

PD BBN 728

AGENCY FOR INTERNATIONAL DEVELOPMENT  
PROJECT DATA SHEET

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

COUNTRY/ENTITY SUDAN 3. PROJECT NUMBER 650-0030

4. BUREAU/OFFICE AFRICA AFR 5. PROJECT TITLE (maximum 40 characters)  
06  RURAL HEALTH SUPPORT PROJECT

6. PROJECT ASSISTANCE COMPLETION DATE (PACD) 7. ESTIMATED DATE OF OBLIGATION  
(Under "B" below, enter 1, 2, 3, or 4)  
MM DD YY 08 26 90 A. Initial FY 89 B. Quarter 4 C. Final FY 90

8. COSTS (5000 OR EQUIVALENT \$1 = TS 4.5)

A. FUNDING SOURCE	FIRST FY <u>80</u>			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	3000		3000	19100		19100
(Grant)	( 3000 )	( )	( 3000 )	( 19100 )	( )	( 19100 )
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S. 1.						
U.S. 2.						
Host Country		1127	1127		9863	9863
Other Donor(s)						
TOTALS	3000	1127	4127	19100	9863	28963

9. SCHEDULE OF AID FUNDING (\$000)

A. APPRO. PRIATION	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) H	530	510		16182		337		16519	
(2) P	440	440		1881				1881	
(3) DFA						700		700	
(4)									
TOTALS				18063		1037		19100	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)  
520 350 960

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)  
A. Code BRW PVOU TRNG  
B. Amount

13. PROJECT PURPOSE (maximum 480 characters)  
To strengthen the capacity of the GOS/MOH in the area of management, planning and budgeting, logistics and supply to improve the delivery of the primary health care and MCH/FP services in the project area.

14. SCHEDULED EVALUATIONS  
Interim MM YY 02 85 Final MM YY 05 89

15. SOURCE/ORIGIN OF GOODS AND SERVICES  
 000  941  Local  Other (Specify) 935

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment)  
This Amendment extends project life to August 26, 1990, increases LOP funding by \$1.037 million, and extends the southern component of the project, by a grant to AMREF, to the new PACD.

17. APPROVED BY  
Signature John W. Koehring  
Title John W. Koehring  
Mission Director, USAID/Sudan  
Date Signed 08 17 90

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION  
MM DD YY

Amendment No. Two  
to the  
Project Authorization  
for the  
RURAL HEALTH SUPPORT PROJECT

Name of Country : Sudan  
Name of Project : Rural Health Support  
Project Number : 650-0030

1. PURSUANT to Section 104 of the Foreign Assistance Act of 1961, as amended, the Rural Health Support Project for Sudan was authorized on August 27, 1980, and amended on August 30, 1984. Pursuant to Title II of the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1988 (Sub-Saharan Africa - Development Assistance Account), that authorization is hereby further amended to increase the authorized life of project funding and the period of obligation as follows:

- a. Planned obligations of not to exceed \$19,100,000 in grant funds are authorized, and
- b. Planned obligations are anticipated to be made over an eight year period from date of initial authorization.

2. THE AUTHORIZATION cited above remains in full force and effect except as hereby amended.

*JW Koehring*

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John W. Koehring  
Mission Director  
USAID/Sudan

Date           17 1988

ACTION MEMORANDUM FOR THE DIRECTOR

FROM : Eugene H. Rauch, PO  
THRU : Mr. Edward W. Biddells, AD/PO  
SUBJECT : Rural Health Support Project (RHSP) (650-0030)

Problem : Your approval is required to 1) approve and authorize the Rural Health Support Project Paper Supplement No. 3, and 2) authorize the two attached PIO/Ts providing \$1,447,000 for a grant with the African Medical and Research Foundation (AMREF) to implement the southern component of the RHSP.

Background : In early FY 1988 the Mission decided to continue the southern component activities of the RHSP. Justification for continuation was based on the previous success of the activity, the continued importance in providing health services in the Juba area and the Mission's desire to continue developmental activities in southern Sudan.

In order to continue RHSP activities in the South, several actions had to be taken. They include: 1) amending the Project to increase Life of Project funds by \$1.037 million, 2) extending the Project Activity Completion Date to August 26, 1990, and 3) granting to AMREF approximately \$2.4 million to implement the southern component.

Discussion : The attached Project Paper Supplement No. 3 was initially drafted in March and reviewed by the REDSO/ESA RLA. Based on the Regional Legal Advisor's (RLA) recommendations, the Project Paper Supplement was modified to include RLA concerns. On June 21, 1988 a full project committee reviewed the Supplement, which resulted in two areas of concern. The first involved a further description of commodity procurement and their sources and origins (especially since pharmaceuticals were being purchased), and the second related to whether the document met the policy guidance on salary supplements. Subsequently the Supplement was reviewed by another RLA and was cleared subject to resolution of the salary supplement issue. This issue has been resolved and the RLA has given clearance in Nairobi 18637.

AMREF has been implementing the southern component of RHSP under a direct contract, but since USAID/Sudan is no longer able to properly manage this activity under a contractual arrangement, it was decided that a grant was the most appropriate vehicle to implement the project during the project life. AMREF, under the previous contract, has been implementing the southern component under limited supervision due to the on-going civil disturbance in



RURAL HEALTH SUPPORT PROJECT  
(650-0030)  
PROJECT PAPER SUPPLEMENT III

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## I. BACKGROUND:

The Rural Health Support Project was authorized on August 27, 1980. Since that date the Project Paper has been amended twice, once on August 23, 1984 and again on April 3, 1986. The first amendment refined and focused activities based on a revalidation exercise from May to August 1983. Amendment 2 changes were the result of a mid-term evaluation undertaken in April 1985. This second Amendment made further refinements in implementation to overcome constraints and shifted funding from the South to the North to expand activities in the North, and curtail activities in the South due to security problems.

The original project purpose was: "To improve the capability of the Ministry of Health (MOH) to deliver primary health care to the rural population of Sudan, with special emphasis on Maternal and Child Health and Family Planning." The purpose of the project was amended under Amendments 1 and 2. The purpose is now: "To strengthen the capacity of the GOS/MOH in the areas of management, planning and budgeting, logistics and supply, to improve the delivery of primary health care and MCH/FP services in the project area."

The changes within the project over the last eight years are covered in the two Project Amendments. Under Project Paper Supplement No. 1, more emphasis was placed on: (1) improved health information gathering to provide better data for health planning and decision making, (2) continue activities in environmental and sanitation fields which have proven successful, (3) starting pilot activities in Maternal and Child Health/Family Planning toward reduction of infant and child mortality, (4) including oral rehydration therapy as a project component, and (5) commencing activities in drug procurement targets and distribution to improve its efficiency.

Under PP Amendment No. 2, there was a shift of approximately \$3.0 million from the southern component to the northern component. This shift was a result of the insecurity in the South which limited project activities to the Equatoria Region, except for training. The mid-term evaluation recognized the severe health problems in the North caused by drought, and proposed expanding project activities to counteract the worsening health status of those directly affected by the drought. In response to the evaluation, PP Amendment No. 2, increased project funding to the northern component was agreed to and the PACD was extended to December 1, 1989.

## II. PROJECT PROGRESS

The last several years have shown outstanding progress in achieving project objectives. While the last three years have seen AMREF implementing a program which geographically has been reduced in size due to the security situation, the northern component, being implemented by One America, continues to achieve its objectives, and in some areas has expanded beyond what was originally anticipated. Subsequent evaluations and Project Paper Amendments have adapted

the project to the existing situation in both the North and the South. Regardless, both project components have continued to succeed, despite environmental, political and economic constraints.

A. Southern Component - the greatest impact on the project in the South has been security restrictions caused by civil conflict. The program is now constricted to Juba and its environs. The conflict caused the Rural Health Support Project - southern component (RHSP-S) to centralize its activities in Juba, but has also caused a large influx of displaced persons. Although the RHSP-S's geographical area of operation has been reduced, the original beneficiaries continue to receive the major benefit, albeit in an unusual way. The beneficiaries are located in and around Juba, mostly in displaced person camps or residing with family. The congregation of large numbers in Juba has required modifying some of the activities to accommodate the different situation. The following is a brief summary of the major progress made by the project.

Training activities have continued to progress, inspite of the difficulties. The Medical Education Training Unit (METU) is functioning at capacity with the return of the Director of Training from Boston University after completion of Curriculum Development Masters Program sponsored by RHSP funds. Continuation of the development of the curriculum for planning, management and budgeting training program and work on the manpower development plan, which was disrupted due to the Director's absence, took off at a faster rate after the Director's return in 1987. Technical training and retraining on MCH, nutrition and family planning continued to meet the needs according to the plan of work. Short term, third country training of health professionals continued on schedule.

The direct service delivery activities, which were given an additional boost in terms of more technical assistance, commodities and financial inputs due to the influx of the displaced peoples, was one activity of major significance. Primary Health Care services, with MCH focus, is now available in five clinics where RHSP is involved. This activity was facilitated and came to fruition with the return of the Director for PHCP from a masters course on MCH/FP from Tulane University. The opening of an evening clinic in the center of a densely populated section of Juba town and the opening of an organized health delivery system, for the displaced at the camp; with the extraordinary level of assistance by the AMREF team, was and continues to be one of the highlight activities. The high utilization of two of the five clinics where there is RHSP concentrated involvement has demonstrated the critically needed basic health services by the population. In addition, in 1987, the transfer of a RHSP initiated family planning activity to the National Sudan Family Planning Association is also an indication of the progress made in achieving major project objectives.

In accordance with the revised plan, construction activities have all been completed, including additional structures erected for urgent health service delivery to the displaced. The major building work, the Multi-Purpose Training Center (MPTC) with dormitories and cafeteria facilities was completed in Juba in December 1987. The construction of the Center has been recognized as the lasting solution to the long-standing problem of lack of training facilities for the Ministry of Health.

A construction activity of prominent functional significance is also the erection of five semi-permanent huts built at Lologo camp for MCH/FP services. This has made a significant impact by responding to the urgent needs of the displaced in the camp by rendering health services in an organized manner. Other construction activities include, refuse pits and latrines as part of the environmental sanitation project work. In addition, the renovation of the Malakia Health Center which brought back a dilapidated facility to an overwhelmingly lively existence. As a result, EPI, ORT and other child survival activities were reinitiated for running during the day, and it enabled RHSP to implement an evening clinic, the first of its kind in Juba, run by selected MOH staff employed for evening sessions.

All in all, the special focus on training, service delivery and the combined efforts of health education and environmental sanitation activities have made RHSP activities progress in meeting critically felt needs of thousands of the population of Equatoria region.

B. Northern Component - With the expansion of the northern component under Project Paper Supplement No. 2, the magnitude of outputs was greatly increased. The increased emphasis on the North was a result of the severe drought in the mid 1980s. The services delivery activities have been slow in reaching expected levels due to the large area, increased emphasis on direct delivery of services (ORT and EPI), a greater number of beneficiaries proposed under the second project supplement, and the lack of reliable transport. The transport problem has since been resolved.

This component has three areas of operation, Khartoum, Darfur region and Kordofan region. Due to the long distances involved and associated logistic problems, the Khartoum office's major activities involve coordination and movement of commodities and information, and training activities. The two regional offices are mainly service delivery oriented.

Most of the current training activities are focused on mid-level professionals within the two regions and over 350 rural health workers have completed training in oral rehydration therapy. Approximately 1,700 primary health care workers have received training in improving health planning, management and budget through seven courses. These training activities, in addition to courses in training of trainers, training of workers in sanitation, family planning, health education, and school health, are continuing. Training activities are nearing 80% completion.

The completion of 4 medical warehouses ends proposed construction activities.

Service delivery activities are on schedule, with EPI programs in four of the five districts, as well as the establishment of five revolving fund pharmacies. A supervision and monitoring program for PHC workers has been developed, and when instituted will increase their effectiveness. Although strengthening of family planning services in at least three districts has not been implemented, planning is on-going with the University of Khartoum to upgrade MCH/FP services.

Improvements in the MOH's capacity in the areas of management, planning and budgeting are as yet unfulfilled. Nevertheless, a management training course in the Gezira University Medical School has been completed. Regional management information units have been developed in both regions, and in Kordofan it meets regularly and exercises full project management responsibilities. In Darfur this unit has organized a series of workshops to develop regional plans for integration of most PHC activities. In Kordofan district, profiles and maps of available health resources are being developed.

Other activities in the northern component include: completion of several specific studies (household survey on RMOH health services, bilharzia surveys in Kordofan, etc.), regional workshop on environmental sanitation and public health, and preparation of a logistical support program.

With the current rapid pace of implementation, USAID/Sudan feels that project objectives can be reached by August 1990.

## II. DISCUSSION:

Under this Project Paper Supplement 3, the Mission plans on reinstating project activities, which had been curtailed by Project Paper Supplement 2, in the southern region. To allow continued activities in the South, there will be three associated changes in the project: 1) increase of funds to the project, 2) extension of the PACD, and 3) granting of \$2.5 million to AMREF. The reasons for these project changes are detailed below. It is to be remembered that other than the continuation of the southern activity the project remains as described in the Project Paper and the two previous supplements.

A. Justification for Continuation of the Southern Component: The southern component is being implemented by African Medical and Research Foundation (AMREF), a U.S. registered PVO. Due to the security situation in the South the RHSP-S program has been reduced to activities in and around Juba. This project remains one of the the major sources

of support for health activities in Juba (a town which has more than doubled its population due to the increased hostilities which has caused migration of the rural population to Juba). Based on the following two reasons, the Mission justifies continuing project operations in the South and the additional funds to continue these activities.

If USAID/Sudan does not continue this project in the South, more than 200,000 people will be in danger of increased health risk. The increasing number of displaced persons arriving in Juba is severely straining the health services available, both because of numbers, and the conditions in which they live. With the withdrawal of AMREF most EPI, ORT and other health services would be drastically reduced, as RHSP-S is a driving force behind maintaining and increasing community water and sanitation improvements; supporting family health services at the clinics in Juba; training of health personnel; and strengthening of the Directorate of Health in planning, management and budgeting. With the increasingly difficult food situation in Juba threatening to reduce the resistance to disease of the population, the possibility of major epidemics is increasing. It is also important to maintain a viable health project in the South so that future expansion of health activities can be quickly initiated should the civil unrest be resolved. Thus, the continuation of this component until August 1990 is justified on humanitarian, as well as developmental grounds.

Continuation of some developmental activity in the South also helps to demonstrate continuing U.S. commitment to southern development. The southern component of the Rural Health Support Project is providing one of the few public health services in Juba and the immediate area. With most of the AID-funded projects being implemented in the northern portion of the country, some southern leaders have had difficulty in understanding, notwithstanding the prevailing insecurity, the small proportion of our development effort currently active in the South. Therefore, the continuation of this project component is justified under USG foreign policy objectives.

To terminate this health project in the South would have the effect of increasing mortality and morbidity of this population. The health status of this population is further aggravated by the reduced nutritional levels because the civil war has reduced food supplies in the Juba area. Confined living areas and lower nutritional levels of the population lead to increased occurrences of communicable diseases.

B. Southern Component Extension: Under Supplement No. 2 to the Project Paper, project activities in southern Sudan were to be restricted only to the Equatoria region, except for training activities. The reason for restricting the RHSP-S activities was based on the civil disturbances in the South which limited project activities, first to the Equatoria region, and lately to Juba and the surrounding urban area.

Although the civil war has continued and, in fact, has intensified, the demand for health services continues. During the last months of 1987 and early 1988 there has been an increased demand for health services because of the displacement of the rural population by the war, which in turn has caused several refugee and displaced person camps to spring up in and around Juba. This doubling of the population within the environs of Juba has created additional health hazards with many of the displaced living in confined areas under less than satisfactory conditions.

AMREF, the major motivating factor in the health sector, in response to this problem, has been the catalyst in improving the sanitary conditions in the camps, while continuing to provide assistance to the Directorate of Health (DOH) in training health personnel, supporting four health clinics, and strengthening the DOH's ability to plan, manage and budget.

The Mission bases its decision to continue these activities on two major points. One, that there exist humanitarian reasons to continue health service assistance to the South, and two, if this activity is terminated, the gains in health services achieved up to this point would be lost and any future health activities would be costly and time consuming before the current level of health services could be reattained.

Extending this activity for an additional 24 months will cost approximately \$2.5 million, a relatively small amount when one considers the losses which would occur due to death and disability of the population in the short term, and the losses which could be attributed to future health status if these services are interrupted. Exactly what range of activities will continue at the end of this project has not been determined, due to the uncertainty of conditions in the South. A resolution of the current conflict would no doubt stimulate the Mission toward creation of a new health activity in southern Sudan. The on-going Child Survival activity (650-0513) currently provides limited support, through UNICEF, in the health sector in southern Sudan and is expected to continue through 1991. The Mission anticipates developing a new Child Survival Project (650-0084), and would, if feasible, include southern Sudan in the new project design.

The Mission anticipates that one or more of the following options would, at the minimum occur if no AID funded project were to follow: 1) AMREF or another PVO would continue providing support to the Regional Ministry of Health, with funding other than from USAID, 2) the government would provide local currency funding of a GOS development project using PL 480 generated counterpart funds, or 3) UNICEF would continue their support to EPI, ORT and other activities being implemented under the national Child Survival programme. With AMREF's continued emphasis on management and technical training, many of the dollar associated costs (included in the proposed grant) would not be required in the future. Which option(s) are available/possible will be one of the outcomes of the final evaluation scheduled for mid-1989.

If the civil conflict is resolved, USAID/Sudan anticipates that several donors, both bilateral and multilateral, will inject large amounts of resources into health activities in the South.

C. Increasing LOP Funding - To implement the extension of the southern component of this project, it will be necessary to increase dollar funding of the project. Current funds already obligated which remain uncommitted are estimated at \$5.0 million. Of this amount, approximately \$3.5 million is required to fund the continuation of the northern component. A contract for the northern component is scheduled to be awarded prior to the end of FY 1988.

Project funds remaining after the northern component contract is awarded will be \$1.5 million. The estimated cost of continuing southern project activities is \$2.5 million. Continuing the activity for less than twenty-four months would not give the implementing agency sufficient time to provide the required services, or to do so in an appropriately planned fashion. Therefore, if a logical extension of these activities is to occur, additional funds will be required.

The current LOP funding (all of which has been obligated) is \$18.063 million. To allow the extension of the southern component, approximately \$1.037 million is needed. Suggested sources of funds are: \$700,000 from FY 1988 OYB, and approximately \$337,000 of funds to be deobligated from Mission health projects. If deob/reob funds are not available to fully fund this project, the Mission may use FY 1988 or FY 1989 OYB funding. The amount of additional funds to be authorized will be \$1.037 million, making the new authorized LOP funding at \$19.1 million.

D. Extension of the PACD - The current PACD for activities is December 1, 1989. In that the new implementing agencies will be commencing within 2-3 months, for both the northern and southern components, it makes sense to have these contractors plan for two years of implementation. The northern component contract, which should be executed in mid 1988, would be for less than two years under the current PACD. The same applies to the southern component, if it continues.

In order to allow proper implementation under both components and to provide for sufficient time between projected end of contracts and the project PACD, the new PACD would be August 26, 1990 (10 years from start of project). This new PACD would allow the new contractors to end their two year contracts in mid 1990 and also allow for a couple of months to finish project activities prior to August 1990. Prudent project management suggests this course of action.

E. Grant to AMREF - As noted in Attachment 3, Mission proposes awarding a grant to AMREF for the southern component activities without inviting applications for a grant from another entity. The basis for the non-competitive award is that AMREF is the only organization capable of providing this level of health services in southern Sudan. AMREF's predominant capability stems from their continuous experience in health service operations in southern Sudan since the mid 1970s. Additionally, they have an established transportation and communication network which has been greatly responsible for their success in implementing AID projects.

Although AMREF is currently operating under a contract, USAID/Sudan is not in a position to properly administer the contract, as direct hires are not allowed to be stationed or travel on TDY in the South. AMREF has proven their ability to implement projects of this type without direct supervision, as they were the recipients of an operational program grant under the previous Southern Primary Health Care Project (650-0019). In this situation, where AID's purpose is to support the activities of AMREF, rather than to procure services, a specific support grant to AMREF is the proper method to provide the desired assistance to Sudan.

F. Project Description of Southern Component - AMREF will continue its emphasis of strengthening the capacity of the Regional Ministry of Health (RMOH) in the areas of management, planning and budgeting, logistics and supply, and to improve the delivery of primary health care (PHC) and Maternal Child Health (MCH) and Family Planning (FP) services. To reach this purpose, AMREF will work with staff in the RMOH in five major areas: 1) Training, 2) Health Information System (HIS), 3) Health Education/IEC, 4) Family Health Services, and 5) Water and Sanitation.

During the next two years, AMREF staff will continue the training of RMOH staff in management, administrative and technical areas. Approximately 85 traditional birth attendants, nurse/mid wives, physicians and other professionals will receive technical training in health care technologies central to PHC. An additional 70 health visitors, tutors and other mid-level professionals will receive continuing education courses. Training will also be provided to hospital administrators and trainers. In-country short courses will concentrate on training of mid-level health managers.

The most critical training will be done by the AMREF staff and seconded RMOH staff in on-the-job training of health workers at all levels. Learning-by-doing is an important part of transfer of knowledge and skills to future managers, administrators and planners.

The improvement and expansion of the Health Information System (HIS) has two purposes. The first is to collect and analyze health data, thus providing information on health status which is feedback to health workers to improve their ability to avoid or compensate for changes in the health status of the population. Secondly, this system is a basic tool for administration, planning and budgeting and will be used as such for training.

The health education component will provide information to the population on how to avoid illness and how to treat minor health problems. The education component will include programs at schools and clinics, plus arranging annual campaigns and wide distribution of health topic posters in towns and camps. The posters and education programs are especially affective when dealing with a relatively uneducated population.

A wide range of activities in family health services will be continued and expanded. The major focus is on preventative health services, although some curative services will also be provided. The activities include immunization of children, growth monitoring, family planning, and use of the completed clinics for ante-natal, post-natal and delivery services. Refer to Attachment 1 (Logical Framework) for specific targets.

One of the major causes of disease transmission is through contaminated water. In addition to providing safe water to four clinics, the project will provide latrines at several strategic sites, develop several garbage/refuse disposal incinerators and stimulate community groups to improve communal sanitation. The community groups will be assisted in constructing latrines, developing healthy methods of disposing of refuse and encouraging hygienic habits in and around their neighborhood.

#### IV. TECHNICAL ANALYSIS:

The overall technical analyses appearing in the PP remain unchanged. The project still supports the GOS/MOH primary health care program and its strategy to utilize para-medical workers to perform preventive, promotive, and curative activities. The project's community based implementation strategy for ORT and immunizations is consistent with existing socio-cultural and economic patterns and utilizes technologies which are appropriate for Sudan and have gained wide acceptance in the international health field.

A. Administrative Analysis - The original administrative analysis appearing in the PP remains unchanged.

B. Environmental and Engineering Analysis - The original Environmental Evaluation Examination for this project appeared in Annex L of the PP and recommended a "negative determination". The changes proposed in

Project Paper Supplements 1 and 2 do not affect this determination. The strengthened project components of ORT, immunizations, and FP will have no significant effects on the environment.

The construction activities in both the northern and southern components are completed, except for additional wells (bore holes) and latrines to upgrade facilities in the Juba area. These activities, wells and latrines, were included in the original PP Environmental and Engineering Analysis.

C. Social Soundness Analysis - The updated social soundness analysis which appears in Project Paper Supplement No. I remains unchanged.

D. Economic Analysis - The continuing decline in the economic situation within Sudan has impacted greatly on the ability of the GOS to cover recurrent costs. The northern component activity has increased their investigation of cost recovery methods which focus on community participation. The deplorable economic situation of the displaced people in the Juba area has deterred similar efforts in the South. USAID/Sudan, through other project activities, is doing additional research and experimentation, in cooperation with the GOS, toward improving the recurrent cost problems within the regions by local/regional cost recovery programs in the health sector.

Other than the above mentioned recurrent cost situation, the Economic Analysis and subsequent updates remain valid.

## V. FINANCIAL PLAN:

A. Foreign Exchange - The continuation of RHSP activities in the South for another two years requires an additional \$1.037 million to the life of project costs. Of the additional funds, \$700 thousand will be available under FY 1988 Mission OYB. The remaining \$337,000 is planned to come from funds deobligated from Mission health projects which have been completed. Alternatively, if the deob/reob funds are not available, the Mission will use part of the OYB. All required new funding is expected to be obligated during FY 1988.

During the last two years of the project's total expected costs are \$6.0 million. Approximately \$3.5 million for the continuation of the northern component, and \$2.5 for the southern component. Funds currently available within the project to fund these activities are approximately \$4.0 million of uncommitted funds and \$1.0 million of excess funds remaining in the contract to AMREF. The Mission is in the process of decommitting the excess funds. The \$5.0 million of uncommitted and excess AMREF funds, combined with \$1.037 million of new funds will be sufficient to fully fund the new northern component contract and the grant to AMREF to implement the southern component.

The following budget is the estimated cost of the AMREF grant. Included in the budget is \$100,000 for a final evaluation of the entire project. No funding was specified in prior budgets for an evaluation.

<u>Line Item</u>	<u>(\$000)</u>
Technical Assistance	1,200
Training	170
Commodities	795
Other Direct Costs	65
Construction	-
Contingency/Inflation	170
Evaluation	100
TOTAL	<u>\$2,500</u> =====

The overall project budget required extensive revision to allow for the use of unearmarked funds between line items. The following project budget shows the shifts between line items.

Entire Project Budget (\$000)

	<u>Previous Budget</u>	<u>Changes</u>	<u>New Budget</u>
Technical Assistance	7,728	+2,285	10,013
Training	1,532	-318	1,214
Commodities	4,741	+353	5,094
Other Direct Costs	1,967	-1,195	772
Construction	1,860	-388	1,472
Contingency/Inflation	235	+200	435
Evaluation	-	+100	100
TOTAL	<u>18,063</u> =====	<u>+1,037</u> =====	<u>19,100</u> =====

B. Method of Financing - Funds available for use during the two remaining years of the project are estimated at \$6 million. Of these funds, \$3.5 million will be for the northern component and approximately \$2.4 million for the southern component. The remaining \$100,000 is to be used for the final evaluation in mid 1989. The following table describes the method of implementation and financing through the remainder of the project.

<u>Type of Assistance and Method of Implementation</u>	<u>Contracting Mode</u>	<u>Method of Payment</u>	<u>Amount (U.S.\$000)</u>
Technical Assistance	AID Direct Grant (AMREF)	LOC	2,100
	AID Direct Contract (northern component)	Direct Pay	3,500
Commodities	(Component of T.A. grant/contract). Letter of Commitment to UNICEF for pharmaceuticals	-	(765)
		LOC	300
Training	(Component of T.A. grant/contract)	-	(170)
Evaluation	PIO/T AID Direct Contract (Institutional or Individual Contract)	Direct Pay	100
TOTAL			<u>6,000</u> =====

C. Local Currency - Under the original Project Paper and Amendment No. 1, the GOS provided LS 17,731,400 as their contribution. This contribution was split between LS 8,328,400 of Trust Funds and LS 9,403,000 of counterpart funds. Since then the GOS has made additional commitments for LS 8,058,000 of counterpart funds for the northern component and is expected to approve in the near future requests for an additional LS 4,000,000 of trust funds for the project (LS 2,000,000 each for both the northern and southern components).

The original GOS contribution was valued at \$7.184 million at the official exchange rate of LS 2.475 = US.\$1. The additional funds (LS 8,058,000 counterpart funds plus LS 4,000,000 trust funds) are valued at \$2.679 million with the current official exchange rate of LS 4.5 = US.\$1. Therefore, the total host government contribution is \$9.863 million over one third of total project costs.

D. Salary Supplements - Salary supplements have been provided to GOS employees during the implementation of the project over the last eight years. While implementing this project, it became obvious that without supplementing the low MOH salaries there would be little chance of reaching project objectives. As most GOS employees live and work in the rural areas of Sudan, which have few and expensive essential items, let alone luxury items, it was found necessary to supplement salaries to obtain and retain experienced and dedicated MOH employees. The qualified MOH professionals in both the northern and southern components are essential in providing grass roots level health services.

Until the MOH is able to adequately compensate their staff in the field posts, health services would be woefully inadequate for the rural population without donor support. The benefits derived from improved health services in the rural areas outweighs the short-term supplementation of salaries to a few MOH employees. The GOS is attempting to adequately compensate its employees, but under the current economic situation it is unable to do so.

A full description of how this project complies with AID policy guidelines for salary supplements is included as Attachment No. 4 to this document. The existing salary supplements conform to policy guidelines and may continue without notification to AA/AFR.

Based on the latest policy guidance on payment of salary supplements, 1988 State 119780, AA/AFR approval is not required for ongoing projects/activities, although the Mission Director must be aware of the salary supplements and determine whether it is feasible to stop these supplements without jeopardizing the overall country program objectives. The Mission Director had deemed these supplements essential.

#### VI. PROCUREMENT PLAN:

The majority of project procurement for the remaining two years of the project will be done by the implementing agencies. All procurement will be done following AID procurement regulations. The authorized geographic code is 941 for all commodities except pharmaceuticals.

In implementing the southern component, two waivers will be required. One will be to waive source/origin from 941 to 935 for the procurement of generators and vehicle spare parts. The basis for this waiver is non-availability in 941 countries. The other waiver is for procurement of medical supplies and pharmaceuticals from UNICEF. Justification is based on standardization of UNICEF medical kits and drugs. No commodities from UNICEF will be outside of 899 countries.

Under AID procurement policy, any UNICEF commodities must be procured through normal AID/UNICEF procedures (i.e. by a PIO/C issued by SER/OP/COMS to UNICEF).

Until the contractor for the northern component has been selected, it is impossible to determine if any waivers are required. Once the contractor has been selected, the Mission will process any needed waivers.

#### VII. EVALUATION AND AUDIT PLAN:

A final evaluation and audit of both components of the project is planned for mid-1989. The evaluation will have two purposes, the first to confirm achievement of the project objectives, and the second to determine what, if any, health activities the Mission may want to fund in the future.

With the introduction of a large Child Survival (C.S.) program in the Sudan, a large portion of the primary health care activities are being funded under the C.S. program. UNICEF is the major implementing agency for the GOS C.S. program, which has funding from several donors including USAID. USAID/Sudan is also funding periphery C.S. activities through central or regional projects. The large emphasis on C.S. activities in Sudan, plus the resulting large resource allocations by the GOS and donors, has taken the initiative away from a more typical, broad-based primary health care program. Before completely abandoning the possibility of a typical health activity in Sudan, the Mission wants to assess the degree to which C.S. activities cover the health needs of the Sudanese population.

The final evaluation will also assist the Mission in determining the desirability of continuing projects, especially health projects, in southern Sudan. If the civil disturbance is resolved or reduced in intensity, USAID/Sudan may want to expand the area of operations in the South through a new project, or continue an activity such as a grant to an NGO/PVO to provide health activity assistance to regional ministries of health. The scope of the evaluation in the South will be determined by the security situation.

The final evaluation and audit will be provided from the increased project funding. An interim evaluation of the northern component was scheduled for 1988, but due to security restrictions was cancelled. Any evaluation done before the new implementing agencies have completed approximately one year of involvement, would not truly reflect project achievement.

LOGICAL FRAMEWORK  
FOR  
SUMMARIZING PROJECT DESIGN

Est. Project Completion Date 8/26/90  
Date of this Summary 6/22/88

Project Title: RURAL HEALTH SUPPORT PROJECT (650-0030) SOUTHERN COMPONENT

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NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program Goal: The broader objectives to which this project contributes: To improve the health status of the rural poor.</p>	<p>Measures of Goal Achievement: In Project area: Decreased morbidity and mortality.</p>	<p>DOH Statistical data; Impact evaluation; Mid Project and end of Project Evaluation.</p>	<p>Concerning long term value of program/project: 1. GOS continues to accord health a national priority. 2. PHCP and MCH/FP services have quantifiable impact on health status. 3. Security deteriorates no further and allows for productive work conditions.</p>
<p>Project Purpose: To strengthen the capacity of the GOS/MOH in the area of management, planning and budgeting, logistics and supply, and to improve the delivery of primary health care and MCH/FP services in the Project area.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status: - More than one third of the Project's total budget is subsumed by MOH. - Active involvement by the Juba Town Council in health planning, management and budgeting. - Attainment of 50% utilization of ANC services by camp residential expectant mothers. - Delivery of 25% of pregnant women by trained personnel. - Counselling reaches 60% of school aged youth on family planning. - Raise the percent of contraceptive mothers to 25%. - 80% and 40% of under fives on growth monitoring surveillance in camp and Juba town respectively.</p>	<p>- Ministry of Finance Records. - Quarterly reports, impact evaluations, project evaluations and MOH statistical data. - Bi-annual Steering committee Meeting Reports.</p>	<p>Affecting purpose to-goal link: 1. GOS commitment to regionalization continues. 2. GOS planning/budgeting system remains decentralized. 3. The target population supports community based participation in primary health care.</p>

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<p><b>Outputs:</b></p> <ul style="list-style-type: none"> <li>- Train and deploy a variety of health cadres in specialized health fields.</li> <li>- Organize regular clean up campaign in residential areas.</li> <li>- Improve and increase community participation in health services delivery.</li> <li>- Develop and implement training materials for community leaders.</li> <li>- Increase community involvement in environmental sanitation.</li> <li>- Design and produce health education materials for personal hygiene and environmental sanitation.</li> <li>- Establish revolving funds for community development.</li> <li>- Institutionalize and increase the involvement of Juba town Council in MCH/FP, PHC and water and sanitation work.</li> <li>- Motivate and mobilize entire project area population to create awareness and encourage better health practices.</li> <li>- Increase access and supply of clean drinking water. Popularize appropriate water storage methods.</li> <li>- Demonstrate the importance of access to public latrines for sanitary environmental conditions.</li> <li>- Procure tools and institute the practice of dig your own latrine campaign.</li> <li>- Minimize MOH recurrent cost for health services.</li> <li>- Develop and implement MCH/FP special services.</li> <li>- Develop a system for effective and efficient Project Implementation.</li> <li>- Equip/furnish and staff the new training facility.</li> </ul>	<p><b>Magnitude of Outputs necessary and sufficient to achieve purpose:</b></p> <ul style="list-style-type: none"> <li>- 8 Medical doctors, 6 trainers (TOT), 3 NMWs, 85 TBAs, to be trained; 78 PHC personnel to be retrained.</li> <li>- 2 MDs in Hospital administration, 1 MD in epidemiology and 1 in demography to be trained. Train 4 HVs in nutrition.</li> <li>- Retrain key health and statistical staff.</li> <li>- Train community leaders in seven (7) neighborhoods in health planning, management and budgeting.</li> <li>- Form 7 health committees in Juba town and 4 in the camps.</li> <li>- Conduct 2 health campaigns (1 yearly) and distribute 7 health posters for public display. Support national anti AIDs campaign.</li> <li>- Conduct 4 impact evaluations on health education and IEC.</li> <li>- Increase the practice of preventive/promotive measures in seven zones in Juba town. 75% of both Juba and camp residents will know correctly the causes of diseases, worm infestations, aids and diarrhoea and how to control and avoid them.</li> <li>- Conduct health education in schools, and community centers.</li> <li>- Sink 4 borewells at clinic sites</li> <li>- Number of wells in use and of water points maintained.</li> <li>- Provide 7 garbage pits.</li> <li>- Build 4 public latrines at strategic public places.</li> <li>- Establish community tool kits and policy on borrowing. Implement tool borrowing system by individual plot holders.</li> </ul>	<ul style="list-style-type: none"> <li>- Updated Health Manpower Development reports.</li> <li>- Training records.</li> <li>- Organization charts and training records.</li> <li>- Training materials.</li> <li>- Established health committees.</li> <li>- Records and reports.</li> <li>- Project Working Committee Quarterly Reports.</li> <li>- Quarterly progress Reports.</li> </ul> <p><b>Affecting output-to-purpose</b></p> <ul style="list-style-type: none"> <li>- RMOH provide adequate administrative support.</li> <li>- GOS will share the necessary funding for recurrent costs specially for staff salaries, drugs and transport.</li> <li>- Petrol available to facilitate transport related to health activities.</li> <li>- Drug supplies are available from Central Medical Stores. Khartoum.</li> <li>- Transportation for supplies from Khartoum is reasonable.</li> <li>- Paper and statistical reporting forms are available.</li> <li>- GOS retains counterpart staff.</li> <li>- Reports and site visits.</li> <li>- Reports of consultative visits to Juba by AMREF HQa personnel.</li> <li>- Detailed periodic narrative progress reports.</li> <li>- GOS records and reports.</li> <li>- Reports.</li> <li>- Reports.</li> <li>- Training record.</li> <li>- Nutrition surveillance.</li> </ul>
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<ul style="list-style-type: none"> <li>! - Furnish/equip and deploy required health workers for nutrition program.</li> </ul>	<ul style="list-style-type: none"> <li>! - Institute cost recovery system in two clinic operations (Malakia and JPPA).</li> <li>! - Establish an evening clinic service in Nyakuron area in Juba.</li> <li>! - Introduce computer system for Project management and health records.</li> <li>! - Operationalize MPTC. Hold official opening. Commence training, itemize number and type of courses held.</li> <li>! - Institutionalize the newly built Nutrition Rehabilitation Center. Number of nutrition courses held; number of malnourished rehabilitated.</li> </ul>		
<ul style="list-style-type: none"> <li>! <b>Inputs: Activities and Types of Resources:</b></li> <li>! - Technical Assistance</li> <li>!   - Long term</li> <li>!   - Short term</li> <li>! - Training Participant</li> <li>!   - Short term</li> <li>! - Commodities:</li> <li>!   - Construction:</li> </ul>	<ul style="list-style-type: none"> <li>! <b>Level of Effort/Expenditure for each activity:</b></li> <li>! - 4 persons/96 PM</li> <li>! - 6 persons/15 PM</li> <li>! - 72 PM diplomas in medical specialties;</li> <li>! - 6 MCH kits \$5,000; computer \$7,500; Tools \$16,000; MPTC furniture \$5,000 and Ls 45,000; Office equipments \$6,000; Workshop equipment \$15,000; training equipment \$5,000 Aircraft fuel \$30,000; fuel, oils and generators \$161,250; drug/medical supplies \$300,000.</li> <li>! - 4 bore wells; 4 latrines;</li> <li>! - 7 garbage/refuse disposal incinerators;</li> </ul>	<ul style="list-style-type: none"> <li>! - Records from Grantee and GOS.</li> <li>! - GOS accounting records.</li> <li>! - Periodic progress reports.</li> </ul>	<ul style="list-style-type: none"> <li>! <b>Affecting Input-to-output link:</b></li> <li>! 1. A.I.D. funding available on timely basis.</li> <li>! 2. GOS and A.I.D. provide adequate local currency support.</li> </ul>

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IMPLEMENTATION PLAN  
(Southern Component)

DATE

ACTIVITY

1. MCH/FP

- July 88 - June 90 A) Throughout the two-year project period it is planned that the assistance to the on-going maternal and child care activities will continue in the two clinics of Lologo, and Malakia. While continuing the technical and financial assistance to these clinics, Rural Health Support Project (South) 2nd Phase (RHSP-S-II) will explore concrete ways of minimizing the recurrent costs at Malakia and Lologo clinics and implement an appropriate method of health financing cost recovery system to minimize the Directorate of Health's (DOH) recurrent costs at the time of handing over the clinics' operations.
- July 88 - June 90 B) The support being presently given to the Juba Planned Parenthood Association (JPPA) (a branch of the national SFPA) is special assistance to enable the Association to do promotional and motivational activities, so as to increase the rate of family planning accepters and practicing couples. Strengthening the IEC component of the JPPA's activity through the use of available and appropriate media and employing family planning field workers will be the primary activity for RHSP-S-II. It is also planned that the new routine technical, logistical support will also continue during the project period.
- July 88 - June 90 C) At the Lologo displaced people's camps clinic the provision of MCH/FP services will continue on increasing the percentage of mothers, expectant women and newly born children under the continuous care of health workers. High risk groups such as new arrivals to the camps will be the priority group.
- July 88 - June 90 D) It is proposed that a new clinic (which will be constructed) is to receive focused assistance in running MCH/FP services during RHSP-S-II. The DOH has emphasized the need for a clinic in the Nyakuron area, and both the African Medical and Research Foundation (AMREF) and the Adventist Development and Relief Agency (ADRA) have responded to this request. It is envisaged that ADRA is to build and start the operation of a new clinic at Nyakuron during the day. Similar services will be provided to those offered by the evening clinic established by RHSP-S-I at Malakia Health Center. RHSP-S-II is to extend MCH/FP

services in the evenings at Nyakuron. This will require collaboration and coordination between AMREF and ADRA. USAID should be informed of the arrangements made between these two agencies.

2. HEALTH EDUCATION/IEC:

- Sept/Oct/Nov. 88      The TAs, their counterparts and other  
Jan/Feb/March 89      health officers will conduct school  
May/Jun/July 89      health education during the 12 months  
Sept/Oct/Nov. 89      out of the 24 month project period.
- March/April/May 89    Two annual campaigns will be conducted (one each year)  
during the two-years.
- March/April/May 90    project time to mobilize the community for environmental  
sanitation work in the township of Juba and the camps.
- March/April/May 89    To enhance and facilitate the school  
May/April/June 90    health education and the public health  
campaigns audio-visual materials will be produced.  
Seven (7) health posters will be designed for  
display in public places, corresponding to the  
timing of the two annual campaigns scheduled.
- Nov/Dec.88            Impact evaluations are planned to take place  
May/June 89           during the Project's second quarter of 1988;  
Dec 89 & Jan 90       fourth quarter of 1989 and the second and third  
May/June 90           quarters of 1990.
- Sept/Oct/Nov 88       Support for the national anti-AIDS campaign  
Oct/Nov/Dec. 89       will be given during three months of each year.

3. WATER AND SANITATION:

- Oct/Nov/Dec 88        Sinking of four (4) bore wells at the clinic  
sites is scheduled to be implemented during  
the first few months (second quarter) of the  
project period, after justification and present  
water status is identified
- Aug/88 to May 89      Four (4) VIP latrines will be built at clinics  
and at strategic community sites.
- Jan to June 89        Seven (7) garbage/refuse disposal  
incinerators will be provided at seven  
selected sites in Juba town.

- Oct/Nov/Dec 88 Community tool kits (Tool pools) will be established. Policy on borrowing will be instituted.
- Jan/Feb/March 89 Commence lending community tool kits to families who will want to construct latrines in their individual plots.

4. COMMUNITY PARTICIPATION/DEVELOPMENT:

- Oct to March 89 The formation of seven (7) health committees to be made up of elders, church leaders, town council and DOH staff residents of the seven neighborhoods will take place. The self-help communities are expected to take responsibility of managing health activities in their respective areas.
- Feb/March 89 Training of community leaders in the seven neighborhoods of: Kator, Munuki, Ghabat, Nyakuron, Malakia, Atlabara and Buluk.

5. TRAINING:

<u>DATE</u>	<u>ACTIVITY</u>
Oct/Nov 88 March/April 89 Sept/Oct 89 Feb/March 90	Continuing education activities for the PHC personnel consisting of 10 HVs 40 MAs and 28 tutors will be conducted throughout the two year project period.
Sept 88 to Dec 89	Eight (8) medical specialists are expected to obtain diplomas in selected medical fields of training.
Sept 88 to Jan 90	Training of Trainers (TOT) for six (6) tutors is expected to take place in Kenya.
Aug 88 to Apr. 89	Training of three (3) VMWs in Juba
Aug 88 to Apr. 89	Training of 3 NMW in Khartoum.
Oct/Nov 88 Feb/March 89 Sept/Oct 89	Training of TBAs in Juba to accomplish 1 TBA for 2000 camp residents.
Sept/Oct/Nov 88 Apr/May/June 89	Training of two (2) doctors in hospital administration in Kenya.
Sept 88 to Jun 89	One (1) Epidemiologist and one (1) statistician demographer will be trained.

Sept/Oct/Nov 88 Four (4) health visitors/nurses will attend Study tours on nutrition and observe the administration of Nutrition Rehabilitation Center in Uganda.

6. HEALTH INFORMATION SYSTEM (HIS)

July 88 to June 90 Supporting the development of HIS throughout the two - year Project period.

Sept 88 to Dec 89 Retraining of key health and statistical staff.

June to Sept 89 Computer for Project Management. Providing hardware and software.

7. OTHER ACTIVITIES:

ON-GOING

ACTIVITY

July 88 to June 90 Finalize the building, equipping, furnishing and staffing work on the Nutrition Rehabilitation Center and with the DOH counterparts plan to meet the operational requirements of the Center and monitor its establishment.

Complete the furnishing, equipping and staffing of the newly built Multi Purpose Training Center (MPTC) and assist the DOH in planning the curriculum of the training programs to be conducted in the Center.

Continue collaboration with the DOH in the finalization of the health personnel requirement projection document.

Continue building institutional capability in planning, budgeting and management of health delivery system in Equatoria Region by working with the headquarters staff in Juba.

Coordinate RHSP activities with PVOs in meeting other health related needs at the camps;

Provide logistical and commodity support for all RHSP activities;

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Provide timely and regular financial and implementation reports to USAID Mission in Sudan.

O/A Dec. 88 Submit to USAID the report on the needs assessment study for MCH/FP services in peri-urban villages.

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

ACTION MEMORANDUM FOR THE DIRECTOR OF THE AFRICA BUREAU OFFICE  
OF PROJECT DEVELOPMENT

FROM: AFR/PD/EAP, Joel Schlésinger

SUBJECT: Sudan Rural Health Services Project (650-0030),  
Approval of Solicitation of an Application for a  
Health Services Support Grant from the African Medical  
and Research Foundation (AMREF), a Single Source

Problem: USAID/Sudan wishes to make a grant to the African Medical and Research Foundation (AMREF) for implementation of vital health services activities in Southern Sudan under the Sudan Rural Health Support Project (650-0030). In accordance with the requirement of A.I.D. Handbook 13, Chapter 2B2, specific approval of the AA/AFR or his designee is required to solicit an application for a grant from a single entity. This authority has been delegated to you by DOA 553, section 4D. The Sudan Mission Director already has the authority to authorize the project amendment pursuant to DOA 551, since the amended project will not exceed \$30 million, and to sign the grant agreement (as distinguished from a cooperative agreement) pursuant to DOA 452 (formerly 149.1.1), since it does not exceed \$5 million. Thus, those actions are not at issue here.

Background: The Sudan Mission plans to amend the Sudan Rural Health Support (SRHS) Project to increase life-of-project (LOP) funding by \$1.037 million for a new LOP funding level of \$19.1 million. The increased funding will provide for a \$2.5 million grant to AMREF to continue its work in Southern Sudan for approximately 24 months. The purpose of the SRHS Project is to strengthen the capacity of the GOS/MOH in the areas of management, planning, budgeting, logistics and supply; and improve the delivery of primary health care and maternal care/family planning services in the Kordofan and Darfur regions (the North), and the Equatoria region (the South).

The initial obligation for the SRHS Project was September 27, 1980. The current PACD is December 1, 1989. The Mission plans to extend the PACD to August 27, 1990. The SRHS Project is divided into two components; one in Northern Sudan and another in Southern Sudan. The Southern Sudan component is being implemented by AMREF. AMREF's contract will expire March 31, 1988. However, the Mission plans to negotiate a no-cost bridge contract amendment extending AMREF's contract until approximately June 30, 1988 to allow AMREF to continue its

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services until a decision is reached on the proposed grant. The original project included the activities covered by the proposed project amendment and grant. AMRLF was initially awarded a \$9.9 million contract (non-competitively, based on predominant capability) for implementation of the Southern component. However, only \$6.5 million was ever committed to the contract, and the SRHS Project Amendment Number 2 reduced the Southern component and reallocated the funds to the Northern component because of the deteriorating security situation in Southern Sudan. The scope of AMREF's contract was also reduced. This project extension and the grant to AMREF will essentially reinstate the activities in the South. The non-competitive approval for the uncommitted portion of the contract, however, will not cover a grant to AMREF, since the approving authority differs.

Discussion: Considering the limitations on GOS resources and the fact that no other non-governmental organization (NGO) is working in the health sector in Juba, AMREF will continue primary health care delivery services in four core areas: (1) continuation of service delivery at three health clinics, and the expansion of support to two additional clinics in Juba in response to increased public demand; (2) training of critical staff at two levels (i.e. family planning and community health education); (3) training of regional MOH staff in MCH, ORT, nutrition, management and statistics; and (4) continuation of efforts to establish a basic health information system. The proposed AMREF activities fit within the Mission's child survival strategy.

The SRHS Project provides the only effective public health services in Juba and the immediate area. AMREF is the driving force behind maintaining the public health services in this region. If AMREF were not able to pursue its proposed objectives, most EPI, ORT and other health services would be drastically reduced. AMREF has considerable experience (since the mid 70's) in implementing health services activities of this type in Southern Sudan, and its logistical support system has been in place for several years (since the early 80's). At this time AMREF is the only qualified organization capable of effectively implementing A.I.D.-financed health activities in the South in a timely, cost effective manner. If the Sudan Mission were to initiate health activities with another organization, additional costs would be incurred to mobilize a new contractor, set up a new logistical system, and develop the necessary professional rapport with Sudanese health personnel. The AMREF staff in Southern Sudan primarily consists of African nationals who have adjusted well to the rigors of a demanding environment in Juba.

AMREF is a registered U.S. PVO with a regional office in nearby Nairobi, Kenya. Consequently, it is able to provide timely oversight and support to its Sudan staff. AMREF has accumulated at least 21 years of experience in the delivery of rural health services in East Africa and has amassed an exceptional portfolio of expertise relating to rural health development that directly relates to the health services development requirements of the SRHS Project. The regional director of the GOS/MOH has stated emphatically that AMREF was a critical factor in continued delivery of critical health services to Sudanese citizens and displaced persons in Juba. No other NGO's are active in the Southern Sudan health sector. The commitment of the regional MOH and its confidence in AMREF to effectively implement the objectives of this component of the SRHS project are very strong.

PROJECT BUDGET

	(\$000's)		
	<u>Old</u>	<u>Addition</u>	<u>New</u>
Technical Assistance	\$ 7,728	\$ 968	\$ 8,696
Training	1,532	60	1,592
Commodities	4,741	-	4,741
Construction	1,860	-	1,860
Other Direct Costs	1,967	-	1,967
Contingency/Inflation	235	9	244
Total	<u>\$18,063</u>	<u>\$1,037</u>	<u>\$19,100</u>

AMREF GRANT PROPOSAL BUDGET

	(\$000's)
Technical Assistance	\$ 1,035
Training	160
Commodities	730
Construction	110
Other Direct Costs	285
Contingency/Inflation	180
Total	<u>\$ 2,500</u>

Under Handbook 13, Chapter 1B2a(3), an assistance instrument (a grant or cooperative agreement), rather than a contract, is appropriate where A.I.D.'s purpose is to "support or intensify the activities of an independent organization which contributes to the achievement of Foreign Assistance Act objectives," rather than to acquire services.

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Here, a grant is appropriate because the Sudan Mission wishes to support the continuation of AMREF's activities in Southern Sudan. The mission wants AMREF to operate independently, without the type of oversight or specificity associated with a contract, because of the security situation in the South. A.I.D. direct-hire personnel cannot get to the South to provide the type of monitoring required for a contract, and the shifting security situation requires greater flexibility for AMREF than a contract could allow. These factors reflect a different situation than when the project was initiated and a contract selected. Additionally, AMREF has developed an independent capacity in this type of activity for A.I.D. to support, both prior to and during the contract period. AMREF was the first health organization invited to work in Sudan by the Southern Region MOH at the conclusion of civil conflict in 1972. In 1976 AMREF collaborated with the World Health Organization in the design of the primary health care program for Southern Sudan, and in implementing the training phase of the program. In April 1982 AMREF was awarded a contract by A.I.D. to implement the Southern component of the Sudan Rural Health Services (SRHS) Project.

Handbook 13, Chapter 2B3c provides that an application for a grant may be considered "from a single entity which the technical office deems unique or most appropriate to undertake the effort which the office wants to support or stimulate." AMREF is most appropriate to undertake the proposed health services support effort because it has extensive experience and capacity in the area and has demonstrated its ability to carry out the aforementioned activities with minimal supervision which is especially important because of the security situation in southern Sudan. Consideration was also given to PRITECH, HEALTHCOM, One America and ISTI but none of these entities has the extensive in-country experience of AMREF nor the logistical capacity to support activities in Southern Sudan. This grant assistance will enable AMREF to continue and expand its activities and continue assistance to the GOS in their successful health and child survival activities.

Recommendation: That you approve the Sudan Mission solicitation of an application for a grant to a single entity, the African Medical and Research Foundation (AMREF), for the implementation of the proposed health services activity in Southern Sudan.

Approved: Carol Kowal

Disapproved: \_\_\_\_\_

Date: April 1982

Salary Supplement Justification

To allow A.I.D. project funds (including U.S. owned local currency and host country owned local currency jointly programmed by AID) to be used for salary supplements of host country government employees, seven criteria must be met. Below is the discussion/justification to allow salary supplements for the implementation of the Rural Health Support Project, which will be implemented by a grant to Africa Medical and Research Foundation (AMREF) in the South and by a new contractor in the North.

Criteria

1. Payments are permitted under host country law and regulations - USAID/Sudan, in consultation with legal counsel in Sudan, has concluded that salary supplements of this nature are common in Sudan and are within legislated regulations.

2. Cooperating entity has demonstrated its inability to make these payments from available resources - The Ministry of Health (MOH) (cooperating entity) does not have sufficient resources to make the proposed payments. Resources for operation of the Ministry of Health currently come from a single source, allocations from the central government through the budget process. Presently in Sudan all Chapter 1 allocations (salaries) come from the central government. Therefore, the only source of resources is from the budget process.

The GOS's reluctance to materially increase government salaries has been reinforced by ongoing negotiations with the World Bank and the International Monetary Fund to reduce government expenditures. There is no plan in the near future to increase government salaries while the GOS is attempting to hold down government expenditures. Salaries have not kept pace with inflation in Sudan and subsequently many trained professionals have emigrated.

3. Supplements are judged essential to the achievement of project objectives. The participation of MOH personnel in this activity is essential if, by the end of the project, the MOH is expected to improve its capacity in the areas of management, planning and budgeting. Without payment of salary supplements to MOH staff, who have been with the activity for several years, it is unlikely that they would be able to continue employment given the high cost of living and the low salaries. The replacement of the core staff would seriously delay the planned achievements of the project objectives.

4. Employees do not receive duplicate payment from other source(s) - The persons who will receive salary supplements do not receive any other remuneration for this activity.

5. (a) Rates and fees paid are in accordance with local standards and are reasonable - The salary supplements are reasonable, with respect to their pay.
  - (b) There is a possibility that the host country entity could provide the additional supplement from its own resources in a reasonable time - The relatively small amount of the salary supplement could be provided by the MOH when government salaries are increased through the budgetary process. The project will end in two years, thus the requirement is not continuing. If the activity was to continue beyond two years (a reasonable time), requirement would be applicable and USAID/Sudan would expect the GOS to provide the supplement payments, albeit probably not in less than two years.
6. Proposed recipients do not carry out policy functions - Most of the recipients are employed because of their technical capability, and the remainder have either management or administrative responsibilities; none of the recipients receive supplements for policy functions.
7. Mechanism which prevents potential abuse - In the South, AMREF is solely responsible for payment of the salary supplements. They will be responsible for reporting and monitoring, as well as disbursing the supplements. AMREF in turn, provides quarterly financial and progress reports to USAID/Sudan. In the North, the salary supplements come from jointly programmed counterpart funds. The use of these funds (including recipients and amounts of supplements) are reviewed and approved twice yearly. Participants in these reviews include staff from the Ministry of Finance and Economic Planning (MFEP), the Ministry of Health (implementing agency), and USAID. Disbursements are done by the MOH and they are also responsible for accounting for all local currency. Under this activity no abuses of GOS (MOH) local currency uses have ever been observed. These procedures leave little, if any, possibility for abuse in either component of the project.