRST SUCH PROGRAM IN WHICH THE MINISTRY OF HEALTH (MOH) WILL PARTICIPATE. GIVEN THE NATURE OF THE COMPLICATED PRECEDENT ASSOCIATED WITH A SECTOR GRANT, AND BASED ON PREVIOUS EXPERIENCE WITH THE MOH IN PROJECT START-UP, IT IS EXPECTED THAT THE FULL PACKAGE OF CPS TO INITIAL DISBURSEMENT WILL REQUIRE APPROXIMATELY SIX MONTHS TO MEET (FEBRUARY 1987). EVEN IF THE CPS ARE MET EXPEDITIOUSLY, A LARGE IN KEY TECHNICAL ASSISTANCE ACTIVITIES IS BOUND TO OCCUR IF RHIP ENDS IN DECEMBER 1986.

B. TECHNICAL ASSISTANCE IN HEALTH PLANNING AND MANAGEMENT PLAYS AN IMPORTANT ROLE IN RHIP, AND WILL BE THE PIVOTAL POINT FOR POLICY REFORM AND ITS MONITORING UNDER NESS. A BREAK IN THIS TECHNICAL ASSISTANCE EFFORT

IS CONSIDERED HARMFUL BY BOTH USAID AND THE MOH. IF RHP IS NOT EXTENDED SUCH A BREAK WOULD BE INEVITABLE. THE GOVERNMENT OF NIGER IS EXTREMELY RIGOROUS IN ITS SELECTION PROCEDURES FOR CONTRACTORS. CONTRACTING FOR THE CURRENT TECHNICAL ASSISTANCE TEAM REQUIRED TEN MONTHS BETWEEN INITIAL SOLICITATION AND FIELDING OF A TEAM. WHILE WE DO NOT EXPECT THAT SUCH LONG DELAYS WILL BE EXPERIENCED IN THE FOLLOW-ON ACTIVITY, IT IS UNREALISTIC TO EXPECT THAT A NEW TECHNICAL ASSISTANCE TEAM CAN BE PROCURED IN FEWER MONTHS. THE TIME NOW EXISTING BETWEEN ANTICIPATED OBLIGATION OF NESS AND DEMOBILIZATION OF THE CURRENT TECHNICAL ASSISTANCE TEAM. USE OF SHORT-TERM CONSULTANTS AS A STOPGAP MEASURE IS NOT A VIABLE ALTERNATIVE, GIVEN THE CONSULTATIVE NATURE OF THE ACTIVITY. WHEREAS SHORT TERM PERSONNEL CAN BE VERY EFFECTIVE IN STRICTLY TECHNICAL CONSULTANCIES, THIS IS NOT THE CASE IN TERMS OF ADVISING ON HEALTH PLANNING, WHICH IS A POLITICALLY SENSITIVE AREA IN NIGER.

C. THE CURRENT HOST COUNTRY CONTRACT WAS AWARDED ORIGINALLY THROUGH FORMAL COMPETITIVE PROCEDURES. A WAIVER OF COMPETITION MAY BE AUTHORIZED BY THE USAID DIRECTOR UNDER THE TERMS OF AFRICA DOA 140, SECTION 5F, IF EXTENSION OF THE PROJECT IS APPROVED BY THE ASSISTANT ADMINISTRATOR FOR AFRICA. THE REGIONAL LEGAL ADVISOR HAS APPROVED THE SUBJECT WAIVER IN DRAFT.

D. EXTENSION OF THE RURAL HEALTH IMPROVEMENT PROJECT BY ONE YEAR WILL ALSO GUARANTEE CONTINUATION, WITHOUT BREAK, OF CERTAIN ESSENTIAL ACTIVITIES FOR WHICH THE MINISTRY DOES NOT HAVE SUFFICIENT ALTERNATIVE FUNDING AT THIS POINT TO ENSURE PROTECTION OF ISG INVESTMENTS. UNDER AN AMENDMENT OF RHP THE FOLLOWING ESSENTIAL ACTIVITIES WILL BE FUNDED:

- ONE YEAR EXTENSION OF TECHNICAL ASSISTANCE IN HEALTH PLANNING AND MANAGEMENT (COST APPROXIMATELY DOLS 600,000).
- CONTINUATION OF ESSENTIAL SUPPORT TO THE PRIMARY HEALTH CARE SYSTEM. IN THE EXTENSION PERIOD ONLY THE FOLLOWING ACTIVITIES WOULD BE FUNDED: TRAINING AND REFRESH COURSES FOR VILLAGE HEALTH TEAMS; COSTS OF

... AND SUPPLY FOR EXISTING TEAMS; IN-SERVICE TRAINING OF HEALTH PERSONNEL (TOTAL NEW FUNDING NEEDED DOLS 300,000). ANNUAL EXPENDITURES IN THIS CATEGORY ARE NOW DOLS 400,000-DOLS 500,000. THE ADDITIONAL FUNDING DURING THE INTERIM PERIOD WILL ALLOW MAINTENANCE OF ESSENTIAL ACTIVITIES DURING THE PERIOD IT WILL TAKE THE GOV TO SATISFY CONDITIONS PRECEDENT TO THE GRANT AND TO DEVELOP A MODIFIED PRIMARY HEALTH CARE PROGRAM FOR FUNDING UNDER THE LOCAL CURRENCY COMPONENT OF THE SECTOR GRANT.

ADEMIC
- COMPLETION OF SCHOLARSHIPS FOR THE 1986/87 ACADEMIC YEAR IN GOV PUBLIC HEALTH SCHOOLS, EMSP AND ENICAS (NO NEW FUNDING NEEDED).

E. THE TOTAL VALUE OF THE AMENDMENT WILL BE DOLS 900,000. A FINAL BUDGET WILL BE PREPARED AFTER RECEIPT OF AUTHORIZATION TO PROCEED. AN ADDITIONAL DOLS 200,000 IN FUNDING FROM THE EXISTING BUDGET, WHICH IT IS ESTIMATED WILL NOT BE EXPENDED BY DECEMBER 1986, WILL BE REPROGRAMMED TO SUPPORT TRAINING IN THE EXTENSION PERIOD.

F. THE TOTAL CUMULATIVE VALUE OF AMENDMENTS UNDER THIS PROJECT WOULD BECOME DOLS 2,300,000, WHICH IS BEYOND THE 10 PERCENT CUMULATIVE INCREASE DELEGATED TO THE DIRECTOR, USAID/NIGER, BUT WELL WITHIN THE DELEGATION OF AUTHORITY TO YOU AS ASSISTANT ADMINISTRATOR FOR AFRICA.

4. AUTHORITY:

A. UNDER AFRICA BUREAU DELEGATION OF AUTHORITY 140, SECTION 4A(2)B, YOU MAY GRANT PRIOR CONCURRENCE TO THE DIRECTOR, USAID/NIGER TO AUTHORIZE AMENDMENTS INCREASING LIFE OF PROJECT FUNDING UP TO A CUMULATIVE AMOUNT EQUAL TO 50 PERCENT (NOT TO EXCEED DOLS 10 MILLION). THE AMENDMENT IN THIS CASE FALLS WELL WITHIN THIS LIMITATION (CUMULATIVE VALUE OF AMENDMENTS WILL BE DOLS 2,300,000 OR 10 PERCENT).

B. AS ASSISTANT ADMINISTRATOR FOR AFRICA YOU MAY EXTEND THE PROJECT ASSISTANCE COMPLETION DATE SUCH THAT THE CUMULATIVE LIFE OF PROJECT DOES NOT EXCEED A TOTAL OF TEN YEARS FROM THE DATE OF INITIAL PROJECT OBLIGATION (EB 3, 13D6C). THE ONE YEAR PACD EXTENSION WILL BRING THE LIFE OF PROJECT TO 9.5 YEARS. BECAUSE THE CUMULATIVE EXTENSIONS IN THIS CASE EQUAL MORE THAN THREE YEARS, YOU MAY NOT REDELEGATE THIS AUTHORITY UNDER DOA 140 SECTION 4A(3). THIS AMENDMENT WILL BRING CUMULATIVE AUTHORIZED EXTENSIONS TO THE LIFE OF PROJECT TO FIVE YEARS.

3. RECOMMENDATION: A) THAT YOU GIVE PRIOR CONCURRENCE TO DIRECTOR, USAID/NIGER TO AUTHORIZE AN AMENDMENT TO THE RURAL HEALTH IMPROVEMENT PROJECT WHICH WILL RESULT IN CUMULATIVE AMENDMENTS INCREASING LIFE OF PROJECT FUNDING BY 10 PERCENT; AND B) THAT YOU APPROVE A ONE YEAR EXTENSION OF THE PACD FROM DECEMBER 31, 1986 TO DECEMBER 31, 1987.

6. PLEASE ADVISE BY CABLE WHEN CLEARANCE PROCESS STARTS

UNCLAS SECTION 02 OF 02 NIAMEY 01618

SECTION 02 OF 02 NIAMEY 01618

AND WHEN REDELEGATION GRANTED. APPRECIATE YOUR
ASSISTANCE
BOGOSIAN

UNCLAS SECTION 02 OF 02 NIAMEY 01519

ACTION MEMORANDUM FOR THE MISSION DIRECTOR

DATE: February 28, 1986

FROM: PDO, Erna Kerst *ek*

THRU: PDO, Sidney Chambers *

SUBJECT: Request for Ad Hoc Redelelegation of Authority to Amend the Rural Health Health Improvement Project (683-0208)

Problem: Your approval is required for the attached cable, which requests an ad hoc redelegation of authority from AA/AFR to you to amend the project authorization for the Rural Health Improvement Project (RHIP). An additional one year extension of the PACD and new funding of \$900,000 are requested to ensure a bridge between RHIP and the follow-on activity, Niger Health Sector Support (683-0254). The extension of time and increase in funding required are both beyond your currently delegated authority to approve.

Discussion: The Rural Health Improvement Project, originally obligated in June 1978, is currently scheduled to end in December 1986. The follow-on activity, Niger Health Sector Support (NHSS) is planned for Fourth Quarter FY 1986 obligation (August 1986). NHSS will be a sector grant approach to assistance, the first such program in which the Ministry of Health (MOH) will participate. Given the nature of the Conditions Precedent associated with a sector grant, and based on previous experience with the MOH in project start-up, it is expected that the full package of CPs to initial disbursement will require approximately six months to meet (February 1987). Even if the CPs are met expeditiously, a lapse in key technical assistance activities is bound to occur if RHIP ends in December 1986.

Technical assistance in health planning and management plays an important role in RHIP, and will be the pivotal point for policy reform and its monitoring under NHSS. A break in this technical assistance effort is considered harmful by both USAID and the MOH. If RHIP is not extended such a break would be inevitable. The Government of Niger is extremely rigorous in its selection procedures for contractors. Contracting for the current technical assistance team required ten months between initial solicitation and fielding of a team. While we do not expect that such long delays will be experienced in the follow-on activity, it is unrealistic to expect that a new technical assistance team can be procured in three months, the time now existing between anticipated obligation of NHSS and demobilization of the current technical assistance team. Use of short-term consultants as a stopgap measure is not a viable alternative, given the consultative nature of the activity. Whereas short term personnel can be very effective in strictly technical consultancies, this is not the case in terms of advising on health planning, which is a politically sensitive area in Niger.

There was competitive bidding initially on the current host country contract. A waiver of competition may be authorized by the USAID Director under the terms of Africa DOA 140, Section 5F, if extension of the project is approved by the Assistant Administrator for Africa. The Regional Legal Advisor has approved the subject waiver in draft.

Extension of RHIP beyond the December 1986 PACD is, thus, the only realistic manner to ensure continuation of the technical assistance without a break. A one year extension period will allow the contract procedure under NHSS to be carried out without undue time pressures.

Extension of RHIP by one year will also guarantee continuation, without break, of certain essential activities for which the Ministry does not have sufficient alternative funding at this point to ensure protection of USG investments. Under an amendment of RHIP the following essential activities will be funded:

- One year extension of technical assistance in health planning and management (cost approximately \$600,000).

- Continuation of essential support to the primary health care system. In the extension period only the following activities would be funded: training and refresher courses for village health teams; costs of supervision and supply for existing teams; in-service training of health personnel (total new funding needed \$300,000). Annual expenditures in this category are now \$400,000-\$500,000. The additional funding during the interim period will allow maintenance of essential activities during the period it will take the GON to satisfy conditions precedent to the grant and to develop a modified primary health care program for funding under the local currency component of the sector grant.

- Completion of scholarships for the 1986/87 academic year in ENSP and ENICAS (no new funding needed).

The total value of the amendment will be \$900,000. A final budget will be prepared after receipt of authorization to proceed. An additional \$200,000 in funding from the existing budget, which it is estimated will not be expended by December 1986, will be reprogrammed to support training in the extension period.

The total cumulative value of amendments under this project would become \$2,300,000, which is beyond the 10 percent cumulative increase delegated to you, but well within the delegation of authority of the Assistant Administrator for Africa.

Authority: Under Africa DOA 140, Section 4A(2)a, you have authority to amend a project without prior approval from Washington as long as the amendment or amendments do not exceed a cumulative value of 10 percent of original life of project funding or \$2 million, whichever is less. The 10 percent limitation has already been met in this case. With prior concurrence of the Assistant Administrator for Africa, you may authorize amendments increasing life of

project funding up to a cumulative amount equal to 50 percent (not to exceed \$10 million) under Africa Delegation of Authority 140, Section 4A(2)b. The amendment in this case falls well within this limitation (cumulative value of amendments will be \$2,300,000 or 16 percent).

Under Africa DOA 140 Section 4A(3), you have the authority to approve extensions of the life of a project for a cumulative period not to exceed three years, provided that the extension does not result in a total life of project (from point of initial obligation to revised PACD) of more than ten years. The one year PACD extension will bring the life of project to 9.5 years. However, the limits of your authority have already been met in this project. The PACD has been extended for a cumulative four years. The Assistant Administrator authorized the extension of this project for a fourth year in March 1984. Authorization of this extension is within the authority of the AA/AFR as well.

Recommendation: That you approve the attached cable which requests a) prior concurrence from the Assistant Administrator for Africa for you to authorize an amendment to the Rural Health Improvement project which will result in cumulative amendments increasing life of project funding by 16 percent; and b) approval by the Assistant Administrator of a one year extension of the PACD from December 31, 1986 to December 31, 1987. Please sign below to indicate approval of this recommendation.

Approved *[Signature]*

Disapproved _____

Date 88 FEB 1987

- Draft: PDO, Ekerst *eu*
- Clear: PDO, SChambers *SC*
- GDO, DLiberi/DMaxwell (draft)
- PRG, RCasey/AFessenden (draft, 2/28/86)
- EXO, ERhatigan (draft), 2/28/86
- D/DIR, JSnyder *JS*
- RLA, DKeene (draft), 12/3/85

ACTION MEMORANDUM FOR THE MISSION DIRECTOR

DATE: May 15, 1986

FROM: PDO, Erna Kerst *ell*

THRU: PDO, Sidney Chambers

SUBJECT: Waiver of Competition, Rural Health Improvement Project (683-0208)
Extension of: Host Country Contract

Problem: Pursuant to DOA 140, Section 5.F., and Handbook 1B, Chapter 12C4a(3), your approval is required for a waiver of competition under Host Country Contracting regulations, so that the Ministry of Public Health and Social Affairs (MOH) may negotiate an extension of the technical assistance contract with Tulane University under the Rural Health Improvement Project (RHIP).

Discussion: Tulane University has a contract with the MOH for provision of technical assistance services to RHIP. The term of the original contract is two years, with termination slightly before the current PACD. On May 12, 1986, the Assistant Administrator for Africa authorized you to extend the project PACD by one year (to 12/31/87), and increase project funding by \$900,000. USAID plans to fund a follow-on activity, Niger Health Sector Support (683-0254), which will continue certain of the key elements of RHIP. The one year extension period for RHIP would fund essential activities under RHIP which will continue in some form under NHSS, and for which a break in funding would be harmful. NHSS is scheduled for obligation in August 1986. Conditions precedent are not expected to be met by the government until early 1987, after the current PACD of RHIP. Activities under NHSS cannot, then, be expected to begin until 2nd or 3rd Quarter FY 1987.

The MOH and USAID would like to consider extension of the Tulane technical assistance contract for this additional year for the following reasons:

- The scope of work contracted for under the original contract may not be completed fully at the end of the two year term. Certain team members arrived late, or had to be replaced. The team leader arrived 3 months after the two other advisors. One of three long term positions remained vacant for 2 months after the incumbent resigned.

- A slight amplification in the scope of work of the technical assistance team will provide a basis for and early start for activities to be undertaken under a new, competed technical assistance contract in the next phase of USAID assistance to the health sector.

- A gap in technical assistance between projects will not be in the best interest of the objectives of the multi-year mission health program. The new health activity (683-0254) is now in initial design phase. Signature of the Program Agreement is not anticipated until Fourth Quarter FY 1986 (August).

It would not be feasible for a new technical assistance team to be contracted for and arrive before the departure of the current team (November 1986). Both the MOH and USAID consider it important to have no break in assistance in health planning and management between projects.

- Contracting with another institution for a one year contract extension period offers few, if any, advantages to any party. It would be more expensive to the United States Government, as additional mobilization and demobilization charges would have to be factored into the contract value. The Ministry would not welcome a change in contractor after only two years. The expertise built up by Tulane through its unique position as planning advisor to the Ministry would be lost. It would take another contractor several months to build up a working relationship with the MOH, if Tulane's experience is any indication.

- The solicitation for the current \$1.3 million contract received only two responses, although there were approximately 100 expressions of interest. The requirements of the current contract, and of any extension, are quite rigorous in terms of institutional capability as well as personnel. It is unlikely that any greater response would be received to solicitation for a one year extension period.

Under the next term program, 633-0254, competitive procurement will be held for a new technical assistance contract. It is anticipated that the technical assistance required under the follow-on program will have certain common elements with the current activity, but will be very different in emphasis, and in kinds of expertise required. Tulane may not, therefore, have unique capability to carry out the next phase activity. It does, however, have special capability to continue its work under RHLP.

The proposed terms of a contract amendment would be the following:

- Extend contract by one year (dollar value less than 1 million, estimated currently at \$600,000).

- Maintain 3 long-term technical advisors. Continue same scope of work for two advisors. Provide more detail for chief of party scope of work under Clauses (i) and (ii) of his scope of work: "Assist in establishing an office of health planning and programming in the MPH (sic) at the level of the Secretary General. Provide management expertise to the Project Director, and collaborate with him in supervision and coordination of the technical implementation of all Project programs and activities." (See RFTP and French language contract annex.) It is intended that the clarification would not change the nature of the CJP's scope of work, but would make the CJP's advisory role to the Secretary General and the Project Director on health planning, programming and management more explicit.

- Add 6 person months of short term technical assistance for health planning/policy specialists.

Authority: You have authority to approve a waiver of competitive procurement in Host Country Contracting up to a value of \$1,000,000 per transaction under Africa Delegation of Authority 140, Section 5.F., which is attached. The value of this transaction is less than \$1,000,000. The waiver has been approved by the Mission Noncompetitive Review Board, as required under the DOA.

Justification: According to Handbook 1B, Chapter 12C4a(3), Waiver of Competition - Negotiations with a Single Source, approval of a waiver is required in the case of an amendment to an existing contract which increases the scope of work or level of effort. Negotiation with the single source to amend the contract is justified and the waiver requirement explained under HB 1B, Chapter 12C4a(3): "The borrower/grantee desires to utilize a contractor previously engaged in the project for follow-on work and the contractor clearly has special capability by virtue of previous experience in the work but the contractor either was not selected on a competitive basis or the borrower/grantee did not advise all competing firms that a follow-on contract might result."

The current contract was competed. The Government of Niger did not advise competing institutions that a follow-on contract might result.

Tulane University does clearly have special capability in terms of activities undertaken under the current contract which the extension would continue. It is the first and only United States institution in Niger to hold a position of advisor on health planning and management to the Ministry of Health. The Tulane contract team works in the Ministry building and participates in staff activities of the Ministry in an advisory capacity. Replacement of the Tulane group for year three of the activity would cause disruption in on-going activities, as the new team would have to learn MOH systems and their historical rationale before becoming effective counselors. The Ministry of Health does not want to consider recruiting a new contractor for a one year period. The Ministry cannot rationally be expected to contract with a team for the follow on program until at least six months after expiration of the current contract, if amendment of this contract is not approved.

Recommendation: That you sign this action memorandum approving a waiver of competition for negotiation of an amendment to the Tulane University contract under the RHIP, with the stipulation that the value of such an amendment not exceed \$1,000,000.

Approved: *P. Kerst*

Disapproved: _____

Date: 1^o MAY 1986

Drafted: PDO, EKerst, ^{g.v.} 11/27/85, 05/14/86 (revised)

Approval: Noncompetitive Review Board

Chairman: A/DD, A/EXO, DMaxwell *[Signature]*

PDO, SChambers *[Signature]*

GDO, MGould *[Signature]*

PRG, AFessenden *[Signature]* 5/16/86

Clear: GDO, DLiberi *[Signature]*
PRG, RCasey *[Signature]* 5/15/86
RLA, DKeene Draft (memo 12.20.85)

Reference: State 151495 (5/13/86).