

Loan and Grant Agreements

FM/LMD (if Loan)
 FM/PAFD
 FM/CAD
 GO/ANE
 ANE/Desk
 ANE/TR Officer
 ANE/PD Officer & File
 PPC/CDIE/DI ✓

MODIFICATION OF GRANT

1. Amendment No. 004	2. Effective Date February 1, 1989	3. Grant No. 306-0203-A-00-6014-00	4. Agreement Date Sept. 22, 1986
5. Grantee (Name and Address) Management Sciences for Health 165 Allandale Road Boston, Mass. 02130 DUNS NO:		6. Administered by: Grants Officer USAID/Islamabad Deptt. of State Washington DC 20523	
7. PIO/T No. 306-0203-3-90014 Appropriation No. 72-1191021 Allotment Symbol: QDHA-89-27306-KG-13 (18,750,000) AND Appropriation No. 72-119-01037 Allotment Symbol: QES9-89-27306-kg-13 Allotment Symbol: QES9-89-27306-KG-13 (\$5,000,000) Amt. Obligated Prior to this Am. \$15,700,000 Amt. Obligated by this Amendment \$13,750,000 Total Obligated Amount \$29,450,000		8. Previous PIO/T's: 306-0203-3-60043 306-0203-3-70012 306-0203-3-80003 306-0203-3-80003.1	

9. The purpose of this Grant Amendment 004 to Cooperative Agreement No. 306-0203-3-A-6014-00 is to provide incremental funding of US\$13,750,000, increase the total estimated amount of the C.A. to US\$59,700,000, and extend the Cooperative Agreement termination date to 12/31/92. Accordingly, the Cooperative Agreement is amended by replacing the Cover Page, Schedule, and Standard Provisions with those attached hereto.

AID TECHNICAL OFFICE:

10. This amendment is entered into pursuant to the authority of the Foreign Assistance Act of 1961, as amended. Except as herein provided, all terms and conditions of the grant referenced in Block #3 remain unchanged and in full force and effect.

11. Grantee is required to sign this document and return 7 copies to issuing office.

12. GRANTEE: <u>Stephen J. Sacca</u>	THE UNITED STATES OF AMERICA AGENCY FOR INTERNATIONAL DEVELOPMENT
BY: <u>S. Sacca</u>	BY: <u>Frederick A. Will</u>
TITLE: <u>Director Contracts and Administration, MSH</u>	TITLE: <u>Grants Officer</u>
DATE: <u>25 Jan 1989</u>	DATE: <u>2/22/89</u>



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

AID REPRESENTATIVE

American Embassy
Islamabad, Pakistan

February 22, 1989

Mr. Stephen Sacca
Director, Contract and Grant Administrator
Management Sciences for Health
165 Allandale Road
Boston, Mass. 02130

Subject: Cooperative Agreement No. 306-0203-A-00-6014-00

Dear Mr. Sacca:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, and the Federal Grant and Cooperative Agreement Act of 1977 (P.L. 95-224), the United States of America, acting through the Agency for International Development (hereinafter referred to as "A.I.D."), hereby agrees to amend Cooperative Agreement No. 306-0203-A-00-6014-00 (hereinafter referred to as the "Agreement") with Management Sciences for Health (hereinafter referred to as "Recipient" or "MSH") for a program to expand and strengthen health services inside Afghanistan, as more fully described in Attachment 1, entitled "Amended Cooperative Agreement Schedule".

- a. The estimated cost of this Co-operative Agreement for expenditures during the period October 1, 1986 through December 31, 1992, is estimated to be \$59,700,000, subject, to the availability of funds, satisfactory performance by MSH and the mutual agreement of the parties.
- b. A.I.D. has already obligated \$15,700,000 and hereby obligates the additional amount of \$13,750,000. This is expected to be sufficient for expenditures during the period through December 31, 1989.

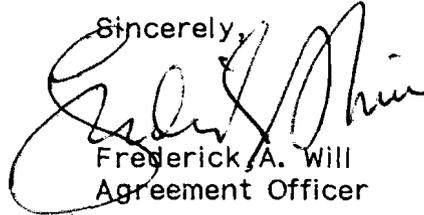
This amendment is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program purposes during the period specified above.

This Agreement is made with MSH on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, and Attachment 2, entitled "Standard Provisions" which supersede those in the current agreement.

W

Please sign the original and eight (8) copies of this letter to acknowledge your agreement with this Amendment and return the original and seven (7) copies to the AID Office of Regional Legal Advisor, Contracts & Commodities, Islamabad (ID), Department of State, Washington, D.C. 20520.

Sincerely,



Frederick A. Will
Agreement Officer

Attachments:

1. Amended Cooperative Agreement Schedule dated January , 1989
2. Standard Provisions

ACKNOWLEDGED:

MANAGEMENT SCIENCES FOR HEALTH

By: Stephen J. Sacco
DIRECTOR, CONTRACT AND
Title: GRANT ADMIN.

Date: _____

AMENDED COOPERATIVE AGREEMENT SCHEDULE AS OF FEBRUARY 1, 1989

I. Authority, Goal and Purpose, and Program Description

A. Authority

Foreign Assistance Act of 1961, as amended, and the Federal Grant and Cooperative Agreement Act of 1977 (P.L. 95-224).

B. Goal and Purpose

Goal: Improve the health status of the people of rural Afghanistan.

Purposes: The revised project purposes are to:

- o improve first aid and emergency services including medical and surgical care for war casualties -- phasing down as the need subsides;
- o expand general health care services for civilians including women and children as well as Mujahideen;
- o and enhance the capability of the Alliance Health Committee, other organized Afghan entities (private or public) and/or organized areas to plan, organize and manage expanded health care activities.

C. Program Description

The project will assist the AHC (or its successor) and regional and local leaders (public and private) in the expansion and improvement of general health care for the civilian population and Mujahideen, establishing and strengthening area health development systems such as primary health care, maternal child health (MCH), and selected immunization services. The project will emphasize services to relatively underserved areas to which refugees are expected to return and other areas where internal displacement of the population proves to be a major problem. In addition, the project will support institution building in the health sector at the minimum necessary to insure a technically sound resettlement health program and the effective use of A.I.D. resources.

The major tasks under the project will include, but not be limited to the following:

1. Planning and development of adequately managed area health systems within Afghanistan which will provide appropriate health services to the population in need.
2. Planning and execution of primary health care services, and disease control programs to increase coverage for maternal care, immunizations, oral rehydration therapy (ORT), malnutrition, acute respiratory infections (ARI), malaria, and tuberculosis .
3. Development of the capacity of the AHC, its successors, and regional institutions to manage its Training Center, and design, test and evaluate health worker curricula; to monitor programs and provide health education support services; assist regional/area leaders to establish and develop local training centers in their regions/areas.
4. Work with local, area and regional groups (public and private) to develop and implement pilot self-help activities designed to involve the population in supporting the costs of rural health care services, and encourage public and private sector cooperation in responding to the continuing need for basic medicines and supplies.
5. Work with the AHC, its successors, and regional institutions to develop its capacity to plan and manage the medical procurement process, determining the type and quantity of supplies required, their distribution, and systems for supply and resupply.
6. Creation of a viable Health Information System (HIS) and Management Information System (MIS) capable of monitoring and evaluation as well as carrying out operational research and surveys.

Flexibility is needed to carry out the above tasks as conditions change. The project will pursue new opportunities that can facilitate the development of the rural health delivery system (public or private) as project implementation proceeds.

II. Resident Long-Term Advisor Positions and Job Descriptions, and Short-Term Advisor Assignments

A. Resident Long-Term Advisor Positions

In order to accomplish the work as set forth herein, the Recipient shall employ and utilize personnel on both long-term resident and short-term advisory duty assignments during the period of this Agreement. The title and duties of long-term advisors shall include, but not be limited to, the following:

1. Key Long-term Resident Advisor Positions

The key long-term resident advisor positions which the Recipient shall furnish are:

1. Health Team Leader
2. Senior Management Advisor
3. Financial Officer
4. Field Operations Advisor
5. Training Advisor
6. Health Services Development Advisor
7. Maternal Health and Health Education Advisor

The positions specified above are considered to be essential to the work being performed hereunder. Prior to diverting any of the above key positions, the Recipient shall notify the Project Officer reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. After the first year of the agreement, with Project Officer's approval, key long-term advisors may take up to four (4) weeks for assignment to other Recipient activities. No other diversion of or substitution of key advisors shall be made by the Recipient without the consent of the Project Officer.

The estimated level of effort for key long-term resident advisors is as follows:

<u>Key Advisors</u>	<u>Person-Months</u>
1. Health Team Leader	72
2. Senior Management Advisor	69
3. Financial Officer	72
4. Field Operations Advisor	74
5. Training Advisor	57
6. Health Services Development Advisor	39
7. Maternal Health and Health Education Advisor	43

2. Other Long-Term Resident Advisor Positions

The Recipient may employ other long-term resident advisors according to its own policies and procedures within budgetary limitations. The Recipient anticipates that two other long-term resident advisor positions will be:

1. Child Survival/Disease Control Advisor
2. Senior Afghan Health Coordinator

B. Job Descriptions

KEY LONG-TERM RESIDENT ADVISORS

1. Health Team Leader

Main Activities - Coordination; technical, managerial, and financial leadership and oversight of project activities; staff management.

Primary Responsibilities - The main emphasis will be on providing overall coordination on behalf of the project's constituents. In addition, will provide managerial leadership and oversight for all project activities. The Health Team leader will also coordinate budgeting and monitor expenditures and manage international and local staff. In accomplishing the primary responsibilities, the Health Team Leader shall:

- coordinate the work of the MSH team with the AHC, other Afghan entities and area/regional organizations; the Office of the AID/Representative; UN, PVOs, other bilateral donors; the Technical Assistance Team; and MSH to develop an integrated, balanced and equitable rural health delivery system;
 - provide managerial leadership for the preparation of national and area development (regional) health plans and development of health systems in Afghanistan;
- coordinate project activities with other health sector organizations and donors including USAID, UN, and bilateral donors;
- coordinate the MSH budgeting process and monitor project expenditures on behalf of MSH and USAID; and
- manage project staff.

2. Senior Management Advisor

Main Activities - strengthen Afghan management/administrative capacities; direct MSH procurement, warehouse, and distribution activities; coordinate management information activities.

Primary Responsibilities - The main emphasis will be on strengthening the capacity of the AHC, its successors, and regional institutions to plan and operate administrative systems necessary to manage health services inside Afghanistan including the medical procurement process. The Senior Management Advisor will also direct MSH procurement, warehouse, and distribution activities as well as support the development and management of Management Information Systems for project management. In accomplishing the primary responsibilities, the Senior Management Advisor shall:

- help strengthen basic Afghan administrative systems with special attention to area/regional/ district administration including personnel, manpower planning, drug logistics and supply, MIS, and (with the Financial Officer) financial management; and help develop the overall capacity of Afghan organizations by analyzing and improving their internal structure and functions;
- provide special support to the issue of personnel incentive systems and, with the Health Services Development Advisor and Financial Officer, examine the cost containment possibilities related to salary structures of health personnel, especially the Basic Health Worker; costs of transport; and costs of medical equipment and pharmaceutical supplies;
- assist the Field Operations Advisor to develop technical supervision systems for personnel, logistics/supply, MIS, financial management, and self monitoring/supervision systems;
- plan and coordinate management training programs in Pakistan, Afghanistan, and the USA to strengthen Afghan management/administrative capability;
- coordinate with NGO's, UN organizations, U.S. and other bilateral donors in standardization of donor-supported Afghan personnel systems;
- direct procurement, warehouse, and distribution activities for MSH-operated drug and medical supply activities;
- coordinate the development and operation of an integrated Management Information System for MSH internal project management; serve as a resource for other project staff in quantitative methods; be responsible for all computer hardware and software; and direct training of MSH staff in computer operations.

3. Financial Officer

Main Activities - prepare budgets and manage AID funds on behalf of The Recipient; assist AHC, its successors, and regional institutions in financial planning, management, and control; participate in design and implementation of operations research studies focused on sustainability.

Primary Responsibilities - Shall be responsible for project budgeting and fiscally responsible for the management of AID funds on behalf of the Recipient; shall disburse funds to the AHC, its successors, and regional institutions in accordance with established procedures and assist in strengthening their capability in financial planning, management, and control. Shall maintain strict accountability for funds in Pakistan and work with AID to develop accountability standards for inside Afghanistan. In accomplishing the primary responsibilities, the Financial Officer shall:

- establish and maintain a budgeting and financial recording and disbursing system consistent with project and AID requirements and select, train, and supervise local hire staff to operate the system;
- maintain close relations with the USAID Office of Afghan Affairs and AID Auditing Staff to develop and maintain standards of accountability for AID funds and procedures to monitor disbursed funds so that standards of accountability are met;
- based on approved work plans, advance funds to the AHC, its successors, and regional institutions and monitor the expenditures for consistency with the approved work plans;
- develop monitoring systems that link expenditures with deliverable project outputs;
- assist in developing monitoring systems that link commodities distribution with deliverable project outputs;
- provide technical assistance in financial planning, management, and control as well as resource-based health planning to the AHC, its successors, and regional institutions and help strengthen Financial Offices of these institutions;
- with the Senior Management Advisor and the Financial Officer, examine the cost containment possibilities related to salary structures of health personnel, especially the Basic Health Worker; costs of transport; and costs of medical equipment and pharmaceutical supplies;
- participate in the design, implementation, and evaluation of operations research and studies on sustainability.

4. Field Operations Advisor

Main Activities - day-to-day management of field operations inside Afghanistan; Liaison with PVOs and Agency Coordinating Board for Afghan Relief (ACBAR).

Primary Responsibilities - The main emphasis will be on coordinating day-to-day implementation of field operations inside Afghanistan working closely with the AHC, its successors, and regional institutions. In addition, the Field Operations Advisor will assist in recruitment, training, and employment of female health workers inside Afghanistan and will also provide close coordination with U.S., European, and other PVOs and with ACBAR on health service operations inside Afghanistan. In accomplishing the primary responsibilities, the Field Operations Advisor shall:

- coordinate and supervise the plans for movement of new and returning health personnel into Afghanistan including determination of eligibility for US-financed drugs and medical supplies; phasing of movement into the country; supervision of transport to the border; and monitoring of drugs, medical supplies, and personnel to their assigned posts inside the country;
- monitor transport costs for all field operations;
- determine eligibility for and approve salary payments and, in conjunction with the Financial Officer, monitor salary payments;
- oversight of MSH monitoring system to determine distribution and performance of trained personnel inside Afghanistan;
- personally conduct on-site "spot check" technical field supervision inside Afghanistan where personal security risks permit;
- provide technical and operational liaison and coordination with/to PVOs working inside Afghanistan on field operational matters; and
- provide a liaison with ACBAR for coordination of field operations inside Afghanistan.

5. Training Advisor

Main Activities - Provide technical assistance to the AHC training committee to develop strategies for training health care providers and health administrators. Monitor and evaluate outputs and devise practical strategies for achieving project training targets.

Primary Responsibilities - The main emphasis will be to support the institutionalization of training through the development of a Training Center that has the capability of training trainers, training materials production, curricula development, refresher training of professional and paraprofessional staff and quality control of the training process. In accomplishing the primary responsibilities, the Training Advisor shall:

- develop and conduct training of trainer sessions for BHWs;
- develop and operate refresher training courses for surgeons, general physicians, nurses and BHWs;
- in conjunction with the training committee, PVOs and other institutions, develop standardized competency tests for different levels of health workers;
- assist trainers in curriculum development, trainee selection criteria, and trainee evaluation;
- sustain and strengthen the AHC Training Center and training centers of regional institutions; and
- prepare or select necessary training materials and visual aids and develop an Afghan training materials production center.

6. Health Services Development Advisor

Main Activities - area health development, health information systems, operations research.

Primary Responsibilities - The main emphasis will be on developing the area health program in cooperation with the Field Operations, Maternal and Child Health, and Disease Control Advisors. The Health Services Development Advisor will also provide expertise in primary health care and development and management of small hospitals; in the development of Health Information System activities for planning and evaluating the health programs; and will direct operations research activities and special studies to improve operations, reduce costs, and increase revenue in the health sector. In accomplishing the primary responsibilities, the Health Services Development Advisor shall:

- help the AHC, its successors, regional institutions, and local leadership in developing area health plans that are managerially and technically sustainable;
- provide technical expertise in the development and management of emergency and primary health care, small hospitals, referral systems and rational drug use;
- develop and implement a Health Information System for planning and evaluating the operations and impact of the health program with special emphasis on disease surveillance systems, quality assurance (both diagnostic and therapeutic), monitoring of project outputs; and measuring changes in the knowledge, attitudes, and practices of the population for key program targets;
- with the Senior Management Advisor and the Financial Officer, examine the cost containment possibilities related to salary structures of health personnel, especially the Basic Health Worker; costs of transport; and costs of medical equipment and pharmaceutical supplies;
- conduct all operations research activities focusing on epidemiological assessments, operational and sustainability issues and, if feasible, set up an operations research and studies unit in the AHC or its successors.

7. Maternal Health and Health Education Advisor

Main Activities - women's health and nutrition; health education

Primary Responsibilities - The main emphasis will be on developing programs to improve the health and nutrition of women. This will include programs to educate women about their own health, including family planning, and programs to recruit, train, and successfully employ women in health care. In addition, the Women's Health and Health Education Advisor will be responsible for planning and organizing health education programs in support of other project objectives and in participating in operations research studies to improve the health of women. In accomplishing the primary responsibility, the Maternal Health and Health Education Advisor shall:

- develop and implement a strategy and plans to improve women's health, including family planning;
- develop a health education plan and implement health education programs for selected key problems including mine education, using practical anthropological research and modern communications techniques through a variety of personal, community, and mass media approaches; as appropriate, develop a Health Education Unit within the AHC or its successors;
- promote the recruitment, training, and successful employment of women in the Afghan health care system in communities, clinics, hospitals, and in management. As appropriate, train female Basic Health Workers, female nurse/paramedics, female health educators, and female managers/administrators;
- participate in the design, implementation, and evaluation of operations research studies to improve the health of women; and
- promote the recruitment, training, and successful employment of Afghan and Pakistani women by MSH in this project.

OTHER LONG-TERM RESIDENT ADVISORS

1. Child Survival/Disease Control Advisor

Main Activities - immunization, diarrheal disease/malnutrition, acute respiratory disease programs for children; malaria and tuberculosis control programs for all age groups.

Primary Responsibilities - The main emphasis will be on planning and execution of major campaigns to increase coverage for immunizations, ORT, and childhood malnutrition with secondary emphasis on reducing the impact of childhood acute respiratory disease and malaria and tuberculosis in the general population. In addition, the child survival/disease control advisor will participate in design of training programs and operations research studies that influence child survival and disease control. In accomplishing the primary responsibilities, the Child Survival/Disease Control Advisor shall:

- plan and provide day-to-day coordination for implementation of the vertically operated immunization program carried out by the AHC, its successors, and regional institutions including procurement of vaccines and cold chain equipment; proper storage of vaccines; training of vaccinators; selection and phasing of target regions; organization of movement of vaccinators into Afghanistan; developing of monitoring methods for immunization; direct supervision through on-site "spot checks" inside Afghanistan where personal security risks permit; and assessment of coverage levels;
- assist in development of immunization approaches through the primary health care system;
- plan and implement a Combatting Diarrheal Disease (CDD) Program for children that includes health educational approaches for prevention of diarrhea and malnutrition, use of ORT for case management of acute diarrhea, appropriate diagnosis and treatment for chronic diarrhea, and, as appropriate, use of growth monitoring for prevention and education about malnutrition;
- plan and implement childhood Acute Respiratory Infection (ARI), malaria, and tuberculosis control approaches consistent with the Afghan development and security situations that include both primary health care and vertical components as appropriate;
- participate in the design, implementation, and evaluation of operations research studies such as a cold chain effectiveness study, as appropriate, that promote improved child survival and disease control; and
- maintain close coordination with UNICEF on all child survival activities.

2. Senior Afghan Health Coordinator:

Main Activities - special advisor to the project director and liaison with Afghans who have influence and impact on development of health programs inside Afghanistan.

Primary Responsibilities - Serves as the senior Afghan national on the MSH staff whose special responsibility will be to advise and assist in health program development in Afghanistan, with special emphasis on the cultural, political and religious factors that will either assist or constrain program development. This individual will have the education and experience to qualify him/her to be the a senior official such as the Minister or Deputy Minister of Health of Afghanistan if the opportunity presents. Will serve as the principal MSH staff member to liaison with all Afghans who impact on health program development, whether technical, political, religious or cultural. In accomplishing the primary responsibilities, the Senior Afghan Program Advisor shall:

- advise the Project Director on a daily basis on all aspects of the Afghan affairs, with particular reference to health care development and provides guidance to the Director and the MSH staff on the program development based on cultural, political, religious factors;
- maintain close contact with influential Afghans of all walks of life, but with particular attention to those leaders that have a particular impact on health development and attempt to solicit advice and support from these individuals for the development of Afghanistan's health services; and
- assist program development technically through advice and counsel based on the advisor's prior experience.

C. Short-Term Advisor Assignments

In achieving targeted outputs, it will be necessary to supplement the work of the resident advisors with short-term technical assistance. It is anticipated that approximately 80 person-months of short-term assistance will be required during the period of this Agreement.

The need for individual short-term technical advisors and the timing of their visits shall be proposed by the Recipient. Prior to making arrangements for international travel of a short-term advisor to Pakistan, the Recipient shall prepare and submit to the O/AID/REP Project Officer and obtain approval for the scope of work and advisor. To the extent possible, repeat visits will be encouraged in order to develop a cadre of short-term staff which will provide continuity over the life of the project.

The specific requirements for short-term technical advisors will be determined on the basis of annual work plans and contingencies; however, examples of the work that is anticipated are given as follows: (The list is illustrative rather than inclusive.)

<u>Activity Areas</u>	<u>Illustrative Requirements</u>
Training	<ul style="list-style-type: none">- Curriculum development- Preparation of printed materials and visual aids- Specialized training of trainers- Specialized aspects of management training
Communications	<ul style="list-style-type: none">- Feasibility studies for mass communications- Applied social science research- Mass media program development
Supply and Logistics	<ul style="list-style-type: none">- Overall supply system design- Development of in-country distribution and inventory control strategies- Cost containment and sustainability- Cold chain effectiveness
Management Support	<ul style="list-style-type: none">- Manpower planning- Finance and accounting- Manpower information systems- Specialized issues of health planning
Health Care Issues	<ul style="list-style-type: none">- Combat casualty care- Vaccination program management- Laboratory applications- Combat medicine- Epidemeological Assessments- Control of Diarrheal Disease- Maternal and Child Health Services- Health and Nutrition Education

III. Funds Obligated, Payment, and Estimated Cost

A. This Agreement is incrementally funded. Each subsequent increment is subject to the availability of funds for this Agreement, and the mutual agreement of the parties. The total estimated cost is \$59,700,000, of which \$57,863,736 is available for payment to the Recipient, and \$1,836,264 is reserved for direct expenditure by USAID for logistic support of the Recipient. The amount of Government funds obligated under this Agreement is limited to \$29,700,000. Out of the current obligation of \$14,000,000, only \$13,569,385 will be added to the LOC, the remaining \$430,615 is reserved for logistical expenses and will be reserved for direct disbursement by USAID.

B. The Recipient shall be paid by the Letter of Credit in accordance with the terms of the Standard Provision entitled "Payment - Letter of Credit".

C. The Recipient is required to pay for all local currency costs of performance in local currency. The exchange rate used to convert local currency costs to dollars for monthly billings will be the same rate at which the local currency was purchased, using the "first-in, first-out" principle for utilization of the local currency purchases.

D. Payment of funds for those costs designated as Logistic Support as set forth in Article VII - Financial Plan - shall be made directly by O/FM, USAID/Islamabad, P.O. Box 1028, Islamabad. Payment of those costs designated in the Financial Plan as Technical Assistance and Program Costs shall be made by Letter of Credit by AID/W-M/FM/PAFD. Recipient is authorized to utilize AID funds to maintain a bank account in Pakistan to facilitate the handling of disbursements made under this Agreement.

IV. Substantial Involvement Understandings

A. Liaison

The Recipient will be responsible to the Office of the AID/REP through the cognizant A.I.D. Technical Project Officer. The Recipient team will establish working relationships with the members of the Alliance Health Committee, other organized Afghan entities, and/or other organized areas; the Government of Pakistan, PVO's, and with other relevant A.I.D. contractors during the period of this Agreement.

B. Directions

Performance of the work hereunder shall be subject to the policy and management directions of the Office of the A.I.D. Representative for Afghanistan Affairs. As used herein, "Directions" are directions to the Recipient which fill in details, suggest possible lines of inquiry, or otherwise complete the general scope of the work plan. "Directions" must be within the terms of this Agreement, and shall not change or modify them in any way. The Recipient shall notify the Project Officer in writing of any policy or management Directions which he considers constitute changes prior to performing such changes. A.I.D.'s intent is primarily to provide periodic guidance on substantive policy and management issues affecting technical efforts.

C. Approval of Key Long-term Resident Advisors

All key long-term resident advisors are subject to USAID approval. In addition, USAID reserves the right to require the replacement of staff which, in its opinion, are not performing satisfactorily. In the event of nonperformance, replacement costs, i.e. travel and transportation, shall be from the sole account of Recipient. A.I.D. notification for Cooperating Country National staff is not required; however, these personnel shall be paid in accordance with a pay classification approved by the Mission.

D. Detailed Annual Work Plan

The Recipient shall submit to the A.I.D. Project Officer a detailed annual work plan for approval. The work plan will be reviewed and revised once every six months and shall include, but not be limited to, the following:

- the objectives of the work plan and their relationship to the project purpose;
- a detailed description of the specific tasks to be accomplished to meet the objectives during the succeeding year;
- an illustrative implementation schedule with target dates for completion of each task;
- for each task, identification of specific benchmarks or performance targets to be achieved over the course of the year; and
- work plan elements shall be consistent with those in quarterly financial and progress reports;

E. Program Disbursement Plan

A. The Recipient team will manage funds obligated as part of this Agreement, for the support of the AHC, other organized Afghan entities, and/or other organized areas, and their activities. This will involve the development of a program disbursement system for the disbursement of funds for workers salaries, rent, utilities, and other costs associated with the establishment of the Secretariat, salary supplements for health care professionals in Afghanistan, the procurement of medicine and equipment, training costs, and other expenses.

B. Prior to any disbursement, or issuance of any commitment documents under this Agreement to finance the program costs, the Recipient shall submit, in form and substance satisfactory to A.I.D., a detailed program disbursement plan along with the work plan for approval by the A.I.D. Project Officer within one hundred (100) days following the signature of the Agreement. The disbursement plan shall be reviewed and revised once every six (6) months. This disbursement plan shall set forth objectives to be accomplished by each major expenditure. These may be modified by the Recipient with approval of the Project Officer. Special features of the disbursement plan are:

- on the basis of the disbursement plan, the Recipient will disburse funds to the AHC and other organizations in small amounts initially, against specified tasks, (task-order system) over a brief period of time, e.g. calendar quarter; and
- as these organizations demonstrate their capability to use and monitor funds effectively, the length and amounts of disbursement will be increased.

V. Period of Agreement

The effective date of this Agreement is September 22, 1986 and the expiration date is December 31, 1992.

VI. Reports and Evaluation

All reports shall be in the English language and shall be in such form as is mutually agreed upon by the A.I.D. Project Officer and the Health Team Leader.

Eight copies of each of the following reports shall be submitted as indicated to the A.I.D. Project Officer, O/AID/REP:

1. Quarterly Progress Reports

The Recipient shall submit these reports within four (4) weeks following the completion of each calendar quarter. The first such report shall be submitted by February 15, 1987. The reports shall include, but not be limited to, the following:

- progress to-date in accomplishing the specific tasks as set forth in the Work Plan, including a description and analysis of problems, constraints and recommended solution;
- a summary of planned activities and specific targets for the next reporting period; and
- a list of recommended actions to be undertaken by the Recipient, and/or O/AID/REP to overcome constraints or to alter the course of the project.

After the first year, frequency of progress reports will be reviewed.

2. Quarterly Financial Reports

The Recipient will maintain strict accountability of funds in Pakistan and will work with the O/AID/REP to develop accountability standards for inside Afghanistan.

The quarterly financial reports prepared in Boston shall include final expenditures for technical assistance, in the same format as the Agreement budget. The Field Team shall provide provisional program expenditures data according to major work plan elements.

3. Short-Term Advisor's Reports

Upon the completion of the services of a short-term advisor, the Recipient shall submit to O/AID/REP a report summarizing the activities, accomplishments, and recommendations of the advisor.

4. End-of-Tour Report

Prior to the completion of the tour of each long-term advisor, the Recipient shall submit to O/AID/REP an End-of-Tour Report which summarizes the major accomplishments, identifies major constraints, and recommends feasible solutions to existing problems including, as appropriate, operational, policy, or technical changes required to strengthen the AHC.

5. Special Reports

The Recipient and Project Officer may mutually agree to prepare and submit to O/AID/REP, from time to time, as the Project Officer requires or requests, special reports concerning specific activities under this Agreement.

VII. Negotiated Overhead Rates

Pursuant to the provisions of the clause of this Agreement entitled "Negotiated Indirect Cost Rates-Provisional" a rate or rates shall be established for each of the Recipient's accounting periods which apply to this Agreement. Pending establishment of revised provisional or final indirect cost rates for each of the Recipient's accounting periods which apply to this Agreement, provisional payment on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which are set forth below:

<u>Rate</u>	<u>Base</u>	<u>Period</u>
74.16	Employees Salaries	7/1/86 to 6/30/87
47.14	Consultant Fees	-do-
80%	Employees Salaries	7/1/87 until amended
50%	Consultant Fees	-do-

VIII. Financial Plan

A. The following is the Financial Plan for this Agreement. Revisions to this plan shall be made in accordance with Standard Provision No. 4, entitled "Revision of Grant Budget". Without the prior written approval of the Agreement Officer, the Recipient may not exceed the total estimated amount set forth in the budget hereunder, or the obligated amount, whichever is less (see the requirements described in Article II "Funds Obligated, Payment and Estimated Cost").

Without the prior written approval of the Agreement Officer, the Recipient may not exceed the estimated dollar cost for any individual line item of cost as set forth in the itemized budget - Technical Assistance by more than 15%, except for Overhead which is governed by the Special clause entitled "Negotiated Overhead Rates."

Funds for - Logistic Support - are reserved for the direct expenditure by USAID in support of the Recipient's technical staff.

Funds for - Program Costs - will be disbursed in accordance with the approved Program Disbursement Plan mentioned above.

LINE ITEM	AGREEMENT BUDGET	OBLIGATIONS THROUGH AMEND 3	OBLIGATIONS THIS AMEND	TOTAL OBLIGATION TO DATE	FUNDS REMAINING
	-----	-----	-----	-----	-----
I. TECHNICAL ASSISTANCE					
1. SALARIES					
A. LONG TERM	\$2,917,976	\$850,727	\$684,283	\$1,535,010	\$1,382,966
B. SHORT TERM	275,918	159,246	64,704	223,950	51,968
C. HOME OFFICE	479,028	253,269	112,335	365,604	113,424
	-----	-----	-----	-----	-----
TOTAL SALARIES	3,672,922	1,263,242	861,322	2,124,564	1,548,358
2. LOCAL STAFF	1,147,599	455,939	269,119	725,058	422,541
3. OVERHEAD	3,039,804	1,068,039	712,852	1,780,891	1,258,913
4. EXT. SHORT TERM ADVISORS	228,169	148,586	53,507	202,093	26,076
5. ALLOWANCES					
A. POST DIFFERENTIAL	588,319	212,640	137,964	350,604	237,715
B. TEMP LODGINGS	51,466	21,645	12,069	33,714	17,752
C. EDUCATIONAL	214,543	94,584	50,312	144,896	69,647
D. SUNDAY PAY	40,287		9,448	9,448	30,839
	-----	-----	-----	-----	-----
TOTAL ALLOWANCES	894,615	328,869	209,793	538,662	355,953
6. TRAVEL, TRANSP., PER DIEM	1,457,879	889,282	341,881	1,231,163	226,716
7. OTHER DIRECT COSTS	485,416	290,190	113,833	404,023	81,393
B. EQUIPMENT, MATER. ETC	279,000	126,091	65,427	191,518	87,482
9. ACCRUE FOR FIELD EXP	36,000				36,000
	-----	-----	-----	-----	-----
TOTAL TECH ASSIST COSTS	\$11,241,404	\$4,570,238	\$2,627,734	\$7,197,972	\$4,043,432
II. LOGISTIC SUPPORT	1,836,264	558,325	430,615	988,940	847,324
III. PROGRAM COSTS	46,622,332	10,571,437	10,691,651	21,263,088	25,359,244
	-----	-----	-----	-----	-----
TOTAL AGREEMENT AMOUNT	\$59,700,000	\$15,700,000	\$13,750,000	\$29,450,000	\$30,250,000
	-----	-----	-----	-----	-----

IX. Special Provisions

- A. The Recipient agrees that for the period of this Agreement no U.S. Nationals shall be sent inside Afghanistan either under this Agreement or under any other programs or projects of the Recipient without the written consent of A.I.D.
- B. No Agreement funds shall be used for teaching of religious studies.
- C. The Recipient shall exert its best efforts to include as many women as possible among the trainees.
- D. The Recipient shall exert its best efforts to assure that trainees return to Afghanistan to continue medical relief work at the completion of training. The Recipient shall maintain records of the number of trainees who do not return to Afghanistan.
- E. The Recipient shall make every effort to hold the salary element of the activity to approximately 30% of new program funds, and prepare a plan for phasing down of AID support for salaries over the life of the project and explore methods of cost recovery.

F. Title to Property

Property purchased under this Agreement shall be titled to the Recipient; however, all property which was funded by the Technical Assistance funds must be disposed of pursuant to advance instructions as provided by the Agreement Officer.

G. Shipment of Commodities - Notification

1. The Recipient shall send copies of the Bills of Lading for all ocean shipment to the following five addresses:
- U.S. Department of Transportation
Maritime Administration
Division of National Cargo
400 Seventh Street, S.W.
Washington, D.C. 20590
 - Office of Commodity Procurement
Transportation Support Division
Agency for International Development
Washington, D.C. 20523
 - USAID - Islamabad
O/CC-CMO
18-Sixth Avenue, Ramna 5
Islamabad, Pakistan

- USAID - Karachi
Attn: Administrative Officer
1 - P.E.C.H. Society
Karachi, Pakistan
- Office of the A.I.D. Representative for Afghanistan Affairs
% American Embassy
Islamabad, Pakistan

b. The document shall be a copy of the Non-Negotiable, Rated Bill of Lading and shall be sent as soon as possible but not later than 20 days from the date of shipment.

H. Amended Audit Provisions

The provisions of this Agreement with respect to accounting, records and audit as specified in Standard Provision No. 2 shall not apply to operational costs incurred by the Recipient within Afghanistan and end-use checks of commodities and equipment located within Afghanistan. However, the Recipient agrees to the maximum reasonable extent to the exercise of prudent oversight of such operational costs and commodities.

I. Personnel Compensation

1. Limitations. Compensation of personnel which is charged as a direct cost under this Agreement, like other costs, will be reimbursable in accordance with the Agreement subject to the following specific understandings which set limits on items which may be reasonable, allocable and allowable.

a. Return of Overseas Employees:

Salaries and Wages paid to an employee serving overseas who is discharged by the Recipient for misconduct or security reasons will in no event be reimbursed for a period which extends beyond the time required to return him/her promptly to his/her point of origin by the most expeditious air route plus accrued vacation leave.

Misconduct shall be defined as the deliberate and/or repeated disregard for the laws and regulations of the Cooperating Country or of A.I.D., the continued existence of conflict of interest after advise that such conflict exists, or general behavior unbecoming a professional serving as a part of the U.S. foreign assistance program.

Inexcusable non-performance shall be defined as unauthorized absences or failure to undertake and/or complete assigned tasks which are within the scope of this Agreement, when such absences or failures are within the control of the individual.

b. Merit or Promotion Increase:

Merit or promotion increases may not exceed those provided by the Recipient's established policy and practice. With respect to employees performing work overseas under this Agreement, one merit or promotion increase of not more than 5% of the employee's base salary may, subject to the Recipient's established policy and practice, be granted after the

employees's completion of each twelve month period of satisfactory services under the contract. Such merit or promotion increases that cause a salary to exceed the maximum salary of FS-1 may be granted only with the advance written approval of the Agreement Officer.

c. External Short Term Advisors:

No compensation for External Short Term Advisors will be reimbursed unless their use under the Agreement has the advance written approval of the Agreement Officer. Compensation shall not exceed, without specific approval of the Agreement Officer; (1) the current salary or the highest rate of annual salary actually received by the external short term advisor during any full year of the immediately preceding three (3) years or (2) the maximum daily salary rate of a Foreign Service Officer Class 1 whichever is less.

d. Initial Salaries:

Initial salaries may not exceed the recipient's established policy and practice. The initial starting salaries of all employees whose salaries are charged as a direct cost to this agreement must be approved, in advance and in writing, by the Agreement Officer.

Third Country Nationals:

Salaries, wages or benefits (e.g., allowances, differentials, etc.) paid to third country nationals may not, without specific written approval of the Agreement Officer, exceed the level of salaries or benefits paid to equivalent personnel by the A.I.D. Mission.

(e) Work Week:

a. Non-overseas Employee:

The work week for the Recipient's non-overseas employees shall not be less than the established practice of the Recipient.

b. Overseas Employee:

The work week for the Recipient's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the work week for those employees of the A.I.D. Mission and the Cooperating Country associated with the work of this contract.

2. Definitions:

As used herein, the terms "Salaries," "Wages," and "Compensation" mean the periodic remuneration received for professional or technical services rendered exclusive of overseas differential or other allowances associated with overseas services, unless otherwise stated. The term "compensation" includes payments for personal services (including fees and honoraria). It excludes earnings from sources other than the individual's professional or technical work, overhead or other charges.

J. Logistic Support

a. The following logistic support services will be supplied in kind, or reimbursement will be made to the Recipient for the Recipient's Expatriate in-country staff, in accordance with USAID policy:

- a. Office space and equipment
- b. Housing, utilities, maintenance
- c. Household furniture
- d. Household equipment (stove, refrigerator, freezer, etc.)
- e. Medical facilities (see b below)
- f. Official vehicles, on a temporary basis, if and when USAID vehicles are available, until arrival of project vehicles. (see k below)
- g. Travel arrangements
- n. Long-term advisors support.
- i. Official Vehicle Expenses:
 - (1) Project vehicles, fuel, and maintenance for official use
 - (2) Registration and insurance (full coverage)

d. Miscellaneous

Logistic support and facilities available to Recipient are governed by the U.S. Embassy and USAID/Pakistan's policies and the terms and conditions set forth in the USG bilateral agreement with the GOP as may be changed from time to time.

All U.S. citizens under this Agreement will receive the standard entitlements and services in accordance with the above. Services and entitlements for third country personnel hired under this Agreement will be negotiated separately.

Services currently available for U.S. Citizen Contractors/Recipients include the following:

- 1) Use of U.S. Embassy medical facilities in Islamabad, including services of physician, nurse and health room, for immunization, diagnostic examinations, advice and emergency treatment;
- 2) Use of State Department Diplomatic Pouch facilities, official and first class mail only; and,
- 3) Membership in the United States Government Employees Association (USGEA) commissary and recreation facilities, subject to the rules of Association.

Note: All rupee costs will be paid in local currency purchased in accordance with applicable Mission Policies. The Recipient may use dollars for international travel and per diem, for reimbursement in dollars. In-country per diem entitlement will be governed by rates established by USAID/Pakistan Mission Order No. PAK-506.3, dated May 1, 1985, as amended.

K. Geographic Code

The approved geographic code for this Agreement is (935) including Afghanistan and Pakistan as well as the United States. The Recipient shall be responsible for taking reasonable steps to maximize the safety and appropriateness of pharmaceuticals financed by this Agreement.

X. Standard Provisions

1. The Standard Provisions of the Agreement shall be the attached provisions (Attachment 2) entitled "Mandatory Standard Provisions for U.S. Nongovernmental Recipients and Optional Standards Provisions for U.S. Nongovernmental Recipients", which are incorporated into this Agreement.
2. Should any conflict arise between the "Schedule" and the "Special Provisions", the terms of the "Schedule" prevail.