UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D.C. 20523

Family Planning Project

(263-0029)

Amendment # 4

USAID/Cairo
December, 1981

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AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: A (A = Add, C = Change, D = Delete) — Amendment Number 4

DOCUMENT CODE: 3

2. COUNTRY/ENTITY: Arab Republic of Egypt

3. PROJECT NUMBER:

4. BUREAU/OFFICE: NE 03

5. PROJECT TITLE (maximum 40 characters): Family Planning

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM 09 DD 30 YY 84

7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4)
A. Initial FY 82 B. Quarter 2 C. Final FY 82

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

A. FUNDING SOURCE	FIRST FY 1982 B. FX	C. L/C	D. Total	LIFE OF PROJECT E. FX	F. L/C	G. Total
AID Appropriated Total	10,000	12,256	22,256	33,817	33,639	67,456
(Grant)	(10,000)	(12,256)	(22,256)	(33,817)	(33,639)	(67,456)
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S. 1.						
Other U.S. 2.						
Host Country	-	16,500	16,500	-	54,499	54,499
Other Donor(s)						
TOTALS						121,955

9. SCHEDULE OF AID FUNDING ($000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE 1. Grant	2. Loan	D. OBLIGATIONS TO DATE 1. Grant	2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	2. Loan	F. LIFE OF PROJECT 1. Grant	2. Loan
(1) SA	489	490		45,200		22,256		67,456	
(2)									
(3)									
(4)									
TOTALS				45,200		22,256		67,456	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each): 440, 444, 420

11. SECONDARY PURPOSE CODE:

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	BRW	BUW	DEI	PART	PVON		
B. Amount	22.3	10.2	17.5	10.0	7.5		

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen and expand nationwide family planning service systems in order to make such services effectively available and utilized by married couples of reproductive age.

14. SCHEDULED EVALUATIONS
Interim MM 03 YY 82 MM YY
Final MM 06 YY 83

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

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 62 page PP Amendment.)

This amendment provides additional funds to family planning project 263-0029 to: (a) support on-going activities for contraceptive and service supply, training, innovative activities, information, education, and communication; (b) continue the rural integrated social services delivery sub-activities and the urban-based private sector contraceptive retail sales program.

17. APPROVED BY
Signature: Donald S. Brown
Title: Mission Director
Date Signed: MM 12 DD 18 YY 81

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

AID 1330-4 (8-79)

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

FOURTH AMENDMENT

TO

PROJECT AUTHORIZATION

Name of Country: Egypt

Name of Project: Family Planning

Number of Project: 263-0029

1. Pursuant to Section 532 of the Foreign Assistance Act of 1961, as amended, the Family Planning Project for Egypt was authorized on September 27, 1977, and amended on August 22, 1979, August 27, 1980 and January 30, 1981. The third paragraph of that authorization, as amended, is hereby further amended by deleting, "Forty-Five Million United States Dollars ($45,000,000)" and substituting in lieu thereof "Sixty-Seven Million Four Hundred Thousand United States Dollars ($67,400,000)."

2. The Project Grant Agreement Amendment, which may be negotiated and executed by the officer to whom such authority has been delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

a. Source and Origin of Goods and Services

Goods and services, except for ocean shipping, financed by A.I.D. under the Project shall have their source and origin in the Cooperating Country or in the United States, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the Project shall, except as A.I.D. may otherwise agree in writing, be financed on flag vessels of the United States.

b. Covenants

(1) The Cooperating Country shall covenant that the Ministry of Health ("MOH") and the other implementing agencies will participate in evaluation programs that will allow:

(a) Evaluation of the population sector and progress toward attainment of the objective of the Project;

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(b) Identification and evaluation of problem areas or constraints which may inhibit such attainments;

(c) Assessment of how such information may be used to help overcome such problems; and

(d) Evaluation, to the degree feasible, of the overall development impact of the Project.

(2) The Cooperating Country shall covenant that the MOH will coordinate the overall implementation of the Project in cooperation with other ministries, agencies and institutions and that funds under this Project will be made directly available to those cooperating agencies and institutions as well as the MOH. A.I.D. and the Cooperating Country shall consider ways to institutionalize population activities deemed to have long-term merit. The Cooperating Country shall insure that the MOH will continue to upgrade urban and rural family planning services, as well as support hospital post-partum services as a component of comprehensive family planning availability.

3. Based upon the justification set forth in the Project Paper Amendment, I hereby determine in accordance with Section 612(b) of the Foreign Assistance Act of 1961, as amended, that the expenditure of United States Dollars for the procurement of goods and services in Egypt is required to fulfill the purposes of this project amendment; the purposes of the Project cannot be met effectively through the expenditure of U.S.-owned local currencies for such activities; and the administrative official approving local cost vouchers may use this determination as the basis for the certification required by Section 612(b) of the Act.

4. The authorization, as amended, cited above, remains in force except as hereby amended.

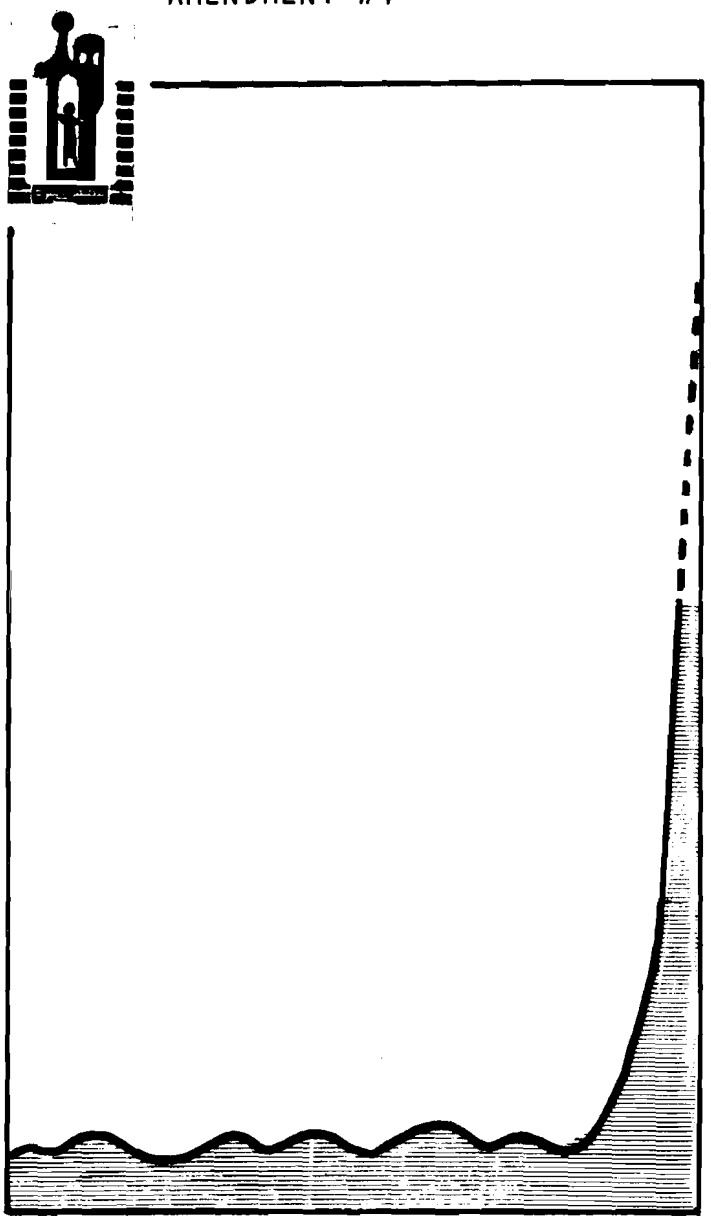
April 2, 82
Date

AA/NE:WAFord date 31 MAR 1982
AA/PPC:JBolton date 3/31/82
GC:KKammerer date 31 Mar 82

FAMILY PLANNING PROJECT

(263-0029)

AMENDMENT #4



USAID/CAIRO

DECEMBER 1981

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AMENDMENT # 4

FAMILY PLANNING PROJECT

(263-0029)

I. INTRODUCTION

USAID requires an increase in Life of Project funding for the Family Planning Project to cover an additional year of financing requirements for ongoing activities related to contraceptive service supply; integrated social service (family planning) delivery; training; innovative activities and technology transfer; and information, education and communication (IE&C).

The focus and purpose of the project is as originally presented in the approved FY 1977 Project Paper (PP). This Amendment is integral to that document and (subsequent) Amendments, which added an IE&C element and increased funding for the Project. The Amendment is consistent with the CDSS, which underlines the critical nature of Egypt's population problem and its effect on development programs and progress. The CDSS notes that the Government of Egypt (GOE) has developed a potentially viable population program strategy. This Amendment will allow USAID to continue to support the GOE program while the GOE-USAID conducts an in-depth Population Assessment in early 1982.

Based on a GOE-USAID review of needs, USAID recommends the Life of the Project grant financing in FY 1982 be increased by $22.3 for a new total LOP of $67.5 million. Of this increase, $12.3 million will be converted to Egyptian Pounds for local costs. (See Annex which provides justification for the 612B determination.)

Demographic Situation

The graph superimposed over the Egyptian family planning symbol is not a heart beat, nor the Dow Jones ticker. It is 3,500 years of population growth in Egypt.

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During 1500 BC, at the time Moses fled Egypt, the population numbered around 2.5 million. During the last millennium B.C., the population undulated with good times and bad times. The population declined in the first centuries A.D. as land was fully exploited under existing technology. Over the next hundreds of years the population meandered as it rose and fell according to bountiful harvests or whether there was plague, famine or war. During the last period of the Ottoman rule the economy stagnated and population drifted downward. Upon the arrival of Napoleon in 1798, Napoleon's savants estimated the population in Egypt was 2.5 million.

In summary, from the time Moses fled Egypt to the time of Napoleon's invasion, some 3,300 years, there was little, if any, increase in Egypt's population.

As the graph on the cover indicates, the population began to increase steadily in the 19th century, then spiked in the Twentieth Century. In 1900 the population was 10 million; by 1950 it had doubled to 20 million; it doubled again in 30 years to 40 million in 1980; it will, in all probability, double again to 80 million in 20 years.

Egypt's population as of January 1981 was estimated to be 43.0 million*. The Central Agency for Public Mobilization and Statistics CAPMAS reports the population is currently increasing by 1.26 million people a year, or at an annual rate of 2.97% a year. This rapid rate of population growth is a result of a high birth rate and a relatively low death rate.

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* A Statement on Population of the Arab Republic of Egypt, Central Agency for Public Mobilization & Statistics, January 1981, Cairo, Egypt

The death rate has declined steadily since the late 1940s with an increase in the expectation of life at birth from about 30 years to 50 years; the expectation of life at age 10 has risen to about 55 years.

The birth rate fell during World War II but returned to pre-war levels in the late 1940s. In the early 60s, the birth rate was still high. During the war years of 1967 and 1973, the birth rate declined by about 20% but since that time has risen, with a resultant increase in the rate of population growth to its current high level.

In a recent, as yet unpublished, report on Egypt fertility and mortality, it is estimated that the crude birth rate in 1977 and 1978 was just above 40, with a possible additional increase in 1979*. CAPMAS has suggested a slight reduction in the birth rate in 1980, but these data are not yet available. USAID estimates the population for the period 1981 to 1982 probably increased at a rate of 2.8 - 2.9%, which means a doubling of the population in 24 years.

The Government of Egypt recognizes that continuation of the current high rate of population growth will make it difficult - if not impossible - to attain social, economic, and political development goals. Analysis of the consequences of continued rapid population growth for the social and economic development of Egypt deserves more detailed and precise treatment than is possible in this Amendment. It is useful, however, to present some of the effects of population growth on economic objectives in Egypt as illustrations of the need for effective population policies.

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* The Estimation of Recent Trends in Fertility and Mortality in Egypt, Panel on Egypt, Committee of Population and Demography, Assembly of Behavioral and Social Sciences, National Research Council. National Academy Press, Washington, D.C., 1981 (Available in 1982).

Past Egyptian economic strategy depended on land reclamation and resettlement schemes to improve productivity in rural areas and relieve population pressures in the densely populated Nile River Valley and Delta regions. There has also been talk of developing the Sinai. Agricultural experts estimate that 4 feddans of cultivable land are needed to provide an adequate income for a rural household; many households of course live on less. At the present time, the total cultivated area of the Nile Valley is close to 6 million feddans, or 1.4 feddans per household. If present fertility continues and rural to urban migration rates remain at current levels, then the cultivatable feddans per rural household will decline from 1.4 feddans in 1980 to 1.05 feddans in the year 2000 (assuming constant cultivated area). Even if fertility were to fall to a two-child family by the year 2000, there would be a decline to about 1.32 feddans for the average household in that year.

Pressure of people on land is the issue that has the greatest impact on Egyptian attitudes. A close second is the problem of urban sprawl, which each year is taking more lands out of cultivation than are brought in by reclamation. There is little evidence that these trends will be reversed, certainly not with anything approaching current fertility rates.

Projections show that future demand for social services will grow, perhaps beyond the capacity of the economy to supply them. There may be political and social repercussions from the continued inability to meet the basic needs of the population such as: education, housing, transportation, water, and health services.

Consideration of the feasibility of achieving 100 per cent enrollment for children of primary school age provides a perspective on the consequences of population growth for achieving development goals.If the current population growth continues, the number of primary school age children will continue to grow, from 6.8 million to 12.2 million by the

year 2000. If current enrollment ratios are maintained (requiring an investment in annual operating costs of more than L.E. 136 million by the year 2000, not counting costs of expansion), the school system will be handling close to 3.5 million more children than it is today.

On the other hand, if fertility were to be reduced to a three child family by the year 2000, it would be possible to achieve close to 100 percent enrollment in that year with investments of the same order of magnitude as will be required to maintain 65 percent enrollment under current conditions.

High fertility is also a major factor in maternal and child illness and death. Many early or closely spaced pregnancies weaken a mother's health and reduce her capacity to provide good prenatal and infant care. Closely spaced births tend to be associated with higher rates of disease and death for mothers and children.

II. TOWARD AN EFFECTIVE GOE POPULATION PROGRAM STRATEGY FOR THE 80S

Egypt has been struggling to develop an effective population program since the early 1900s when a number of elites began to consider the problems of population growth. During this period, the population increased from 13 million in 1917 to 16 million in 1937, or 1.04% annually.

During the 1930s, the Egyptian Medical society promoted the use of contraception to control fertility. The group obtained a Fatwa (religious decision) from the Grand Mufti of Egypt. This Fatwa sanctioned the use of withdrawal and other methods to prevent pregnancy. During the 50s, private family planning clinics were established in Cairo and Alexandria.

In 1962, the National Charter recognized rapid population growth as an obstacle to Egypt's development plans. In that year, the Alexandria Family Planning Association was established and a Department for Population and Family Planning Studies was organized in the Ministry of Social Affairs. President Nasser had mixed feelings about family planning. He noted his ambivalence in an interview he gave in 1959 to the Christian Science Monitor:

> "I am not a believer in calling on people to exercise birth control by decree or persuasion. Instead of teaching people how to exercise birth control, we would do better to teach them how to increase their land production and raise their standard. In my opinion, instead of concentrating on birth control, we would do better to concentrate on how to make use of our own resources. We live in and make use of only 4% of the area of our country. The rest is neglected and desert. If we direct our efforts to expanding the area in which we live instead of concentrating on how to reduce the population, we will soon find the solution."

Later in the National Charter, which supposedly had Nasser's support, there was a reversal. The Charter stated:

> "Population increase constitutes the most dangerous obstacle that faces the Egyptian people in their drive towards raising the standard of production in their country in an effective and efficient way. Attempts at family planning deserve the most sincere efforts by modern scientific methods" (The National Charter, 1962).

In 1965, the Supreme Council of Family Planning was established by a presidential decree and headed by the Prime Minister and composed of ministers and the head of Central Agency for Public Mobilization and Statistics. In 1966, an Executive Board of Family Planning was established and entrusted with launching a national family planning program using the health infrastructure composed of health clinics. The Egyptian Family Planning Association also undertook the coordination of private, voluntary efforts in association with the International Planned Parenthood Federation based in London.

In 1973, the national policy changed direction and adopted "The Socio-economic Approach to Fertility Reduction". This approach recognized the role of socio-economic variables in affecting fertility and sought to manipulate nine factors simultaneously. These were:

(1) Raising the standard of living of the family
(2) Education
(3) Employment of women
(4) Mechanization of agriculture
(5) Industrialization of the countryside
(6) Reduction of infant mortality
(7) Social security
(8) Information and publicity
(9) Specific services including family planning services.

In 1975, the GOE approach was further modified and called the "Development Approach to the Population Problem." This approach attempts to define the problem in its entirety, viz., rapid growth, maldistribution, and characteristics (low literacy, etc.). This policy takes the community as its platform to transfer the responsibility for implementing population and family planning policy and action.

In 1979 and 1980, there were additional statements on policy which USAID believes provide a framework for an effective population program strategy*. Three program areas for concentration are: (1) upgrading family planning services; (2) expansion and institutionalization of community based population socio-economic programs to stimulate family planning practice; (3) strengthening educational, population education and Information, Education and Communication (IE&C) to induce a change in fertility behavior and institute a small family norm through widespread modern contraceptive use.

The above emphasis areas are more than cosmetic as they:

- Clearly recognize the need to increase modern contraceptive use, through improved, more available, effectively used family planning services.
- Emphasize the importance of giving special encouragement to the private sector to involve private doctors and pharmacies in the effort to increase contraceptive use.

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* - Statement to Egypt Consultative Group Meeting in Paris by Professor Dr. Mamdouh Gabr, Minister of Health and Chairman of the Supreme Council for Population and Family Planning of Egypt, 1979.

- National Population, Human Resource Development and Family Planning Programme Strategy. Arab Republic of Egypt, December 1980.

- Stress the importance - especially in rural areas - of involving the community in recognizing problems created by rapid population growth.
- Encourage the community to promote family planning as an individual and community program in order to establish the small family as a peer example and later as a community norm.
- Assign priority to improving contraceptive production, supply and distribution through improved planning, contraceptive stock and flow systems with more effective distribution throughout the country.
- Explicitly consider education as a critical element in reducing rapid population growth and assign priority to absorbing all children of school age, as well as promoting basic education through the intermediate level.
- Promote population education for in and out of school programs.
- Reinforce the important role of mass media in maintaining an information flow on population/family planning, as well as promote face-to-face and group communication for informing and educating people about population and family planning services.
- Discuss policy alternatives such as the trend to expand social security; promotion of employment opportunities for women; consideration of incentives for the small family; and, examination of policies, i.e. food subsidies, that may encourage large families.

During the period 1977-1979, the GOE had an informal policy of focusing population programs and donor assistance in specific geographic areas, i.e., IBRD in Minia Governorate; USAID in Menoufia Governorate. For the 80s, the GOE has stated that a viable national family planning program must be flexible, decentralized and eclectic - taking elements from various approaches and applying them where appropriate. The geographic specific approach was designed to test alternative family planning models, but tended to isolate donor and GOE principals from the

sharing of ideas and field experiences. It also restrained nationwide expansion as certain geographic areas were "off limits." Additionally, the GOE was reluctant to commence a nationwide program until all cost and program effectiveness data were in. Invariably, such test projects tend to lag, while data collection and analysis drag on and on and on ...

The GOE has now turned from a vertical, or geographic, concentration to a more functional orientation. The shift is to horizontal tiers of service: channels where interested couples can obtain family planning services in either the public or private sector.

The current strategy is intended to increase availability, capability, information reliability and to afford more efficient access by designing action programs that provide for multiple service and delivery points. USAID believes the GOE can achieve a substantial increase in modern contraceptive use through such a system which offers alternative public and private family planning service outlets for married couples of reproductive age, enabling them to secure information and contraceptive supplies easily and at an affordable prices.

At the rural community level, the community-based Menoufia Project and Population Development Project (PDP) are functioning to sensitize and educate local leaders about population, as well as upgrade the local health clinic and deploy outreach workers.

In the village, there is household distribution of contraceptives as well as local resupply. (The USAID supported "Menoufia Project" has demonstrated the feasibility and efficacy of household distribution.) There is a minimum dependency upon the clinic for non-surgical means of contraceptives: oral contraceptives, condoms, foam tablets and other simple methods. In case of side effects, supply disruption, or other failure, users move to the next service channel -- the clinic. At the clinic level, the user has access to the physician's services for

use-complaints, or an alternative means of contraception such as an IUD. In both rural and urban clinics, the GOE is actively improving the public health delivery system.

A higher level of service is available at district and governorate capitals. University hospital family planning service centers offer treatment of complications as well as surgical alternatives for high-parity, older-risk patients. In 1982, the GOE hopes to introduce post-partum family planning services, which would entail counseling and explanation of family planning service alternatives for newly delivered mothers. The MOH is currently reviewing a proposal for the introduction of a post-partum family planning program in maternity hospitals and clinics.

In the private sector, the GOE, through the Ministry of Social Affairs (MSA), has commissioned the Family of the Future (FOF) to promote family planning and modern contraception through private physicians and commercial outlets, such as pharmacies and street stand vendors. During the past six months FOF has expanded from Cairo to Alexandria and is testing the market in selected urban areas of the Delta. The intent is to provide couples with an alternative to the public health system for modern family planning services.

With multi-tiered service and supply networks being established more widely, there is an obvious and corresponding need for a well articulated mechanism to stimulate demand at all social levels of people who are (or soon will be) of reproductive age. This is the mission of the Information, Education and Communication elements, ranging from the mass media's central GOE messaging from Cairo, and such reinforcement as can be gotten from governorate levels, to the sensitization and enlightenment of local leaders on population matters, and, finally, the face-to-face motivation that can be effected door-to-door in rural and village settings.

The National Population Strategy (1980) sets forth the parameters of these messages: i.e. "to create and maintain public awareness of the ill effects of rapid population growth on both national development efforts and family well-being." The Strategy also gives guidance on the substance of such messages, pointing out that they should: (1) motivate individuals to adopt the small family norm (2) inform and educate the target population on contraception (3) overcome adverse social reactions and misinformation, and (4) maintain a dynamic momentum for program personnel and their leadership.

The mass media, commanding as they do all the paraphernalia of radio, TV, cinema and printed materials, have relatively accessible, time-tested channels of dissemination. And, given the broad coverage of radio and the rapidly growing television following among the populace, it is comparatively simple to reach even the illiterate masses, once the decisions are made about what the public is to be told.

But, for the more definitive, pin-pointed delivery of messages to individual communities and households, the mass media channels require reinforcement laterally, through the participation of other ministries and institutions, and, "down the line", from various voluntary organizations with their own IEC units and apparatus, outreach workers, and indigenous approaches. To these ends the National Strategy enjoins the active participation of the Ministries of Social Affairs, Culture and Information, Wakfs, Agriculture; the Supreme Council for Youth, etc. It also calls for heavier emphasis on the role of voluntary organizations and upon community based programs which stress home visiting and rural rapport.

Equally important is the intention of continuing, with greater emphasis, support for the other media: the person-to-person processes of imparting population education through secondary school teachers and curricula, familiarizing the average family planning worker with

knowledge of the products he or she is "selling", how they work, their efficacy (and limitations), and their availability, convenience, cheapness, safety and overall (though hard to define) property of promoting family welfare through "reproductive health".

This latter "other media" sector is vast; it requires more meaningful and attractive materials, more thoughtful and careful training, and infinitely more attention to coordination to avoid duplicated efforts, waste of time (for trainers and trainees alike), and the risk of central messages and themes being lost in translation by workers at the end of the line who can and often do cause program backlash.

In other support areas, USAID believes the GOE has strengthened its commitment at the leadership level to slowing population growth. The Population and Family Planning Board believes that President Mobarak will call for a special review in 1982 of the population problem in Egypt and the GOE strategy and programs.

There is also GOE interest in expanding the study of population policy alternatives. These include such basic concepts from social security to the more complicated issues of taxation, housing and the subsidy programs. At the same time, there is an increased emphasis on improving population data in order to better understand program effectiveness, as well as Egypt's population dynamics.

Research priorities are aimed at operations research in order to improve the service programs such as Menoufia, Beni-Suef, PDP, and SIS's information program, as well as to answer questions about the relationship between population and socio-economic variables and the changing distribution of population flows in and out of Egypt.

The GOE Strategy recognizes management and administration as an area of needed improvement. The management concern encompasses a wide range of activities: policy support, planning, staffing, training, research, monitoring, evaluating and budgeting.

In sum, USAID believes the GOE has a framework for an effective population strategy. It is comprehensive enough to allow flexibility in what has almost come to be seen by some Egyptians as an intractable problem. The strategy articulates the need to reduce the birth rate largely through a rapid increase in contraceptive use. It calls for a multiplicity of actions to bring about a dramatic change in behavior. Although USAID believes the GOE has an appropriate strategy for this time, and the beginnings of a diversified, potentially effective program, it is clear that the GOE must persists and remain committed through the decade of the 80s in order to slow rapid population growth.

AID Population Assistance

In early 1982, USAID and the GOE will undertake a major population sector assessment. We expect this assessment to include a review of the GOE program strategy and USAID assistance thereto. The assessment will enable USAID to develop increased sectoral population assistance to the GOE for the period FY 1983-87. USAID believes Egypt has the opportunity to establish a strong national family planning program during the decade of the 80s and can initiate a significant reduction in the birth rate over the next few years. Our critical assumption is that the GOE will continue the recent strong support and concern for population control and that recent events will not detract from this effort.

USAID population strategy as outlined in the March 1978 Multi-Year Population Strategy Paper and reiterated in the CDSS is to encourage the GOE to develop and refine a viable population policy and program strategy. USAID has sought to assist the MOH in improving the

effectiveness and efficiency of Ministry of Health family planning services and administration.

USAID believes the above noted GOE Population Strategy is an effective framework for beginning to gain control over population growth. The GOE has recognized the problem, set demographic targets, and defined actions that include upgrading current family planning services, the active involvement of the private sector through pharmacies and private doctors, community involvement and participation, as well as extensive IE&C activities.

Since the articulation of the GOE 1980 Strategy Statement, USAID has worked with the Ministry of Health and the Population & Family Planning Board to target USAID population assistance in line with the GOE program strategy.

Briefly, USAID has purchased large quantities of contraceptive (IUDs, spermicides, condoms, and diaphragms) in order to increase stocks and maintain a full contraceptive pipeline. USAID has also supported an in-service training program for physicians that provides an update on contraception and includes IUD insertion training. In the private sector, USAID - with the concurrence of the MOH - has provided assistance for the expansion of the Family of the Future contraceptive retail sales program. In the realm of community based programs in rural areas, USAID is supporting the Menoufia Project, which has tested the efficacy of household distribution of contraceptives. USAID has also joined the UNFPA in supporting the PFPB's Population and Development Project (PDP), a like rural population program active in 12 other governorates. In the IE&C sector, USAID has provided support to the GOE State Information Service (SIS) for a mass media information campaign, which has developed a variety of messages on the problems of rapid population growth, as well as information on family planning services and modern contraception.

USAID has also sponsored an annual population education workshop for teachers from various parts of Egypt.

To date USAID has obligated $45.2 through FYs 1977-1981 for the USAID-MOH Family Planning Project (0029). We have committed $33.5 million and expended $18.0 million of Project funds as of September 30, 1981.*

In addition to the USAID Family Planning Project Assistance, USAID has supported MOH activities which strengthen the health system's ability to delivery more effective services.

USAID is supporting the Rural Health Project, which is testing improved family planning clinic services in the four governorates of Assiut, Fayoum, Beheira and Dakahlia. The Urban Health Project will improve public health family planning services and outreach in Cairo and Alexandria. The MOH National Diarrheal Disease program will enhance and strengthen public health services, as well as decrease infant and child mortality, thereby complementing a decline in fertility.

Since 1975, USAID has also provided assistance to a number of other undertakings in Egypt directly and indirectly supportive of GOE efforts to improve quality of life of the population, e.g., activities in the fields of health, nutrition, housing, sewerage, water supply, manpower resource development, education, employment generation, and the like.

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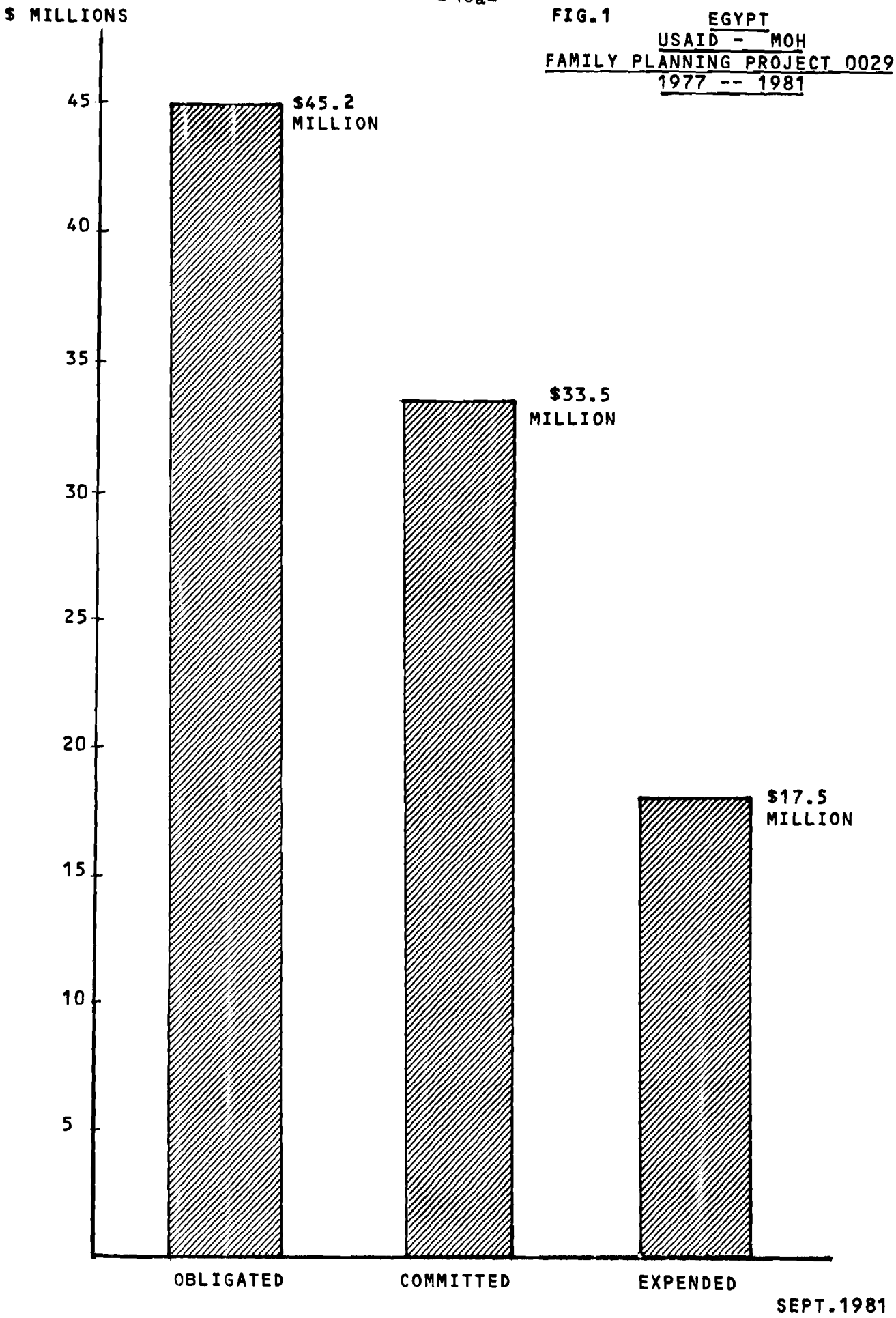
* As of 1 December 1981, USAID has committed $35.2 million and expended $20.0 million.

FIG. 1

EGYPT
USAID - MOH
FAMILY PLANNING PROJECT 0029
1977 -- 1981



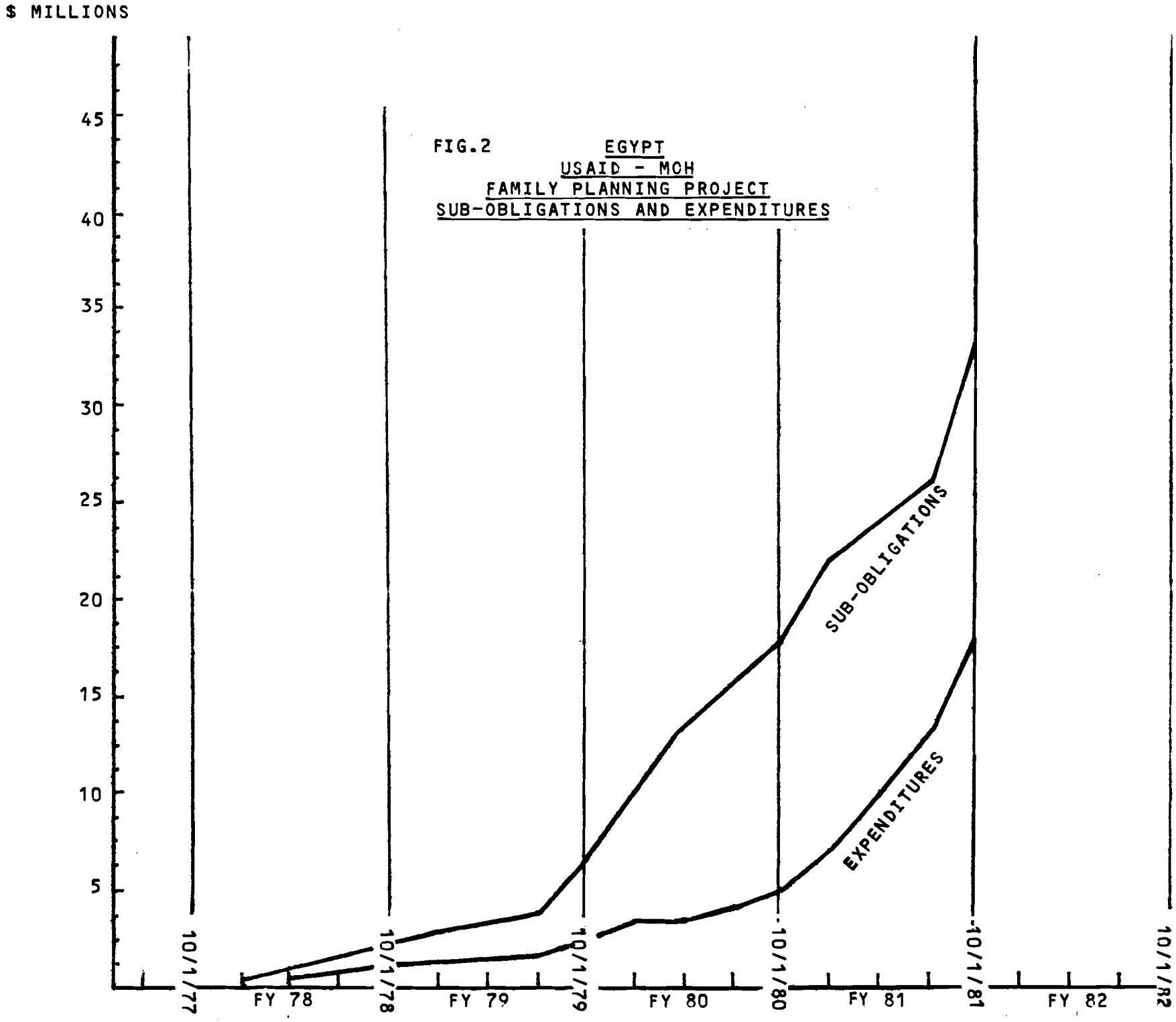


FIG.2 EGYPT
USAID - MOH
FAMILY PLANNING PROJECT
SUB-OBLIGATIONS AND EXPENDITURES

III. FAMILY PLANNING PROJECT (0029)

A. Goal and Purpose

The project goal and purpose remain as stated in the approved FY 1977 Project Paper:

(1) TO REDUCE AS RAPIDLY AS POSSIBLE THE POPULATION GROWTH RATE IN ACCORD WITH THE GOE'S POPULATION AND FAMILY PLANNING POLICY.
(2) TO STRENGTHEN AND EXPAND NATIONWIDE FAMILY PLANNING SERVICE SYSTEMS IN ORDER TO MAKE SUCH SERVICES EFFECTIVELY AVAILABLE TO MARRIED COUPLES OF REPRODUCTIVE AGE.

B. Project Highlights

AID/W approved on 23 September 1977 the Family Planning Project Paper for three years and an amount not to exceed $17 million. USAID amended the PP in September 1978 (Amendment # 1) to add a sixth element of assistance: Information, Education and Communication. USAID proposed and AID/W approved a second Amendment (Amendment # 2) in August 1980 adding $25.0 million to the Family Planning Project for the continuation and expansion of population/family planning activities. AID/W amended (Amendment # 3) the Project in January 1981 authorizing an additional $3.0 million to support with ESF funds AID intermediary programs in Egypt for a project total of $45.2 million.

The U.S. and GOE signed the first Family Planning Project Agreement for $4.2 million in September 1977. The Amendments are listed below:

Obligations	$ Million
Agreement - 30 September 1977	4.2
Amendment 1 - 28 September 1978	6.0
Amendment 2 - 29 August 1979	6.5
Amendment 3 - 9 September 1980	10.0
Amendment 4 - 12 March 1981	18.5
Total Project Agreement & Amendments	$ 45.2

In October 1979, the Auditor General audited the Family Planning Project *, and while there were a number of recommendations which needed action, the audit did not raise fundamental issues about the Project per se. All audit recommendations are closed.

C. Family Planning Project Implementation (FY 1977-FY 1982)

In the original PP and Amendments, USAID has provided assistance to the GOE in six areas:

- Contraceptive Availability
- Administrative Improvement
- Integrated Social Service Delivery
- Training
- Innovation and Technology Transfer
- Information, Education and Communication

In the original PP, USAID stated its intent to work collaboratively with the GOE in identifying family planning needs. USAID also noted we would ... "continue to engage in an ongoing dialogue with host country officials in order to modify these activities as necessary, to meet changing needs, and jointly to design new activities to meet additional identified assistance requirements and to respond to targets of opportunity."

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* Audit Report on Family Planning in Egypt, Area Auditor General/Egypt October 30, 1979.

USAID believes we have successfully followed this philosophy and increasingly we envision a promising GOE population program strategy for the 80's. We plan to assess the strategy and USAID population assistance in early 1982. As previously noted, USAID has obligated $45.2 million for the USAID-MOH Family Planning Project. Of this amount, $33.5 million is either sub-obligated or under administrative reservation (Table 2) as of 30 September 1981 ($29.0 million sub-obligated plus $4.5 million under administrative reservation = $33.5 million). USAID has spent $18.0 million as of 30 September 1981; The Project achieved 126% of the planned FY 1981 expenditures. (Table 3)

USAID estimates that $34.0 million is required during FY 1982 in order to maintain momentum and progress in the Population Family Planning Sector. These funds do not involve major expansion of current activities, but will allow the GOE-USAID to conduct a March 1982 assessment, as well as design follow-on USAID population assistance without jeopardizing current activities.

The aggregate funding plan is depicted in Table 3, in which the un-committed $11.7 million from funds obligated in FY 1981 plus the $22.3 million requested in this Amendment, will allow USAID to commit the $34.0 million required for FY 1982 ($11.7 million plus $22.3 million = $34.0 million). The Project details of the FY 1982 $34.0 million requirements are contained in Table 4.

1. Contraceptive Availability

USAID has obligated $10.8 million under this element in order to insure contraceptive availability in the public and private sectors. As of September 30, 1981 USAID has sub-obligated $10.6 million and expended $6.6 million.

a. Contraceptive Services

Under this element USAID has purchased (via PIO/Cs) medical kits and pelvic models for MOH family planning in-service training as well as supplies of condoms, foam tablets, Lippes Loops (IUDs), copper IUDs and diaphragms for the family planning service program.

USAID coordinates contraceptive purchases with the MOH and the Population and Family Planning Board (PFPB). We have developed a close working relationship with the MOH and PFPB in assessing contraceptive requirements and processing orders. We foresee continued increasing demand for contraceptives, and USAID expects usage to increase from 1.5 million users in 1981 to 2.0 million by mid-1983.

USAID requires in Fy 1982 an additional $6.0 million for contraceptive availability. USAID will utilize $1.2 million of these funds to provide:

- Copper-T IUDs
- Colored Condoms
- Foam Tablets
- Emko Foam
- Oral Contraceptives (raw materials and finished cycles))

The above orders are based on an MOH-PFPB analysis of contraceptive requirements for calendar year 1983 and are intended to maintain a year's supply in the central assistance.

Since 1978 (the first year of this project), USAID believes contraceptive use increased from 18% to 24% by mid-1981. A more detailed analysis of contraceptive use by method is contained in Section V of this Amendment.

b. Family of the Future

Additionally, USAID will provide the balance of the $6.0 million, or $3.2 million, in support for the Family of the Future, to allow consolidation of the project throughout the Greater Cairo area and expand to Alexandria and other urban areas in the Delta.

The Family of the Future (FOF) is one of the several Social Marketing Programs (SMPs) operating around the world. SMP programs utilize retail networks to extend the subsidized distribution of consumer products, i.e., contraceptives to individuals who might not otherwise be reached. A.I.D has found that contraceptive retail sales projects are one of the most quickly accomplished means of distributing family planning commodities and information in developing countries. Through the use of marketing "push" from the incentive of profits to retailers, wholesalers, and distributors, and the "pull" of the demand created by advertising and promotion, SMP projects in numerous cultural and geographical settings have achieved significant increases in contraceptive usage.

The Egypt activity was launched in June 1979 under the name Community Based Family Planning Services, and received support from the International Planned Parenthood Federation. USAID began funding the project in September 1980. Technical assistance from the (U.S.-based) Triton Corporation of Washington, D.C. began in June 1981.

The purpose of the Family of the Future project is to increase the demand for and commercial availability of contraceptives among urban dwelling couples of reproductive age. The project currently serves the Greater Cairo area and has expanded to Alexandria on a pilot basis. In the upcoming year the project will continue to consolidate activities in the Greater Cairo area, expand to Alexandria and test markets in urban areas of the Delta region between Cairo and Alexandria.

Four products are currently marketed through the program: the Copper-T and Copper-7 (Gravigard) IUDs; the condom (Tops) and Foaming tablets (Amaan). Sales of all products have increased dramatically since the program began. The Copper-T has been the most important product both in terms of sales value and contraceptive effectiveness. More than half of the 91,000 IUDs have been sold to private physicians; the remaining sales have occurred through the 2500 pharmacies in Cairo.

FOF products have been distributed and sold in two ways: by the detail sales force of the project directly to doctors, hospitals and pharmacists; and by a private pharmaceutical distribution company which serves the Greater Cairo area and delivers directly to retail pharmacies and hospitals.

Three major promotional tools are utilized by the project: the detail sales force, mass media advertising, and a force of volunteers. The six sales supervisors or detail persons, who are responsible for medical promotion or sales, provide information on family planning, product characteristics and correct IUD insertion techniques to physicians and pharmacists. Each sales supervisor usually visits an avarage of five doctors and five pharmacies in an evening, in addition to hospitals which are visited in the morning.

The Egyptian SMP has been quite imaginative in promotional activities which include contests in the media, summer camps and advertising at major sports events. Television and radio, which have great impact in urban areas, are also utilized by the project. To date stress in broadcast media has been on family planning awareness, acceptance of a small family concept, and the image of FOF as a provider of quality products and services. In 1982, FOF's communication strategy for broadcast media will become more brand specific by employing spot advertisements. As a result, the advertising is expected to be both more effective and costly.

The volunteers provide an effective interpersonal aspect to the FOF through personal interviews and factory and community rallies. The volunteers organize the rallies at which an FOF staff person plus a physician and religious leader will explain contraceptive methods, answer questions about contraception, distribute product samples and provide information on product availability. In 1981 nearly 40,000 people attended 400 rallies.

2. Administrative Improvement

USAID has obligated $436,000 for this element. As of September 30, 1981, we have sub-obligated $100,000 and expended $ 100,000.

USAID has provided office equipment and supplies to the MOH for administrative improvement of the Ministry's family planning services. The MOH is increasingly active in upgrading its capability in supporting the family planning program. The MOH/USAID Family Planning Project Coordinator has obtained expanded and improved office space in the MOH. The MOH has designed an IUD in-service training project (described under the Training Element); as well as a rural clinic family planning in-service course to upgrade clinic nurses and staff. The MOH is currently developing a "House Officer" training program designed to provide a two-week intensive family planning course for all newly graduated physicians. The course will operate in 36 hospitals throughout Egypt and reach approximately 5,000 newly graduated physicians a year. USAID will support the course under the Training Element of this Project.

No additional funds are budgeted in this Amendment for this Element. The MOH will participate extensively in the early 1982 Assessment. Additional USAID assistance for MOH administration will depend in part on the outcome of the 1982 Assessment.

3. Integrated Social Service Delivery (ISSD)

USAID has obligated $14.6 million for this element. As of September 30, 1981 USAID has sub-obligated $8.4 million and expended $5.6 million.*

In the late 70s, the GOE tested two separate but complementary rural community-based family planning programs: Menoufia and the Population and Development Project (PDP). These programs offer realistic possibilities for increasing contraceptive use in rural areas. The programs are of particular interest to AID since they address basic human needs/quality-of-life program objectives.

a. Menoufia

The American University in Cairo (AUC), in cooperation with the Menoufia Governorate, has tested one ISSD-type program. The Menoufia Project expanded throughout the governorate from an initial three districts to eight districts in FY 1981. This program, in addition to social service delivery, provides for household distribution of oral pills and foam tablets plus oral rehydration solution (ORS) as a health measure directed at the prevention of infant and child mortality due to dehydration. The progress to date of the program reinforces the need to involve local health units and staff in outreach and community-based programs.

This ISSD activity is currently active in all rural villages in Menoufia and covers 1.4 million people. In these villages, clinics and social units have been upgraded: household distribution of contraceptives has taken place, and village committees have been formed to maintain interest and follow-up.

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* Includes $2.0 million under an administrative reservation for Beni-Suef.

Preliminary analyses of Menoufia data indicated encouraging results from the household distribution of contraceptives and oral rehydration solution.* A 1979 report indicated that of some 16,000 women visited, 39% accepted oral contraceptives; 23% accepted neo-sampoons (vaginal foam tablets).

The report also notes that during the ORS distribution, 92% of the women with small children received the solution; 61% of these reporting child diarrhea episodes used the ORS to prevent dehydration.

The experience in Menoufia demonstrates that household distribution of contraceptives - though not trouble-free - is feasible and can possibly become a powerful stimulant to community-based family planning programs.

Unfortunately, more recent data on results in Menoufia are not yet available. Progress reports are expected in January 1982.

b. Population and Development Project

The Population Development Project (PDP), implemented by the GOE Population and Family Planning Board, is designed to attain population objectives through the promotion of social and economic activities in conjunction with a strong emphasis on upgrading family planning services and increasing the availability of contraceptives. There is also a constant effort to inform and motivate women in the childbearing years

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* Preliminary Results of the Household Distribution of Contraceptives and Oral Rehydration Salts, Gadalla, Nosseir and Gillespie, AUC, Cairo, December, 1979.

to adopt and practice family planning. At the same time, the project assists rural villages with the initiation and management of developmental activities that will improve their socio-economic status. The project uses an approach which emphasizes:

1. encouraging local communities, through people's participation in projects, to upgrade the socio-economic standard of the individuals and families;
2. helping local communities to identify population and development objectives to be achieved in a specific span of time;
3. motivating people to participate in these projects financially and managerially and to make decisions concerning them;
4. utilizing all appointed and elected bodies of local administration to achieve and reinforce community participation.
5. follow-up and evaluation of these efforts at the village level.
6. rewarding individuals and communities who achieve significant results.

The heart of the PDP system is the local PDP Advisory Committee (PDPAC) which is situated in a mother village and the seat of a village council representing about five satellite villages (average total population of 30,000). The PDPAC is comprised of members from both the village executive committee and the village council.

The official existing village power structure consists of (1) an executive committee of government-appointed officials, and (2) a people's village council of elected officials. The executive committee has ten members who are the heads of various government units, e.g., physician, social worker, school headmaster, imam of the mosque, bank director, cooperative supervisor, and agricultural engineer. This executive committee is led by the appointed village headman who has a secretary.

The village council, which is headed by the village chairman and a deputy, has about 17 elected members, including representatives from all the satellite villages. At least one seat on the council must be held by a woman. By law this council is responsible for everything that goes on in the village, including family planning. The PDPAC manages the village PDP, setting family planning targets and deciding on community social and economic PDP supported projects.

USAID and UNFPA are currently supporting PDP in 512 village councils in 12 governorates, covering about 14 million rural people. The GOE has commissioned two surveys in an attempt to assess PDP results. The 1979 survey sampled 85 villages, (53 non-PDP and 32 PDP); the 1980 survey sampled 124 villages, (63 non-PDP and 61 PDP).

Although the differences between non-PDP and PDP villages in term of family planning use are not dramatic, both surveys indicate increased contraceptive use in PDP villages. Encouragingly, the contraceptive use difference between non-PDP and PDP villages has increased from 2.1 percentage points in the 1979 survey to 5.1 percentage points in the 1980 survey.

TABLE 1

SELECTED FAMILY PLANNING DATA

FOR

PDP AND NON-PDP VILLAGES

1979-1980

1979[1/] Variable	Rural Fertility Survey		1980[2/] Rural Contraceptive Prevalence	
Survey	NON-PDP	PDP	NON-PDP	PDP
Ever used Pills (%)	20.7	25.5	21.4	27.2
Ever used IUDs (%)	2.2	2.9	3.1	5.7
Currently using Family Planning(%)	14.0	16.7	14.5	19.6

1/ "Rural Fertility Survey," Population and Family Planning Board, December 1980, Cairo, Egypt.

2/ "An Evaluation of the Impact of The Population and Development Program (PDP)," Based on Data from the 1980 Contraceptive Prevalence Survey, Population and Family Planning Board and Westinghouse Health Systems, April 1981, Cairo, Egypt.

During FY 1982, USAID will require $4.0 million in order to continue research and analysis on the Menoufia Project, and provide second year funding to PDP, currently, USAID is supporting 200 Village Councils and the UNFPA 300. FY 1982 support will allow for PDP improvement, training the 500 VCs. in the 12 governorates.

In early 1982, USAID will support a linking of Menoufia techniques (household distribution, etc.) with the PDP in Beni-Suef Governorate. Plans are also being made to include an SIS population-family planning campaign as well as Family of the Future distribution in Beni-Suef in order to achieve a "spectrum effect".

4. Training and Al-Galaa Hospital

USAID has obligated $6.6 million for this Element. As of September 30, 1981, USAID has sub-obligated $5.2 million and expended $1.9 million. USAID will require $13.3 million in FY 82 for this element, we require funds to provide out-of-country and in-country training -- short-term and long-term -- for participants jointly identified with the GOE.

In-country family planning training programs, particularly for clinic staff and paramedicals including nurses, will be continued. Especially close collaboration is planned with the University of Alexandria High Institute of Public Health to improve further and refine the in-service training and field experience offered at its Abbis II clinic and program near Alexandria.

Additional funds in the training sector are also required for the long planned renovation and equipment installation at Al-Galaa Maternal Hospital which four decades ago was the Middle East's finest, but since has suffered detioration. USAID has committed itself to the architectural and engineering design and re-construction of two floors;

as well as air-conditioning/ventilation; kitchen, laundry and sterilization equipment; elevators; and electric power supply distribution including emergency generating facilities.

The GOE has completed its pledged share of the refurbishment. With the renovation Al-Galaa is expected to resume its heavy teaching role in providing practical obstetrics and neo-natal pediatrics training. Staffed, as it was in recent years by more than 150 physicians, 100 fresh medical graduates (house officers), and 75 nurses, the hospital yearly provides out-patient services to more than 100,000 women (plus family planning services alone for another 5,000); some 14,000 women and 2,000 children are admitted for treatment, and more than 2,000 deliveries accomplished annually.)

5. Low-Cost Innovations and Technology Transfer

USAID has obligated $5.2 million under this Element. As of September 30, 1981, USAID has sub-obligated $1.3 million and expended $1.0 million.

During FY 1982, USAID plans to focus on upgrading the availability of demographic and family planning data for planning purposes. This requires continuous improvement of techniques for collecting, processing, analyzing, and disseminating needed data. Serious GOE bottlenecks in the last three stages have hampered the usefulness of demographic data for policy determination in Egypt, even though the data have been carefully gathered. We believe assistance in this area is essential in order to minimize the time lag between data collection and use of these data by policy-makers, as well as to plan follow-on population assistance.

Through this amendment to the project, USAID plans to assist Egypt in improving the flow of data to users by strengthening CAPMAS

capabilities in:

1. Analysis of demographic data
2. Data processing
3. Census operations
4. Printing and publication
5. Training

1. Data Analysis: There exists in Egypt a large body of data which has not been fully exploited for the purpose of documenting the fertility situation. This activity will provide technical assistance for tabulation and analysis of recent data sets. These studies will include, but not be limited to the following:

a) Evaluation and analysis of the 1976 Population Census data.
b) Secondary analysis of the 1980 Egyptian/World Fertility Survey.
c) A comparative analytical study of fertility and family planning which synthesizes results of surveys conducted by CAPMAS and the PFPB (i.e., the 1974-75 National Fertility Survey, the 1979 Rural Fertility Survey, the 1980 Contraceptive Prevalence Survey).
d) Retrieval and analysis of local-level data to produce a coherent set of estimates of demographic levels and trends at the regional and local levels.
e) Construction of national and regional life tables based on census and vital statistics data for use in sectoral planning and population projections.
f) A study of the civil registration process to identify reasons for delay in publication and where these delays occur, with recommendations for improvement.

2. Data Processing: Experience with the 1976 census and sample surveys has demonstrated that timely analysis of data is largely dependent upon the availability of adequate data processing hardware and

software. USAID will purchase two Apple II or III micro-computers, associated accessories and software packages; and provide edit and tabulation software, installation and training.

3. Census Operations: USAID will also assist CAPMAS in its effort to collect accurate and timely data from censuses by providing software packages for the processing and analysis of large data files; and identifying and providing specialized consultation to eliminate specific processing bottlenecks.

4. Printing and Publication: USAID will help to strengthen Egypt's capabilities to rapidly compile and disseminate demographic and program data by improving the printing and publication of results of the population census, sample surveys, and civil registration.

5. Training: This component will strengthen the evaluation and analysis of demographic data by providing long-term training opportunities in demography and demographic analysis techniques to professional-level staff; short-term training opportunities in census operations, installation of computer software packages, computer programming, vital registration systems, photocomposition and improved management of printing facilities; and development of an in-country training program to teach middle-level workers in the governorates how to compile, assemble and conduct preliminary evaluation of demographic and program data.

Population Intermediary Activities

USAID will continue to support AID/W contracted Population Intermediaries (International Fertility Research Program, Family Planning International Assistance, Pathfinder, etc.) which are active in Egypt.

Oral Contraceptive Production

USAID also plans in FY 1982 to assist the GOE to increase production of oral contraceptives. The Minister of Health has requested USAID to assist in improving OC production as rapidly as possible. Accordingly, USAID population staff met with officials of the state-owned El Nil Pharmaceutical Co, which currently produces 100,000 cycles of OCs a month under a license from Wyeth Corp. of the United States. El Nil desires to expand its OC production to 500,000 cycles a month. USAID has asked El Nil to prepare a proposal for the desired expansion.

USAID requires in this Amendment an additional $2.1 million for the above described activities, which total $6.0 million for FY 1982.

6. Information, Education and Communication (IE&C)

USAID has obligated $7.5 million for this element. As of September 30, 1981, USAID had sub-obligated $5.4 million and expended $3.2 million.

The IE&C element was added to the Project (through PP Amendment # 1) in September 1978 as a sub-activity of the Family Planning Project. The purpose of this activity is to support a series of multi-media campaigns promoting population awareness and publicizing family planning services and to provide an ongoing mechanism for disseminating family planning information nationwide, especially in rural areas. The major implementation task is performed by the State Information Service (SIS) of the GOE which produces most materials at its Cairo headquarters and distributes them not only through the central radio and TV facilities but via its national network of regional and local SIS units.

Posters, billboards, booklets, pamphlets, newspaper and magazine advertisements have been utilized largely to attract and motivate literate persons. Radio, television, short films for both TV and cinema,

local meetings and community publicity efforts have had a strong appeal among less literate people, including large numbers in rural and labor sectors of the population. The SIS research unit monitors selected governorates periodically to determine impact and acceptance trends. The results (which to date in many areas show TV and radio to be foremost of the media in terms of effectiveness and credibility) provide continuing guidance to SIS programmers in their choice of targets and optimal media.

The mass media effort has launched several major drives nationally: the first three designed to stir awareness, argue the merits of a small family, and emphasize the voluntary nature of the government's initiative. The themes, respectively, were "Look Around You; We Have a Population Problem"; "Small Families Live Better", and "The Choice is Yours."

Having achieved a high level of public awareness, the campaign now is turning cautiously toward specifics of contraceptive method and service availability -- at a time when religious sensitivities have to be taken into account and balanced against the realities of an increased demand and an improving contraceptive supply situation.

An SIS baseline survey early in 1980 sampled 2000 households throughout Egypt and measured life expectations, current and anticipated contraceptive use, family planning awareness, knowledge and attitudes. A follow-up survey is now being taken by the GOE's central statistics agency (CAPMAS) to measure impact of the mass media campaign and provide course corrections for its continuance and/or intensification. Results will be available in early 1982.

The University of Chicago Social Development Center has given technical guidance to the SIS for the past two years, and is counselling new strategies to sustain campaign momentum and increasingly reach rural

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prospects for family planning. Extension of its contract after April 1982 or reliance upon a similar mechanism is under consideration.

While IE&C funding extends also to potential activities outside of SIS central initiatives, thought is being given to improving the technical capabilities and message-relaying role of its local centers. This will involve some audio-visual commodities, but chiefly more professionalized training of staff at intensive in-country workshops and ongoing courses at government and private institutions. Such experience should not only enhance workers' understanding of the "product" they are mandated to promote, but also give a much needed grounding in creative writing, the graphic arts and motivational communication.

In this Amendment, an additional $2.0 million will be needed to better penetrate the rural audience sector and raise the overall level of the media campaigns through innovative approaches yet to be tried in Egypt. The total requirements are $4.1 million of which $2.7 million is scheduled for SIS and $1.4 million for other decentralized IE&C activities. Details are contained in Table 4.

TABLE 2

Project 263-0029
USAID/MOH FP Project
FY 1977-81
($000)

	Obligation	Sub-Obligation*	Expenditures
1. Contraceptive Availability	10,843,000	10,580,639	6,614,163
2. MOH Admin.	436,000	99,264	99,264
3. ISSD	14,602,000	6,432,603	5,585,920
4. Training & Al-Galaa	6,559,000	5,240,387	1,851,543
5. Innovation & Tech. Transfer	5,150,000	1,258,909	617,639
6. IE&C	7,500,000	5,358,780	3,210,471
7. Contingency	110,000	- 0 -	- 0 -
TOTALS	45,200,000	28,970,582	17,979,000

* Does not include $4,530,000 under administrative reservation:
$28,970,582 + $4,530,000 = $33,500,582 committed.

September 30, 1981*

TABLE 3

Family Planning Project

Financial Plan For FY 1977-FY 1982

($000)

Elements	Total Obligated FY 77-81	Total* Sub-obligated as of 9/30/81	Total Un-Sub as 9/30/81	FY82 Requirements	FY82 Shortfall
Contraceptive Services	10,843	10,817	26	6,017	5,991
MOH Administration	436	99	337	337	-
Integrated Soc. Ser. Delivery	14,602	10,727	3,875	4,000	125
Training and Al-Galaa Hospital	6,559	5,240	1,319	13,250	11,931
Innovations & Technology Transfer	5,150	1,259	3,891	6,000	2,109
Info., Education, Communication	7,500	5,359	2,141	4,141	2,000
Contingency	110	-	110	210	100
Total	45,200	33,501	11,699	33,955	22,256

* Project has achieved 126% of Planned Target Expenditures for FY 1981.

TABLE 4

Amendment #4

Family Planning Project 263-0029

Detail of FY 1982 Requirements

($000)

Contraceptive Availability		
(A)Contraceptive Services	2817	6,017
Copper-T IUD's (200,000 x $1.00)	(200)	
Condoms(100,000 Gross x $5,00)	(500)	
Spermicides (29 million tablets x $.07)	(203)	
Oral Contraceptives - MOH (12 million cycles x $.11)	(1,320)	
Oral Contraceptives - FOF (3.0 million cycles x $18).	(594)	
(B) Family of the Future	3,200	
Medical Promotion & Distribution	(720)	
Communication & Advertising	(1,428)	
Scientific Department	(181)	
Volunteers & Social Affair	(124)	
Research	(66)	
Administration	(211)	
Contraceptive Commodities	(470)	
Assistance to the MOH		337

Table 4 (cont'd)

Integrated Social Service Delivery		4,000
Menoufia Res. & Eval.	1,000	
Population Development Project	3,000	
Training and Al-Galaa		13,250
IUD-Upper Egypt	500	
House Officer F.P. (institutional)	250	
Out-of-Country (20 x $25,000)	500	
Al-Galaa Hospital	12,000	
Elevators	(450)	
Air Conditioning/Ventilation		
Refrigeration	(1,500)	
Kitchen and Laundry Eqpt.	(400)	
Sterilization Eqpt.	(200)	
Rehabilitation of Ground and First Floors; constn. and Eqpt. of Electrical Distribution System, including Auxiliary Power House	(4,650)	
Construction of Annex	(4,800)	
Low Cost Innovation and Technology Transfer		6,000
CAPMAS	700	
Intermediaries (FPIA, Pathfinder, IFRP, etc.)	3,200	
OC Production at El Nil	600	

Table Four (cont'd)

EFPA Model Family Planning Center (15 x $100,00)	1,500	
IE&C		4,141
SIS - 1982	2,741	
TV, Radio, Films, News paper, Magazine and Print Media Promotion	(1,350)	
Exibits, Displays, Billboards	(375)	
Regional Centers Promotion & Equipment	(250)	
Training, Research & Evaluation	(425)	
Administration	(155)	
Consultants, Technical Suces., Conferences	(186)	
Other IE&C	1,400	
Audio Visual Hardware & Software to Assist. other FP Orgns' IEC	(600)	
Pilot Demonstration (Selected Governorates)	(600)	
FP. Exhibitions: Railway and Bus Stations; Industrial Areas, Fairs)	(200)	
Contingency (Population Assessment)		210
TOTAL		33,955

IV. PROJECT ADMINISTRATION, SCHEDULE, AND REVISED FINANCIAL PLANS FOR FY 1982

This Project is coordinated and implemented by the USAID/Office of Population and the Ministry of Health's Director General Office for Health Planning. The Minister, who is also Chairman of the Supreme Council for Population and Family Planning, has requested USAID broaden population assistance to include other government ministries and agencies, as well as the private sector and voluntary groups.

Accordingly, USAID (with MOH approval) also provides assistance through the Family Planning Project to the Population & Family Planning Board, State Information Service, the Family of the Future Project (which is under the supervision of the Ministry of Social Affairs), the Ministry of Education, Menoufia Governorate, the Social Research Center, American University of Cairo, and various other groups through the AID/Washington sponsored population intermediaries.

In FY 1982, USAID expects, with MOH concurrence, to broaden project assistance to include CAPMAS, as well as the State-owned El Nil Pharmaceutical company. USAID may also work with private level family planning associations at the governorate level to establish model family planning centers.

USAID expects the early 1982 Population Assessment to provide the framework for substantial follow-on FY 1983 - FY 1987 population assistance, with possible nationwide expansion and acceleration of elements of the current Family Planning Project. During FY 1982, USAID requires an additional $22.3 million to maintain the momentum of past project investments.

In Table 3, USAID noted there is $11.7 million of uncommitted funds

available in the Project as of the end of FY 1981. We estimate for FY 1982, USAID will need to commit, or sub-obligate, $34.0 million. Our estimated shortfall for FY 1982 is $22.3 million - the amount of this Project Paper Amendment.

Contraceptives Availability

Upon approval of this Amendment, USAID will sign with the GOE a 5th Project Agreement Amendment; USAID will then process with the MOH and the PFPB PIO/Cs for the following contraceptives:

Copper-T IUDs
Colored Condoms
Spermicides
Oral Contraceptive Raw Materials and Finished Cycles

In 1982, FOF will consolidate its activities in the Greater Cairo area, continue to expand in Alexandria, test markets in urban areas of the Delta, as well as introduce an oral contraceptive in mid-1982. Triton is assisting FOF plans for expansion. and new product introduction. Preliminary tasks include procurement of sufficient contraceptive supplies; identification and selection of a distribution firm and/or in-house organization for distribution; recruiting and training additional detail persons and volunteers; training of physicians in IUD insertion techniques; and, securing adequate warehousing. Market research in preparation for introducing the oral contraceptive is underway. USAID expects to sign a second year agreement with FOF in April 1982. Increased program costs are due primarily to start-up costs of expansion to other urban areas, training, market research, and brand specifie spot. advertising. Brand specific spot advertising of contraceptives will be a new development in Egypt and will result largely

from FOF's efforts. FOF's cost per couple year of protection* CYP or couple years of protection is a means of expressing unit sales in a common denominator. 100 condoms or foaming tablets, 13 cycles of orals, and .53 IUD's equal one CYP. Costs per CYP include FOF program costs, costs of five different commodities sold (less revenue) and the Contractor (Triton) technical assistance costs (already obligated) continue to decline (from $11.00 in 1981 to an expected $7.00 in 1982) and compare favorably with CRS programs in other countries.

Integrated Social Services Delivery

USAID will provide additional funds in late 1981 to Menoufia and SRC-AUC for the continued research and evaluation of the Menoufia Project. USAID will also provide second year funding for the USAID supported portion of the Population and Development Project in early 1982. Prior to this second year PDP funding, there will be a combined MOH-PFPB-GOE review of PDP progress to date and the PDP plans and budget for 1982. USAID support, in coordination with the UNFPA, will allow for continued PDP activity in 1982 in the 12 governorates where PDP is currently active.

Expansion of PDP to other areas of Egypt through USAID support will await the results of the USAID Population Assessment and design of follow-on USAID population assistance. Evaluation of PDP consists of several stages of activity. A second Rural Fertility Survey (RFS) is planned for March 1982. Concurrently community level surveys and community case studies will be carried out to determine which village characteristics and development variables affect fertility. The RFS II will be followed by a Contraceptive Continuation Survey and by a National (urban and rural) Fertility - Contraceptive Prevalence Survey in 1983.

The test of merging the Menoufia-style rural community population activity with PDP in the governorate of Beni-Suef is planned to proceed

in early 1982. SIS will support Beni Suef with an intensive IE&C effort; FOF will introduce its program in urban areas of Beni-Suef. USAID expects to sign the Beni Suef Agreement in late 1981.

Training and Al-Galaa Hospital

USAID is currently reviewing GOE out-of-country and in-country requests for population training. We expect to process 25 participants for training in the United States. We also expect to support an MOH "House Officer Training" program designed to train newly graduated Egyptian doctors in family planning methods, which will include insertion of IUDs. This course should begin in early 1982.

USAID expects to make major progress with the Al-Galaa renovations in 1982. The Minister of Health has delegated to the MOH-USAID family planning Project Officer (Director General for MOH Planning), authority to expedite the renovations. USAID expects to approve contracts for elevators, air conditioning, civil works, and other equipment throughout the first six months of 1982. USAID will only obligate additional funds for Al-Galaa as the funds are required to commence work. USAID expects to include in the next MOH-USAID Project Agreement funds for elevators, air-conditioning and equipment. A later MOH-USAID Project Agreement Amendment will include funds for civil works and the annex.

Innovation and Low-Cost Technology

USAID believes the limited FY 1982 assistance to CAPMAS is a breakthrough in terms of building an improved data basis for population evaluation. In early 1982, USAID expects to sign an Implementation Letter with CAPMAS for the assistance described in Section III of this Amendment.

USAID also plans to work with El Nil Pharmaceutical Company and the Wyeth Company to increase the oral contraceptive production capacity of El Nil. USAID plans to discuss technical assistance and technology transfer requirements with Wyeth in late 1981. In early 1982, USAID expects to reach agreement with Wyeth and El Nil to finalize an agreement to increase El Nil's OC production capability from its current level of 100,000 cycles of OCs a month to 500,000 cycles of OCs a month. This agreement will include technical assistance as well as production equipment such as oven, granulators, tableting machines, packaging machines, and quality control equipment. El Nil is committed to renovating an unused building as "dedicated space" for increased OC production.

USAID has also discussed the possibility of a joint International Planned Parenthood Federation - USAID effort to respond to the MOH's request for assistance to upgrade model voluntary association family planning centers in Egypt's most populous governorates. We will continue these discusssions with MOH-IPPF-EFPA in early 1982.

Information, Education and Communication

Notwithstanding the events of October 1981 and a lapse in SIS leadership for the eight months prior to President Sadat's death, prospects for IE&C progress during FY '82 are good. Shortly after taking office President Mubarak signalled alike to foreign interviewers and observers and to his own information officials his firm intention to go forward with the population/family planning offensive. Taking that cue, the new State Information Service Chairman, Mohammed Hakki (a veteran public relations practitioner seasoned in journalism, in the Egyptian Foreign Service and, more particularly, by nine years in the United States lastly as Minister for Press Information at the GOE Embassy in Washington) spelled out to the USAID in mid-November his conviction that the mass media campaign can successfully be carried out.

He has dismissed the spectre of religious opposition and the bickering of program critics, basing his optimism on two factors admittedly still in the making: (1) a strong administration stance supporting the family planning program, its aims and urgency, along with a broad publicity campaign attesting to that policy, and (2) an intensive and determined push toward top-notch quality in the mass media campaign elements: professional finish to the ads, skillful polish to the statements and messages, and disciplined staff work and dissemination to get these materials before the public. Faced with this evidence of government resolve and provided, for a change, with a promotional approach rivalling or exceeding what the commercial sector can bring off, Mr. Hakki is convinced the public will sit up and take notice, the fundamentalist hostility will not intensify, and the carping of various critics (some of them in other agencies) will recede.

There are, realistically, some limitations to what can be done. Many creative resources to make all this work are scattered, where the GOE is concerned, among several ministries and agencies (e.g., the Radio and Television Corporation), and in the private sector from whence, of course, they can be borrowed or rented. The family planning initiative for the moment lacks a patron, a mother figure, so much embodied by Mrs. Jihan Sadat, who sparked governorate councils, needled doubting Muslim clergy, and keynoted numberless meetings that might otherwise have slumbered. Nonetheless there is reason to believe that the SIS Chairman's enthusiasm and technical know-how will be catching, and his leverage with the top leadership sufficient to reinvigorate the program.

We plan, with the additional funding this amendment will provide, to: (1) sustain the media effort; (2) spur the training of SIS staff in both IE&C refinements and family planning fundamentals; (3) be sympathetic to innovative approaches the new SIS management can evolve; and (4) encourage implementation on all fronts of the IE&C strategy spelled out

by the GOE, where possible drawing upon the guidances provided recently by the University of Chicago's Social Development Center and the lessons learned from its several sample surveys which offer valuable guidelines on popular/unpopular attitudes, contraceptive inclinations and program acceptability. USAID expects to sign an Implementation Letter with SIS in early 1982.

TABLE 5

AMENDMENT # 4
FAMILY PLANNING PROJECT 263-0029

Revised Financial Plan

($000)

Project Elements	FY 1977-1981 Prior Funding		FY 1982			Grand Total 1977-1982		
Description	U.S.	GOE	U.S.	GOE	TOTAL	U.S.	GOE	TOTAL
Contraceptive Availability	10,843 (3,000)	10,050	5,991	4,700	10,691	16,834	14,750	31,584
Assistance for MOH Family Planning Administration	436	125	-	50	50	436	175	611
Integrated Social Services Delivery System	14,602	15,000	125	5,800	5,925	14,727	20,800	35,527
Training & El-Galaa Renovation	6,559	6,730	11,931	2,500	14,431	18,490	9,230	27,720
Low Cost Innovations & Tech. Transfer	5,150	500	2,109	450	2,559	7,259	950	8,209
Information, Education & Communication	7,500	4,500	2,000	2,000	4,000	9,500	6,500	16,000
Contingency	110	1,094	100	1,000	1,100	210	2,094	2,304
Grand Totals	45,200	37,999	22,256	16,500	38,756	67,456	54,499	121,955
Local Currency (LE.)	(21,383)	-	(12,256)	-	-	(33,639)	-	-
Foreign Exchange	(23,817)	-	(10,000)	-	-	(33,817)	-	-

V. PROGRAM IMPACT AND EFFECTIVENESS

In Amendment # 2, USAID considered the possible demographic impact of the evolving GOE population program strategy. The analysis assumed the GOE would effectively broaden and deepen its family planning service network.

Since the signing of the Amendment # 2 (August 80), the GOE has been partially successful in achieving its stated program objectives:

- The State Information Service has launched a national mass-media population information campaign.
- The Family of the Future has expanded operations to Greater Cairo, to Alexandria, and selected urban areas in the Delta
- The Menoufia and PDP activities are currently active in 13 governorates and encompass about 16 million rural people.

By all GOE accounts, the demand for contraceptives is increasing at a more rapid rate than the past. FOF, for example, sold 37,000 Copper IUDs in 1980, 54,000 in 1981, and expects to sell 100,000 in 1982. The PFPB projects OC needs for 12-13 million cycles for 950,000 women in 1982.

There have been numerous survey attempts to assess contraceptive use and fertility-mortality, some described in the text above. USAID has plotted these past survey findings of contraceptive use in Figure 3. Additionally, USAID has plotted Omran's trend estimates* of contraceptive use, as well as USAID's Amendment # 2 estimates.

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* Reassessment of the Prospects for Fertility Decline In Egypt: Is Development A Pre-Requisite? Abdel R. Omran, University of North Carolina, January 1980.

The 1980 CPS point in Figure 3 is derived by assuming some urban growth in contraceptive use, along with an extrapolation of the rural CPS funding to all rural Egypt.

The Omran and USAID estimates reflect a rather steady increase in contraceptive use. The decline in use from 1975 through 1977 is thought to be a function of a disruption in clinic staff incentive payments, which resulted in a decline in family planning services. There was also a shortage of contraceptives.

USAID believes mid-1981 contraceptive use in Egypt is about 25%. We believe use by method to be:

Married Couples of Reprod. Age	Users (000)	%	Use By Method				
			Pill	IUD	Condom	FT	Other
6,261	1,550	24.8	775	350	250	125	50

In summer 1981, USAID supported a two-man team (Warner and Graves) to review the GOE contraceptive distribution system and project future GOE contraceptive needs. Warner estimated contraceptive use as of mid-1980 as 17% and projected a minimum increase in contraceptive use over the next few years. He estimates contraceptive use in mid-1986 would increase to 24% - an average increase of 1.2 percentage points a year.

USAID believes Warner's 1980 estimate is too low. We also believe his projections for future use are too pessimistic. The PFPB has strongly disagreed with Warner's report and believes it would be self-defeating to base future contraceptive orders on Warner's contraceptive use projections for 1981-1986.

The current trend in the birth rate is an enigma, though there is some suspision the birth rate may have declined slightly between 1980 and 1981.

This suspicion is reinforced by the recent CAPMAS announcement that in November 1981 the population of Egypt reached 44 million. In comparison with the prior year's growth, the annual rate of increase appears to have declined from 3.0% to 2.7%. As CAPMAS notes, where the population increased last year by 1 person every 25 seconds, this year it has increased by a person every 27 seconds. The increase refers to natural increase -- the difference between birth and deaths.* These trends are noted in Figure 4. USAID cautions these CAPMAS fundings are preliminary and need further review. Hopefully, birth and death date will be available for the 1982 Population Assessment.

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* If, for example, the birth rate is 37 per 1,000 and the death rate 10 per 1,000, the annual difference between births and deaths is 1.18 million people. This works out to an increase of 1 person every 27 seconds.

FIG. 3 EGYPT
CONTRACEPTIVE USE
1966 - 1981

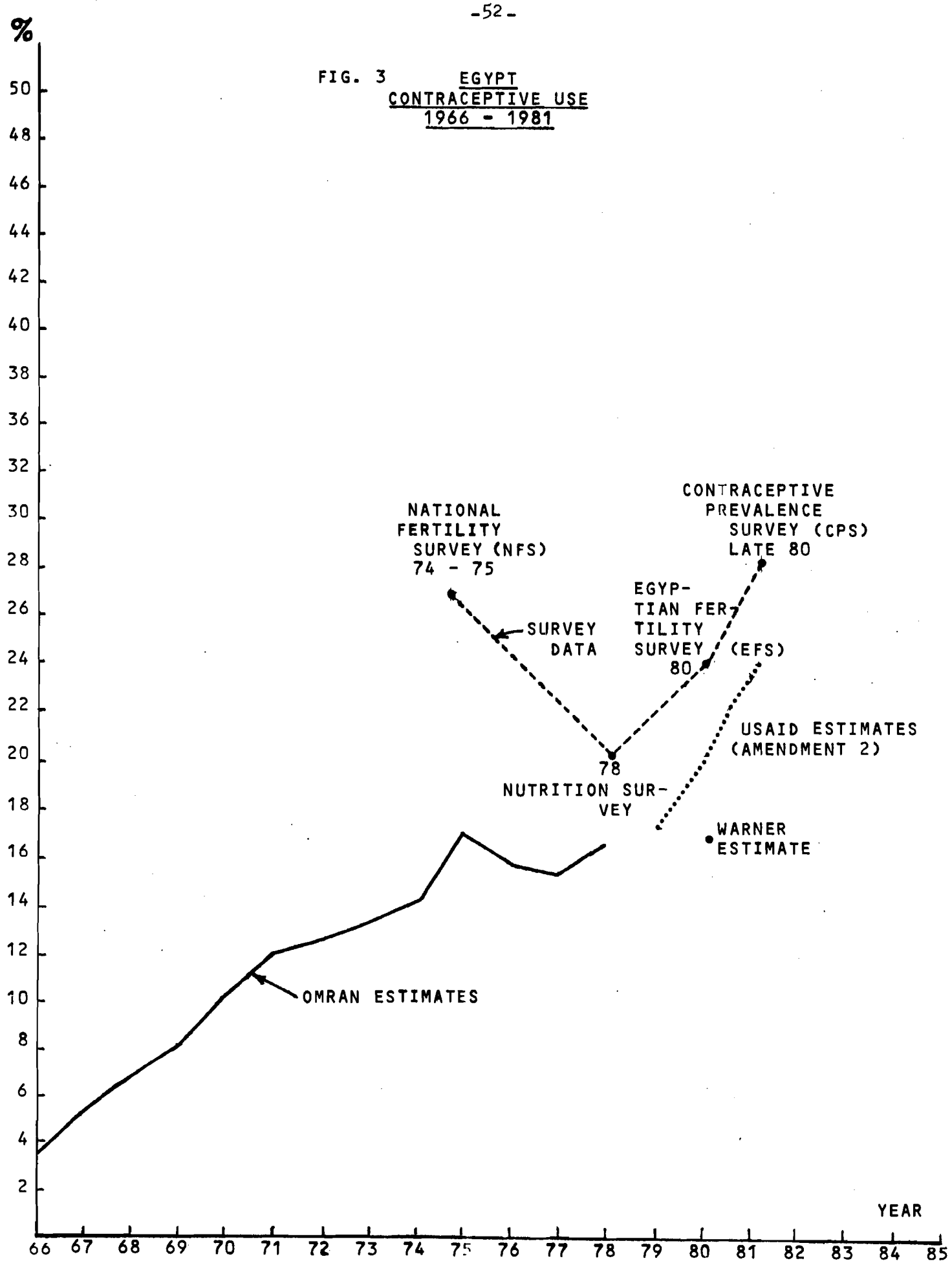
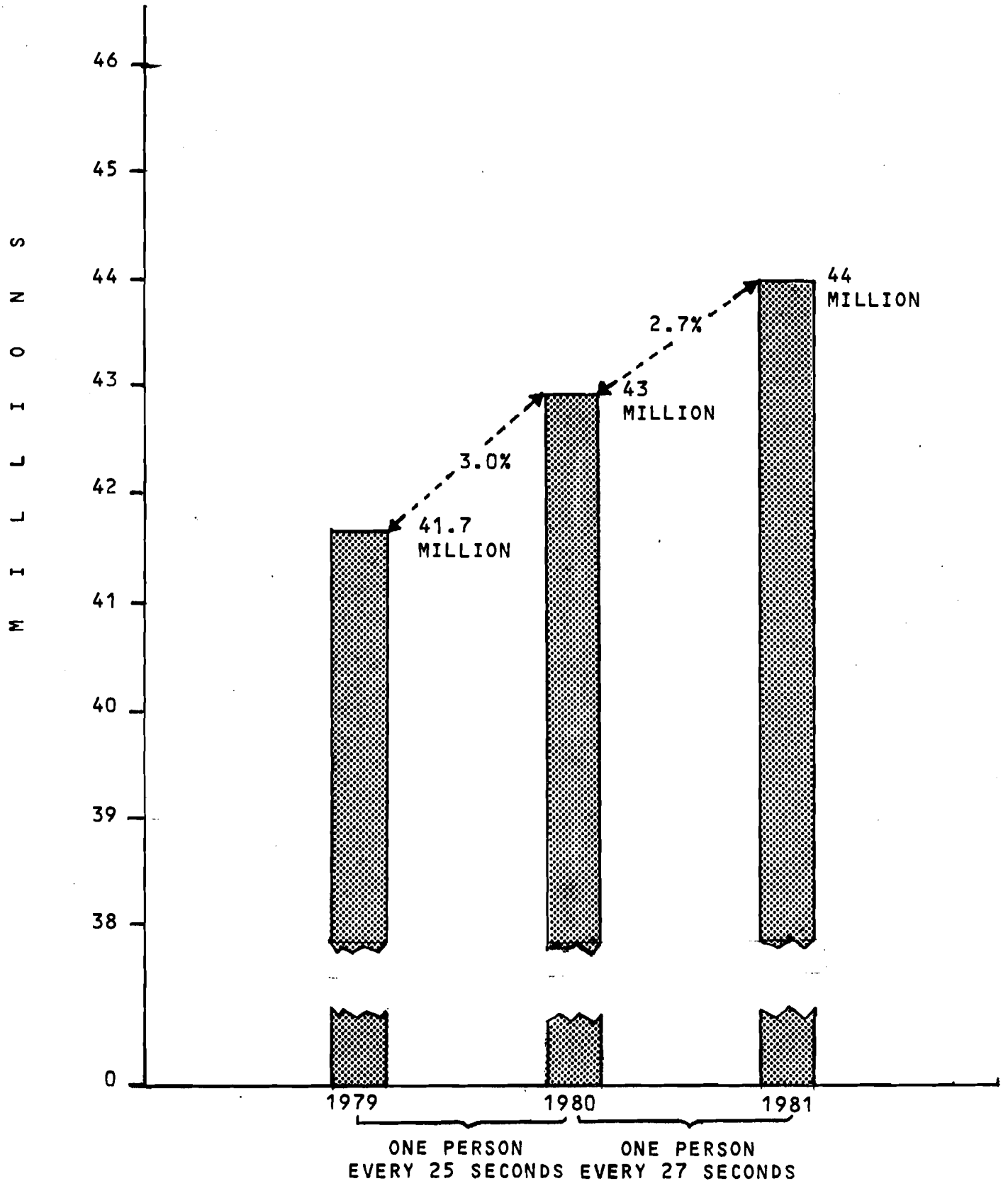


FIG.4 EGYPT
POPULATION GROWTH
1979 - 1981



VI. POPULATION SECTOR ASSESSMENT

A. Background

AID has been directly engaged in assistance to the Egyptian population sector since September 1977. The Population/Family Planning Project (263-0029) signed at that time has grown and now totals $45.2 million. Project funds are distributed among six sub-activities in the areas of (i) contraceptive availability, (ii) administrative improvement, (iii) integrated social service delivery, (iv) training, (v) innovation and technology transfer, and (vi) information, education and communication (IE&C). Present project funds are expected to be fully sub-obligated in late 1981 and largely expended in 1982-1983.

AID is now prepared to consider a major new commitment for population sector assistance, possibly in the realm of $125-150 million over a five-year period. The nature and extent of assistance will depend in large part on the results of the population sector assessment proposed herein. It is expected that a project agreement amendment will be signed during FY 82 to maintain current momentum and activities. This supplemental funding will be provided to cover the anticipated gap between sub-obligation of existing funds and the development and signing of a new project agreement in early 1983.

B. Assessment Purpose

To provide a thorough and convincing basis for programming future AID assistance in the population sector in Egypt. Alternative strategies for AID assistance should be clearly set forth. The assessment should provide the basis for moving directly to the adoption of an AID strategy and the development of project documentation. The full assessment scope has been sent to AID/Washington under separate cover.

C. Assessment Objectives

1. To reconsider, define and assess the causes underlying the population problem (i.e., high fertility rates) in Egypt in the broadest, most comprehensive possible terms.

2. To critically examine the implicit/explicit assumptions and hypotheses underlying proposed explanations of the population problem and test against the available data and research.

3. To draw policy, strategy and program implications from the most promising hypotheses and to assess in terms of operational feasibility.

4. To assess the appropriateness of GOE policy and program strategy in light of the above review.

5. To assess the effectiveness of existing population sector programs and projects (GOE/Other Donors/USAID) in terms of achieving primary objectives (e.g., reduction in fertility rate) and intermediate objectives (e.g., level of contraceptive prevalence).

6. To assess economic and organizational efficiency of existing population sector programs and projects.

7. To assess the political and economic commitment of the GOE in addressing the population problem.

8. To derive from all of the above a suggested GOE population policy, strategy and indicative investment program.

9. To derive implications for the nature and extent of AID assistance in the population sector (with and without GOE policy and strategy changes).

D. Team Membership: Suggested Composition

1. Senior Demographer/Population Policy Authority - World recognized, preferably with first-hand experience in Egypt.

2. Development Economist - Extensive experience in policy planning where population is an integral variable.

3. Social Scientist - Arabic speaking Egyptian anthropologist-sociologist. Must have experience with population problem in Egypt and be familiar with institutions that implement population programs.

4. Public Administration Expert - Arabic speaking Egyptian with extensive extensive experience in public administration and intimate experience with the Egyptian milieu.

5. Senior AID Population Officer - Broad based experience in population sector, particularly implementation experience; ability to translate assessment findings into realistic implications for AID programming; experience in Egypt a decided asset.

6. Public Health Physician - Extensive experience with third world health systems and their role in family planning. Must be experienced in assessing para-medical and health system training requirements. Experience in Egypt highly desirable.

7. Information, Education, Communications - IEC specialist in family planning and population control with extensive overseas experience. Must have experience with Moslem cultures, preferably in the Middle East.

8. Program Management/Logistics/Implementation Expert - Must be experienced in Egyptian setting and institutions; experienced in/running/directing field operations in population. Mission will advise if this position to be dropped.

E. Work Plan

Phase I - Background Preparations (Oct.-Dec.)

a) Collection of basic documents.
b) Organization of AID project files.
c) Description of Egyptian Population Organizations.
d) Contraceptive Logistic Review (Report completed).
e) Field Implementation Review (Croley Report).
f) Literature Review (Contract - Dr. Loza).
g) Collection of Basic Data (Population Office).

Phase II - Assessment Phase (6 weeks/Mar-Apr)

1st Week - Organize team members/make assignments plan trip schedules/appointments/drafting schedules team orientation/review of briefing materials; initial meeting with Mission Director and appropriate USAID Embassy staff: initial meeting with selected members of Population Council (i.e., Minister of Health, Director of PFPB, etc.

- very small; also, consider whether want broader meeting to establish team credentials with wider cross-section of people team will be dealing with later).

- Make other initial introductions and contacts early enough in the week that field trips can be planned for beginning of following week.

1st thru 4th weeks - Assessment team would split up to carry out tasks under I-III of the Scope of Work.

5th week - Assessment team comes together to discuss and compare

trip/meeting notes and individual findings; individual assignments should have been drafted by the end of the 4th week when appropriate.

- Section I-IV should be prepared in draft.

6th week - Meet with USAID to discuss findings and recommendations (two half-day sessions; Sun-Mon).

- Meet with broad representation from GOE to discuss findings and recommendations (two half-day sessions; Tues-Wed).

Note: 1st day - discuss findings
2nd day - discuss recommendations

- final debriefing with USAID (Thurs); a draft report must be left with the Mission prior to team departure.

Tentative Time Schedule (1981-82)

Nov. 1	Finalize Assessment Scope
Nov. 30	Team Recruitment in Process
Dec. 31	Complete Literature Reviews/Other Phase I activities
March 1	Begin Assessment
April 2	Prepare Draft Report - End 5th week
April 4-5	Mission Briefing
April 6-7	GOE Briefing
April 8	Final Mission Briefing
April 9	Draft Report due - end 6th week
May 7	AID/W and Mission Comments on Draft Report
May 21	Final Report Due.

Note: The complete assessment team should arrive NLT the second working day of the assessment; the team leader and the principal drafter/editor of the report should arrive on day one.

At least three weeks prior to arrival, each team member should receive copies of the suggested materials from Keys MacManus' 9/2/81 reading list. The team leader plus one/two other members of the team may wish to meet with AID/State/IBRD/UNFPA prior to arrival in Cairo.

Team members without drafting/editorial functions may depart by end of fifth week if their contributions are complete. Earlier departures may take place if, in the judgement of the team leader, Mission/GOE comments during sixth week can be satisfactorily handled by remaining team members.

F. Reports

1. Draft report due six weeks after initiation of assessment.

2. Final report due 12 weeks after initiation of assessment.

G. Assessment Team Backstopping

One full-time resource person from USAID and possibly an Egyptian assistant to work with and obtain materials, effect coordination, etc. The assessment team should have access to Wang facilities and will require full-time secretarial assistance.

VII. REVISED COVENANTS AND CONDITIONS

A. Project Evaluation

The MOH and other implementing agencies will participate in the USAID Population Assessment that will allow:

(1) evaluation of the population sector and progress toward attainment of the objectives of the Project;

(2) identification and evaluation of problem areas or constraints which may inhibit such attainment;

(3) assessment of how such information may be used to help overcome such problems; and

(4) evaluation, to the degree feasible, of the overall development impact of the Project.

B. Family Planning Activity

Ministry of Health. The Ministry of Health will be responsible for the overall coordination and control of implementation of the Project in cooperation with other ministries, agencies and institutions. It is understood that funds under this project will be made available to those cooperating agencies and institutions as well as the MOH. USAID and the MOH will consider ways to institutionalize population activities deemed on long-term merit. The MOH will continue to upgrade urban and rural family planning services, as well as support hospital post-partum services as a component of comprehensive family planning availability.

C. Use of AID Project Funds

None of the AID funds made available through this PP Amendment will be used to pay for (1) the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions or (2) the performance of involuntary sterilizations as a method offamily planning or to coerce or provide any financial incentive to any person to practice sterilizations.

ANNEX

RECOMMENDATION TO PURCHASE EGYPTIAN POUNDS WITH U.S. DOLLARS

Over the life of the Project USAID will use $ 33.6 million to support local currency expenditures that the Egyptian Government will make for specific items in support of this Project. Dollar funds will be used in association with GOE disbursement of Egyptian Pounds for the costs of the travel, per diem, and shipment of household effects of Project consultants; related Project support costs such as the travel of Egyptian participants, rental of office space, and procurement of secretarial and interpreting services; the cost of the Ministry of Health, Family Planning Department, temporary supplementary staff; local costs to Menoufia and other governorates for an innovative integrated social service delivery system, special costs associated with training, facilities renovation and related miscellaneous costs. The Mission will purchase Egyptian Pounds with U.S. Dollars provided by the Project. The Egyptian Pounds will in turn be made available to the various appropriate Egyptian entity(s) responsible for project implementation for disbursement in accordance with the agreements reached between USAID and the GOE in the Project Agreement.

One reason for using dollar funds in conjunction with Egyptian Pound costs is that this represents an additional real resource to the Egyptian economy and provides an incentive for the Egyptian Government to implement new initiatives that otherwise it might not be able to undertake. The Mission considered the use of granting excess U.S.-owned currency for those Egyptian Pound costs; however, these funds are now limited and the use of existing U.S.-owned local currency would add no additional real resources to the economy.

Additionally, as the GOE has budget limitations and is unable to provide its full portion of project costs at this time USAID believes it imperative to convert dollars to pounds. Given the above considerations and the fact that the Family Planning Project is fully consistent with the Congressional Mandate of the Foreign Assistance Act to undertake activities designed to improve the economic position and quality of life of the poor majority, we have concluded project costs should be dollar funded.

Based on the foregoing, USAID requests that it be determined that U.S. dollars may be used to purchase local currency in accordance with Section 612 (b) of the Foreign Assistance Act.

MINISTRY of HEALTH
AID Supported Family
Planning Project

وزارة الصحة
مشروع هيئة التنمية الدولية
لتنظيم الأسرة

November 30th 1981.

Mr. Thomas Reese,
Health & Population Division,
USAID,
American Embassy,
Cairo.

Dear Mr. Reese

I understand that postponement of the population sector assessment until early 1982 may delay design of the new 5-year population assistance project. Interim funding will be needed so as not to have a lapse in project activities. Additional $ 25 million will be required in 1982 to continue on-going activities i.e.

- Supply of Contraceptives
- The integerated Health, Family Planning and Social Services Delivery Project.
- The Population and Developement project
- Renovation of Al Galaa Maternity Hospital
- In-Country and over-seas training
- Information, Education and communication
- Other innovative activities

Thank you for your help and cooperation.

Sincerely yours

Dr. Helmy El Bermawy

Dr.Helmy El Bermawy
M.B.B.Ch, D.P.H, M.P.H.
Director General

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Family Planning Project
263-0029. P/EGY
01.3.1
Amend #4

BEST AVAILABLE DOCUMENT

5C(2) PROJECT CHECKLIST

Listed below are statutory criteria applicable generally to projects with FAA funds and project criteria applicable to individual funding sources: Development Assistance (with a subcategory for criteria applicable only to loans); and Economic Support Fund.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? — Yes

HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT? — Yes

A. GENERAL CRITERIA FOR PROJECT

1. Continuing Resolution Unnumbered; FAA Sec. 634A; Sec. 653(b).

   (a) Describe how authorizing and appropriations Committees of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than $1 million over that amount)?

   Congressional notification is required

2. FAA Sec. 611(a)(1). Prior to obligation in excess of $100,000, will there be (a) engineering, financial oEner plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

   Yes Plans have already been made for such assistance and approved by all parties.

3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?

No further legislative action is required other than action ratifying the Signed Grant Agreement Amendment.

4. FAA Sec. 611(b); Continuing Resolution Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973?

NA

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed $1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?

NA

6. FAA Sec. 209. Is project susceptible of execution as part of regional or multilateral project? If so why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.

No
Population sector assistance is multi-faceted and does not fit into a functional regional program.

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7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; and (c) encourage development and use of cooperatives, and credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

NA

8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

U.S private enterprise will be a source of procurement of goods and services required for this project

9. FAA Sec. 612(b), 636(h); Continuing Resolution Sec. 508. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

The GoE provides personnel, logistic support, clinic operation. Over half the $ support will be spent in Egyptian pounds ($13 of $25.
No U.S. owned currencies are available.
See 612(b) determination.

10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and,

Yes. The funds have been fully committed for other purposes.

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if so, what arrangements have been made for its release?

11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

No Contracts will be entered into, except one ~~sole~~ personal services, where sole source has been justified

12. Continuing Resolution Sec. 522. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

NA

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FAA Sec. 102(b), 111, 113, 281(a). Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives,

especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

b. FAA Sec. 103, 103A, 104, 105, 106, 107. Is assistance being made available: (include only applicable paragraph which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source.)

(1) [103] for agriculture, rural development or nutrition; if so (a) extent to which activity is specifically designed to increase productivity and income of rural poor; 103A if for agricultural research, full account shall be taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made; (b) extent to which assistance is used in coordination with programs carried out under Sec. 104 to help improve nutrition of the people of developing countries

Training and technical assistance will continue to be an important part of the program and will accrue in large part to women. An important component of the project is community based family planning in rural Egypt: a program which employs rural women pioneers to deliver family planning and social services to Egyptian women and to organize village projects for women.

through encouragement of increased production of crops with greater nutritional value, improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration of programs explicitly addressing the problem of malnutrition of poor and vulnerable people; and (c) extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

(2) [104] for population planning under sec. 104(b) or health under sec. 104(c); if so, (i) extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems and other modes of community research.

Primary beneficiaries will be a vast number of poor families, who as a consequence of the increased availability of information and family planning services will be able to improve their health, social status and economic well being by reducing the number of dependents they must provide for, and lowering the health risks involved with many repeated pregnancies and births.

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(4) [105] for education, public administration, or human resources development; if so, extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, or strengthens management capability of institutions enabling the poor to participate in development; and (ii) extent to which assistance provides advanced education and training of people in developing countries in such disciplines as are required for planning and implementation of public and private development activities.

(5) [106; ISDCA of 1980, Sec. 304] for energy, private voluntary organizations, and selected development activities; if so, extent to which activity is: (i) (a) concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; (b) facilitative of geological and geophysical survey work to locate potential oil, natural gas, and coal reserves and to encourage exploration for potential oil, natural gas, and coal reserves; and (c) a cooperative program in energy production and conservation through research and development and use of small scale, decentralized,

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renewable energy sources for rural areas;

(ii) technical cooperation and development, especially with U.S. private and voluntary or regional and international development, organizations;

(iii) research into, and evaluation of, economic development process and techniques;

(iv) reconstruction after natural or manmade disaster;

(v) for special development problems, and to enable proper utilization of earlier U.S. infrastructure, etc., assistance;

(vi) for programs of urban development, especially small laborintensive enterprises, marketing systems, and financial or other institutions to help urban poor participate in economic and social development.

c. [107] is appropriate effort placed on use of appropriate technology? (relatively smaller, cost-saving, labor using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor.)

d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which

One-half of the costs of this project will be furnished by the Government of Egypt.

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the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least developed" country)?

e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"? No

f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government. NA

g. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth? NA

2: Development Assistance Project Criteria (Loans Only)

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to

repay the loan, at a reasonable rate of interest.

b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan?

3. Project Criteria Solely for Economic Support Fund

a. FAA Sec. 531(a). Will this assistance promote economic or political stability? To the extent possible, does it reflect the policy directions of FAA Section 102?

A substantial reduction in fertility will significantly help to improve Egypt's prospects and increase the country's abilities to attain its development goals, thus promoting political stability.

b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities?

No

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5C(3) - STANDARD ITEM CHECKLIST

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

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

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes

2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him? Yes

3. FAA Sec. 604(d). If the cooperating country discriminates against U.S. marine insurance companies, will commodities be insured in the United States against marine risk with a company or companies authorized to do a marine insurance business in the U.S.? Yes

4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If offshore procurement of agricultural commodity or product is to be NA

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financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably procured in U.S.)

5. FAA Sec. 603. Is the shipping excluded from compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S.-flag commercial vessels to the extent that such vessels are available at fair and reasonable rates? — No.

7. FAA Sec. 621. If technical assistance is financed, to the fullest extent practicable will such assistance, goods and professional and other services be furnished from private enterprise on a contract basis? If the facilities of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? — Yes.

8. International Air Transport. Fair Competitive Practices Act, 1974. If air transportation of persons or

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property is financed on grant basis, will provision be made that U.S. carriers will be utilized to the extent such service is available?	Yes.
9. Continuing Resolution Sec. 505. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?	Yes.

B. Construction

1. FAA Sec. 601(d). If capital (e.g., construction) project, are engineering and professional services of U.S. firms and their affiliates to be used to the maximum extent consistent with the national interests?	Yes, with exception of one activity involving construction (rehabilitation/remodeling) by an Egyptian contractor whose retention has already been approved through AID/W waiver in '81.
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?	Yes.
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed $100 million?	N.A.

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C. Other Restrictions

1. FAA Sec. 122(b). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter? N.A.

2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N.A.

3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes.

4. Continuing Resolution Sec. 514 If participants will be trained in the United States with funds obligated in FY 1981, has it been determined either (a) that such participants will be selected otherwise than by their home governments, or (b) that at least 20% of the FY 1981 fiscal year's funds appropriated for participant training will be for participants selected otherwise than by their home governments?

5. Will arrangements preclude use of financing:

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a. FAA Sec. 104(f). To pay for performance of abortions as a method of family planning or to, motivate or coerce persons to practice abortions; to pay for performance of involuntary sterilization as a method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization?	Yes.
b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property?	Yes.
c. FAA Sec. 660. To provide training or advice or provide any financial support for police, prisons, or other law enforcement forces, except for narcotics programs?	Yes.
d. FAA Sec. 662. For CIA activities?	Yes
e. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained.	Yes.
f. Continuing Resolution Sec. 504. To pay pensions, annuities retirement pay, or adjusted service compensation for military personnel?	Yes
g. Continuing Resolution Sec. 506. To pay U.N. assessments, arrearages or dues.	Yes
h. Continuing Resolution Sec. 507. To carry out provisions of FAA section 209(d) (Transfer of FAA funds to	Yes

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multilateral organizations for lending.)

i. Continuing Resolution Sec. 509. To finance the export of nuclear equipment fuel, or technology or to train foreign nationals in nuclear fields?	Yes
j. Continuing Resolution Sec. 510. Will assistance be provided for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights?	Assistance will not be provided for such purposes.
k. Continuing Resolution Sec. 516. To be used for publicity or propaganda purposes within U.S. not authorized by Congress?	Yes

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: A (A = Add, C = Change, D = Delete) — Amendment Number 4

DOCUMENT CODE: 3

COUNTRY/ENTITY: Arab Republic of Egypt

3. PROJECT NUMBER:

BUREAU/OFFICE: NE — 03

5. PROJECT TITLE (maximum 40 characters): Family Planning

PROJECT ASSISTANCE COMPLETION DATE (PACD): MM 09 DD 30 YY 84

7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4)

A. Initial FY 82 B. Quarter 2 C. Final FY 82

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

A. FUNDING SOURCE	FIRST FY B. FX	C. L/C	D. Total	LIFE OF PROJECT E. FX	F. L/C	G. Total
AID Appropriated Total	12,000	13,000	25,000	35,817	34,383	70,200
(Grant)	(12,000)	(13,000)	(25,000)	(35,817)	(34,383)	(70,200)
(Loan)	(-)	(-)	( )	( )	( )	( )
Other U.S. 1.						
Other U.S. 2.						
Host Country						
Other Donor(s)						
TOTAL $						

9. SCHEDULE OF AID FUNDING ($000)

APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE 1. Grant	2. Loan	D. OBLIGATIONS TO DATE 1. Grant	2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	2. Loan	F. LIFE OF PROJECT 1. Grant	2. Loan
SA	489	490		45,200		25,000		70,200	
TOTALS $				45,200		25,000		70,200	

SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each): 440, 444, 420

11. SECONDARY PURPOSE CODE:

SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	BEW	BUW	DEI	PART	PVON		
B. Amount	25.0	10.2	17.5	10.0	7.5		

PROJECT PURPOSE (maximum 480 characters)

To strengthen and expand nationwide family planning service systems in order to make such services effectively available and utilized by married couples of reproductive age.

SCHEDULED EVALUATIONS: Interim MM 03 YY 82; MM YY; Final MM 06 YY 83

15. SOURCE/ORIGIN OF GOODS AND SERVICES: [X] 000 [ ] 941 [ ] Local [ ] Other (Specify)

AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a ____ page PP Amendment)

This amendment provides additional funds to family planning project 263-0029 to: (a) support on-going activities for contraceptive and service supply, training, innovative activities, information, education, and communication; (b) continue the rural integrated social services delivery sub-activities and the urban-based private sector contraceptive retail sales program.

17. APPROVED BY — Signature: Donald S. Brown — Title: Mission Director — Date Signed MM DD YY

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

AID 1330-4 (8-79)

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Family Planning Project
263-0029

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5C(2) PROJECT CHECKLIST

Listed below are statutory criteria applicable generally to projects with FAA funds and project criteria applicable to individual funding sources: Development Assistance (with a subcategory for criteria applicable only to loans); and Economic Support Fund.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? Yes

HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT? Yes

A. GENERAL CRITERIA FOR PROJECT

1. Continuing Resolution Unnumbered; FAA Sec. 634A; Sec. 653(b).

Congressional notification is required

(a) Describe how authorizing and appropriations Committees of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than $1 million over that amount)?

2. FAA Sec. 611(a)(1). Prior to obligation in excess of $100,000, will there be (a) engineering, financial, other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

~~NA~~ Yes

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3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?

No further legislative action is required other than action ratifying the Signed Grant Agreement Amendment.

4. FAA Sec. 611(b); Continuing Resolution Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973?

NA

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed $1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?

NA

6. FAA Sec. 209. Is project susceptible of execution as part of regional or multilateral project? If so why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.

No
Population sector assistance is multi-faceted and does not fit into a functional regional program.

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7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; and (c) encourage development and use of cooperatives, and credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

NA

8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

U.S private enterprise will be a source of procurement of goods and services required for this project.

9. FAA Sec. 612(b), 636(h); Continuing Resolution Sec. 508. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

The GoE provides personnel, logistic support, clinic operation, over half the $ support will be spent in Egyptian pounds ($13 of $25). No U.S. owned currencies are available. See 612(b) determination.

10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and,

Yes. The funds have been fully committed for other purposes.

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If so, what arrangements have been made for its release?

11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

No contracts will be entered into, except one ~~sole~~ personal services, where sole source has been justified

Yes

12. Continuing Resolution Sec. 522. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

NA

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FAA Sec. 102(b), 111, 113, 281(a). Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives,

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especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

B. FAA Sec. 103, 103A, 104, 105, 106, 107. Is assistance being made available: (include only applicable paragraph which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source.)

(1) [103] for agriculture, rural development or nutrition; if so (a) extent to which activity is specifically designed to increase productivity and income of rural poor; 103A if for agricultural research, full account shall be taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made; (b) extent to which assistance is used in coordination with programs carried out under Sec. 104 to help improve nutrition of the people of developing countries

Training and technical assistance will continue to be an important part of the program and will accrue in large part to women. An important component of the project is community based family planning in rural Egypt: a program which employs rural women pioneers to deliver family planning and social services to Egyptian women and to organize village projects for women.

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through encouragement of increased production of crops with greater nutritional value, improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration of programs explicitly addressing the problem of malnutrition of poor and vulnerable people; and (c) extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

(2) [104] for population planning under sec. 104(b) or health under sec. 104(c); if so, (i) extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems and other modes of community research.

Primary beneficiaries will be a vast number of poor families, who as a consequence of the increased availability of information and family planning services will be able to improve their health, social status and economic well being by reducing the number of dependents they must provide for, and lowering the health risks involved with many repeated pregnancies and births.

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(4) [105] for education, public administration, or human resources development; if so, extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, or strengthens management capability of institutions enabling the poor to participate in development; and (ii) extent to which assistance provides advanced education and training of people in developing countries in such disciplines as are required for planning and implementation of public and private development activities.

(5) [106; ISDCA of 1980, Sec. 304] for energy, private voluntary organizations, and selected development activities; if so, extent to which activity is: (i) (a) concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; (b) facilitative of geological and geophysical survey work to locate potential oil, natural gas, and coal reserves and to encourage exploration for potential oil, natural gas, and coal reserves; and (c) a cooperative program in energy production and conservation through research and development and use of small scale, decentralized,

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renewable energ[illegible] rural areas;

(ii) technical cooperation and development, especially with U.S. private and voluntary or regional and international development, organizations;

(iii) research into, and evaluation of, economic development process and techniques;

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(v) for special development problems, and to enable proper utilization of earlier U.S. infrastructure, etc., assistance;

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c. [107] is appropriate effort placed on use of appropriate technology? (relatively smaller, cost-saving, labor using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor.)

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One-half of the costs of this Project will be furnished by the Government of Egypt.

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the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least developed" country)?

e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"? — No

f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government. — NA

g. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth? — NA

2. Development Assistance Project Criteria (Loans Only)

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to

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repay the loan, at a reasonable rate of interest.

b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan?

3. Project Criteria Solely for Economic Support Fund

a. FAA Sec. 531(a). Will this assistance promote economic or political stability? To the extent possible, does it reflect the policy directions of FAA Section 102?

A substantial reduction in fertility will significantly help to improve Egypt's prospects and increase the country's abilities to attain its development goals, thus promoting political stability.

b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities?

No

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SC(3) - STANDARD ITEM CHECKLIST

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

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

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes

2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him? Yes

3. FAA Sec. 604(d). If the cooperating country discriminates against U.S. marine insurance companies, will commodities be insured in the United States against marine risk with a company or companies authorized to do a marine insurance business in the U.S.? Yes

4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If offshore procurement of agricultural commodity or product is to be NA

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financed. Is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably procured in U.S.)

5. FAA Sec. 603. Is the shipping excluded from compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S.-flag commercial vessels to the extent that such vessels are available at fair and reasonable rates? **No.**

7. FAA Sec. 621. If technical assistance is financed, to the fullest extent practicable will such assistance, goods and professional and other services be furnished from private enterprise on a contract basis? If the facilities of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? **Yes.**

8. International Air Transport. Fair Competitive Practices Act, 1974. If air transportation of persons or

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property is financed on grant basis, will provision be made that U.S. carriers will be utilized to the extent such service is available?	Yes.
9. Continuing Resolution Sec. 505. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?	Yes.

B. Construction

1. FAA Sec. 601(d). If capital (e.g., construction) project, are engineering and professional services of U.S. firms and their affiliates to be used to the maximum extent consistent with the national interests?	Yes, with exception of one activity involving construction (rehabilitation/remodeling) by an Egyptian contractor whose retention has already been approved through AID/W waiver in '81.
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?	Yes.
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed $100 million?	N.A.

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2. Other Restrictions

1. FAA Sec. 122(b). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter? N.A.

2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N.A.

3. FAA Sec. 620(n). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes.

4. Continuing Resolution Sec. 514 If participants will be trained in the United States with funds obligated in FY 1981, has it been determined either (a) that such participants will be selected otherwise than by their home governments, or (b) that at least 20% of the FY 1981 fiscal year's funds appropriated for participant training will be for participants selected otherwise than by their home governments?

5. Will arrangements preclude use of financing:

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a. FAA Sec. 104(f). To pay for performance of abortions as a method of family planning or to, motivate or coerce persons to practice abortions; to pay for performance of involuntary sterilization as a method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization? — Yes.

b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property? — Yes.

c. FAA Sec. 660. To provide training or advice or provide any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? — Yes.

d. FAA Sec. 662. For CIA activities? — ~~N.A.~~ Yes

e. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained. — Yes.

f. Continuing Resolution Sec. 504. To pay pensions, annuities retirement pay, or adjusted service compensation for military personnel? — ~~NA~~ Yes

g. Continuing Resolution Sec. 506. To pay U.N. assessments, arrearages or dues. — ~~NA~~ Yes

h. Continuing Resolution Sec. 507. To carry out provisions of FAA section 209(d) (Transfer of FAA funds to — ~~NA~~ Yes

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multilateral organizations for lending.?

i. Continuing Resolution Sec. 509. To finance the export of nuclear equipment fuel, or technology or to train foreign nationals in nuclear fields? NA

j. Continuing Resolution Sec. 510. With assistance to provided for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? NA Assistance will not be provided for such purpose.

k. Continuing Resolution Sec. 516. To be used for publicity or propaganda purposes within U.S. not authorized by Congress? NA Yes

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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

February 4, 1982

Mr. Thomas Reese, III
HRDC/Population
USAID/Cairo

Dear Tom:

Yesterday, we had a second Project Review Committee meeting, this time specifically on Al Galaa hospital. Enclosed are the comments which will be included in our NEAC cable now in clearance.

Fortunately, Des O'Reardon joined us and was able to answer a number of questions. Even with his useful input, however, we concluded we will need more justification.

One of our main concerns is the inordinate amount of time this sub-activity will absorb from your and the Mission's scarce staff resources. If project management responsibilities could be shifted to the Mission's engineers, perhaps with the addition of local professional hires, that would free you to press on higher priority matters. Des has some good thoughts on this, one of which might involve a local engineering contractor.

Sorry to sock you with a long list of questions but until these are addressed, we won't be able to get NEAC approval.

Sincerely,

Lenni

Lenni W. Kangas
Population Program Advisor
Bureau for the Near East

Enclosure:
Concerns on Al Galaa

NE/TECH/HPN:LWKangas/jcb/28648

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Al Galaa Hospital: A number of concerns were raised about the $12.0 million proposed for continuing renovation, new construction and equipping of Al Galaa hospital about which we will require further information and justification. A second project review committee meeting held 2/3/82 specifically identified the following issues:

A. What contribution does USAID see this hospital playing in Egypt's overall population/family planning program?

B. What is rationale for expanded funding for Al Galaa versus use of equivalent resources in other areas, for example, Upper Egypt or delta area where generally both facilities and services are less than in greater Cairo and where contraceptive prevalence levels are much lower.

C. In terms of outputs, please comment on:

i) number of deliveries per month
ii) potential post-partum F.P. case load
iii) outpatient case load and estimate of F.P. services volume
iv) number and types of trainees per year e.g. physicians, nurses, midwives.

D. What exactly does USAID propose to fund?

i) Why has proposed funding increased from $1.2 million in FY 78 to an amount presumably less than $3.6 mil in FY 80 (see Amendment #2, which, however, lumped "Training and Al Galaa at $3.6 mil")to proposed $12.0 million in FY 82.
ii) Hospital equipment: Beyond provision of elevators, laundry, air conditioning and kitchen equipment, will A.I.D. also finance standard hospital equipment items such as X-Ray, laboratory, operating room and diagnostic equipment within budgeted $12 million. Will this be for entire hospital including proposed annexes? If not, how will GOE/MOH provide these? Are estimates of equipment requirements in hand?

E. Operating Expenses: Given poor maintenance conditions at present, what assurance do we have of adequate maintenance in the future? Will MOH have line item budgetary support for future hospital operations? What is estimate of staff size? How will new facility be maintained and will MOH assign qualified hospital administrator to manage enlarged complex?

F. Several issues arose concerning Mission management of what appears to be a relatively and increasingly labor intensive project for Mission staff. History of this project, to date, suggests that limited USDH population staff could better devote their time to higher payoff activities advancing provision of family planning services through MOH and PFPB channels including associated training, logistics and field monitoring subactivities. Because of essential construction character of project, we question whether population staff now have required expertise to properly manage this subactivity.

Given large portfolio of other capital development projects, we realize USAID engineering staff also hard-pressed to provide required project management. Would addition of local hire professional engineering staff be solution to this? Should this entire subproject be transferred to USAID engineering division? Would appreciate comment on Mission management plans covering next two years of this proposed activity.

G. Specific engineering issues:

1. Compliance with FAA Sec 611 (a) and (e). Although draft checklist indicates plans are being made, it does not specify whether or not a reasonably firm cost estimate has been made. Does the $12 million represent a reasonably firm cost? If so, what is the basis for this estimate in terms of construction scope, type of structure(s), source and kind of materials, and time/rate of inflation? Please provide supporting data.

2. In providing project cost details, it would be helpful to note the distinction between new construction line items and renovation line items.

3. What are operation and maintenance resource requirements and does the implementing agency have sufficient budget to meet needs over proposed life of project?

4. There should be an implementation plan which ought to include:

   a) a proposed schedule for both the engineering and construction phases of the project.

   b) an addressal of the impact of the project on present Mission staff. (What arrangements are there for acquiring in-house engineering support?)

c) NE/PD/ENGR would like to review the implementation plan when available.

H. Miscellaneous issues:

i) How much has been obligated to date specifically for Al Galaa (not overall training category)?

ii) How much has been actually expended to date for Al Galaa?

iii) Ownership: Who owns hospital - MOH, Al Azhar University?

iv) Is land title clear and are there assurances site will continue to be used for hospital in future years?

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E.O. 12065:N/A
SUBJECT:POPULATION: AL-GALAA MATERNITY HOSPITAL
RENOVATION.

REF: A) KANGAS-REESE TELECON, JANUARY 14, 1982
B) DRAFT AMENDMENT #4 TO PROJECT PAPER, PROJECT
263-0029; TABLE, PAGE 39, AND PARA. 2, PAGE 44.

1. SINCE REF B WAS IN DRAFTING PROCESS THERE HAVE BEEN SEVERAL ACTIONS TAKEN BY MOH AND USAID TO ACCELERATE MOVEMENT ON REFSUB SUB-PROJECT ACTIVITY. WE CAN COMMENCE RENOVATION IN NEXT 3-4 MONTHS.

2. MOST NOTEWORTHY DEVELOPMENT WHICH COULD/SHOULD IMPEL ACTIVITY AMONG THE EARIOUS CONTRIPUTING ELEMENTS RESPONSIBLE FOR THE RENOVATION WAS ISSUANCE NOVEMBER 1, 1991 OF A MINISTERIAL DECREE FIXING RESPONSIBILITY FOR MONITORING FISCAL INPUTS AND ENGINEERING/CONSTRUCTION STEPS UPON A SUPERVISORY COMMITTEE OF SIX EGYPTIANS. THIS PANEL INCLUDES TWO MOH ENSINEERS; THE DIRECTOR AND ASSISTANT DIRECTOR OF AL-GALAA HOSPITAL; DR. HELMY BERMAWY, GENERAL DIRECTOR OF MOH PLANNING DEPARTMENT AND EXECUTIVE DIRECTOR OF THE USAID FAMILY PLANNING PROJECT; AND AS CHAIRMAN/PRESIDENT, DR. RAMSES GOMAA, PRESIDENT OF THE GENERAL ORGANIZATION OF TEACHING HOSPITALS AND INSTITUTES WHO IS ALSO FIRST UNDERSECRETARY, MOH.

3. FOR OUR PART WE LAST WEEK CONVENED WORKING MEETING OF USAID ENGINEERING AND POPULATION STAFF; AD/HRDC; DR. BERMAWY AND CONSULTING ARCHITECT ABU ZEID ANWAR TO REVIEW PROGRESS OF VARIOUS FUNCTIONAL COMPCCENTS. STATUS OF THESE IS AS FOLLOWS, LISTED IN SAME ORDER AS IN REF B:

EQUIPMENT AND INSYALLATION: ON BASIS OF LOW BID AND QUALIFICATIONS WESTINGHOUSE SELECTED. CONTRACT IN DRAFT PROCESS AND EXPECTED TO BE SIGNED EARLY FEBRUARY. LOCAL DISTRIBUTOR EGEMCO, 25-YEAR-OLD FIRM, HAS LONG RECORD OF MAINTENANCE IN THIS AREA AND MANUFACTURES VARIOUS ELEMENTS TO WESTINGHOUSE SPECS. IN ADDITION TO SOME 125 INSTALLATIONS IN SAUDI ARABIA, WESTINGHOUSE-EGEMCO RECEIVED CONTRACT FROM MOBILOIL FOR ELEVATORS IN NEW OFFICE BUILDING, MAADI.
B) AIR CONDITIONING/VENTILATION/REFRIGERATION: PROPOSALS RECEIVED FROM SIX BIDDERS, ALL REPRESENTING U.S. MANUFACTURERS. MOH ENGINEERS ANALYZING THESE OFFERS HOWEVER HAVE RAISED A TECHNICAL QUESTION ABOUT PREVIOUS PERFORMANCE IN SITU OF EQUIPMENT DISTRIBUTED BY APPARENT BEST PROPOSER. HOPE TO RESOLVE THIS AWARD WITHIN FORTNIGHT.

C) KITCHEN AND LAUNDRY EQUIPMENT--FINALLY REVISED PRCHASE ORDERS INVOLVING NUMEROUS CHANGES IN SPECS AND PRICES ARE WITH AID/W PROCUREMENT AND HAVE BEEN DIRECTED ONWARD TO PURCHASING AGENCY AAPC, NEW YORK. PIO/C

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AMENDMENT INCRLASING TOTAL FUNDING TO COVER EXPECTED TO BE APPROVED HERE NEXT FEW DAYS.
D) STERILIZATION EQUIPMENT--SPECS ARE READY FOR TRANSMITTAL TO COM/CPS FOR DETERMINATION OF COSTS PRIOR ISSUANCE OF PIO/C HERE. ANTICIPATE THIS PROCUREMENT ALSO WILL GO PURCHASING AGENCY ROUTE, SUBJECT TO AID/W DETERMINATION.

E) REHABILITATION OF GROUND AND FIRST FLOORS; ELECTRICAL EQUIPMENT AND ITS INSTALLATION (INCLUDING POWER HOUSE/AUXILIARY POWER SYSTEM) -- THIS IS PROBABLY MOST COMPLEX UNDERTAKING OF PROJECT. GOMHOURIA CONSTRUCTION COMPANY UNDER AID APPROVED WAIVER IS TO RESUME WORK AT SITE WHERE IT HAD EARLIER ACCOMPLISHED FOR MOH THE RENOVATION OF TOP FLOORS. THE CIVIL WORKS INVOLVED ARE INTRICATELY INTER-RELATED WITH JOB OF INSTALLING NEW ELECTRICAL MAINS, DISTRIBUTION PANELS, ETC. QUESTION HAS BEEN RAISED IF GOMHOURIA ALSO TO UNDERTAKE THIS PHASE OR WORK TO BE ASSIGNED SEPARATE ELECTRICAL CONTRACTOR TO BE SELECTED. WE NOW ARE RELLING UPON DR. BERMAWY'S ASSURANCE THAT HOUSING MINISTRY WHICH OVERSEES SUCH WORK IN GOVERNMENT BUILDINGS WILL ISSUE SUPPLEMENTAL WORK ORDER FOR GOMHOURIA TO PROCEED BOTH PHASES INCLUDING INSTALLATION OF U.S. EQUIPMENT SEPARATELY PROCURED FROM GENERAL ELECTRIC OR OTHER SUPPLIER. ALL THIS TIME CONSUMING AND WILL REQUIRE CLOSEST MONITORING. SINCE VIRTUALLY ALL EQUIPMENT INSTALLATION DEPENDS ON PROVISION ASAP OF ADEQUATE ELECTRIC SUPPLY WE REGARD THIS ACTION AS OF UPPERMOST PRIORITY. ANTICIPATED COSTS REPRESENT MORE THAN A THIRD OF TOTAL INVOLVED. CONSULTING ARCHITECT'S ESTIMATE OF $650 PER SQUARE METER FOR REHABILITATION GROUND AND FIRST FLOORS IS HIGH, AND WE ARE SEEKING A LESS EXPENSIVE AND SIMPLER SOLUTION AND FULLER EXPLANATION OF COSTS.

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F) CONSTRUCTION OF ANNEX -- THIS ALSO IS A MAJOR ELEMENT SIMILARLY ESTIMATED TO COST ABOUT ONE-THIRD OF TOTAL. THE SUPERVISORY COMMITTEE RECENTLY CHOSE ONE OF FOUR OPTIONAL PLANS WHICH CALLS FOR TWO INTER-CONNECTED BUILDINGS: THE FIRST WITH THREE FLOORS, UPPER TWO OF WHICH WILL CONTAIN X-RAY, PHARMACY, LABORATORY AND PHYSIC-THERAPY FACILITIES, THE SECOND STRUCTURE CONTAINING EMERGENCY, FAMILY PLANNING OUTPATIENT ENTRANCE AND DEPARTMENT, AND ANTE-NATAL CARE CLINIC ON FIRST TWO LEVELS, PEDIATRIC NURSING UNITS ON THIRD AND FOURTH, WITH VERTICAL EXPANSION PROVISIONS FOR STAFF HOSTEL ON FIFTH SOMETIME IN THE FUTURE.

4. EXTENT OF USAID INVOLVEMENT IN FINANCING OF ANNEX IS UNDEE DISCUSSION, BUT OBVIOUSLY ENGINEERING CONSIDERATIONS OF ELECTRICAL SUPPLY, PLUMBING AIR CONDITIONING/VENTILIA-TION, ETC. FOR REHABILITATION OF MAIN BUILDING HINGE TO LARGE DEGREE ON REQUIREMENTS OF THE DUAL ANNEX IF AND WHEN ITS CONSTRUCTION AND FINANCING CAN BE FITTED INTO THE TOTAL PACKAGE OF SEQUENCED PHASES.

5. USAID ACKNOWLEDGES THIS ELEMENT HAS LAGGED FOR PAST TWO YEARS, CAUSED IN PART BY JURISDICTIONAL DISPUTE AMONG AL-GALAA BOARD OF DIRECTORS, AL-AZHAR UNIVERSITY, AND THE MOH. AS NOTED ABOVE, THESE HAVE BEEN SETTLED AND THE NEW COMMITTEE IS WORKING WELL TOGETHER. WE WISH TO POINT OUT THAT AL-GALAA WHEN COMPLETE WILL REPRESENT A TANGIBLE HIGHLY VISIBLE EXAMPLE OF USAID-MOH COOPERATION. AL-GALAA WILL FUNCTION AS A LARGE MATERNITY, FAMILY PLANNING - TRAINING HOSPITAL IN COOPERAYION WITH AL-AZHAR UNIVERSITY. THE HOSPITAL WILL HAVE AN ACTIVE OUT-PATIENT FAMILY PLANNING CLINIC AND SERVE A CROWDED, POOR AREA OF DOWNTOWN CAIRO. ATHERTON