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 Washington, D.C. 20520
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PROJECT NUMBER 688-0248

PROJECT GRANT AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF MALI
AND
THE UNITED STATES OF AMERICA
ACTING THROUGH
THE AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.")
FOR
COMMUNITY HEALTH AND POPULATION SERVICES PROJECT

PROJECT GRANT AGREEMENT

BETWEEN

GOVERNMENT OF THE REPUBLIC OF MALI

THE UNITED STATES OF AMERICA

ACTING THROUGH

**PROJECT GRANT AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF MALI
("COOPERATING COUNTRY" OR "GRANTEE")
AND
THE UNITED STATES OF AMERICA
ACTING THROUGH
THE AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").**

ARTICLE 1: THE AGREEMENT:

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Cooperating Country of the Project described herein, and with respect to the financing of the Project by the Parties.

ARTICLE 2: THE PROJECT:

SECTION 2.1. Definition of the Project

The Project, which is further described in Annex A, will consist of the provision of goods and services to the Government of the Republic of Mali's Ministry of Health, Social Action and Women's Promotion ("MHSAWP") for the purpose of increasing the sustainability and effectiveness of family health service delivery in Mali. The total resources to be granted by A.I.D. during the Life of the Project are estimated to be Fifteen Million Seven Hundred Thousand United States Dollars (US \$15,700,000). A first tranche of Seven Million Eight Hundred Fifty-Five Thousand Dollars (US \$7,855,000) is provided to the Grantee under the terms and conditions of this Agreement.

Annex A, attached, amplifies the definition of the Project. Within the limits of the definition of the Project in this Section 2.1., elements of the amplified description stated in Annex A may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2., without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project.

- (a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. by the United States Congress for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.
- (b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters (PILs) appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

ARTICLE 3:FINANCING:

SECTION 3.1.The Grant

To assist the Cooperating Country to meet the costs of carrying out the project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, and the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1991 (Public Law 101-513), agrees to grant the Cooperating Country under the terms of this Agreement not to exceed Seven Million Eight Hundred Fifty-Five Thousand United States ("U.S.") Dollars (U.S. \$7,855,000.00) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 7.1., and local currency costs, as defined in Section 7.2., of goods and services required for the Project.

SECTION 3.2. Cooperating Country Resources for the Project

- (a) The Cooperating Country agrees to provide or cause to be provided for the project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.
- (b) The resources provided by the Cooperating Country for the Project will be not less than the equivalent of 7,500,000 U.S. dollars including costs borne on an in-kind basis.

SECTION 3.3. Project Assistance Completion Date

- (a) The Project Assistance Completion Date ("PACD"), which is September 30, 1998, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.
- (b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.
- (c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 7.1. no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Cooperating Country, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letter No. 1, were not received before the expiration of said period.

ARTICLE 4: CONDITIONS PRECEDENT TO DISBURSEMENT:

SECTION 4.1. First Disbursement:

Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (a) A statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2., and of any additional representatives, together with a specimen signature of each person specified in such statement; and
- (b) An opinion of counsel acceptable to A.I.D. that the Project Grant Agreement has been duly authorized and executed, and that it represents a valid and legally binding obligation of the Grantee in accordance with all of its terms; and
- (c) Evidence of the establishment of a separate bank account to deposit all operating funds received under the Grant.

SECTION 4.2. Notification

When A.I.D. has determined that the conditions precedent specified in Section 4.1. have been met, it will promptly notify the Cooperating Country.

SECTION 4.3. Terminal Dates for Conditions Precedent

If all of the conditions specified in Section 4.1. have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Cooperating Country.

ARTICLE 5: SPECIAL COVENANTS

Section 5.1. Taxation.

The Grant will be free from any taxation or fees imposed under the laws in effect in the Republic of Mali.

Section 5.2. Prohibited Uses.

The Grantee agrees that no funds disbursed under the Grant shall be used for any of the following:

- (a) commodities or services relating to abortion;
- (b) commodities or services, including training, for use by the military, paramilitary or police or to pay principal or interest on loans to the military or police;
- (c) commodities or services of a luxury nature or for use in connection with gambling or other luxury activities.

ARTICLE 6: PROCUREMENT SOURCE:

SECTION 6.1. Foreign Exchange Costs

Disbursements pursuant to Section 7.1. will be used exclusively to finance the costs of goods and services ("Foreign Exchange Costs") required for the Project having, with respect to goods their source and origin and with respect to services their nationality in the United States (Geographic Code 000 of the AID Geographic Code Book) or in the Republic of Mali, except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance. Ocean transportation costs will be financed under the Grant only on vessels under flag registry of the United States and other countries included in A.I.D. Geographic Code 941, except as A.I.D. may otherwise agree in writing.

SECTION 6.2. Local Currency Costs

Disbursements pursuant to Section 7.2. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as AID may otherwise agree in writing, their origin in the Republic of Mali ("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

ARTICLE 7: DISBURSEMENT

SECTION 7.1. Disbursement for Foreign Exchange Costs

- (a) After satisfaction of conditions precedent, the Cooperating Country may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:
 - (1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (i) requests for reimbursement for such goods or services, or, (ii) requests for A.I.D. to procure commodities or services in Cooperating Country's behalf for the Project; or
 - (2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (i)

to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (ii) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

- (b) Banking charges incurred by the Cooperating Country in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless the Cooperating Country instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Disbursement for Local Currency Costs

- (a) After satisfaction of conditions precedent, the Cooperating Country may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.
- (b) The local currency needed for such disbursements may be obtained:
- (1) by acquisition by A.I.D. with U.S. Dollars or from local currency already owned by the U.S. Government; or
 - (2) by A.I.D. (i) requesting the Cooperating Country to make available the local currency for such costs, and (ii) thereafter reimbursing the Cooperating Country directly, or (iii) making available to the Cooperating Country, through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Cooperating Country or its designee, an amount of U.S. Dollars equivalent to the amount of local currency made available by the Cooperating Country.

SECTION 7.3. Other Forms of Disbursement.

Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4. Rate of Exchange.

Except as may be more specifically provided under Section 7.2., if funds provided under the Grant are introduced into the Republic of Mali by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Cooperating Country will make such arrangements as may be necessary so that such funds may be converted into currency of the Government of the Republic of Mali at the highest rate of exchange which, at the time the conversion is made, is not unlawful in the Republic of Mali.

ARTICLE 8: MISCELLANEOUS:

SECTION 8.1. Communications.

Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Cooperating Country:
Mail Address:

Ministry of Public Health, Social Affairs and Women's
Promotion
Bamako, Mali

To A.I.D.:
Mail Address:

Agency for International Development
B.P. 34
Bamako, Mali

Other addresses may be substituted for the above upon the giving of written notice. All communications will be either in English or in French. If A.I.D. communicates with the Cooperating Country in both English and French, the English language version will control.

SECTION 8.2. Representatives.

For all purposes relevant to this Agreement, the Cooperating Country will be represented by the individual holding or acting in the office of the Minister of Public Health, Social Affairs and Women's Promotion and A.I.D. will be represented by the individual holding or acting in the office of Mission Director, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1. to revise elements of the amplified description in Annex A. The names of the representatives of the Cooperating Country, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex

A "Project Grant Standard Provisions Annex" (Annex B) is attached to and forms part of this Agreement.

SECTION 8.4. Language of Agreement

This Agreement is prepared in both English and French. In the event of ambiguity or conflict between the two versions, the English Language version will control.

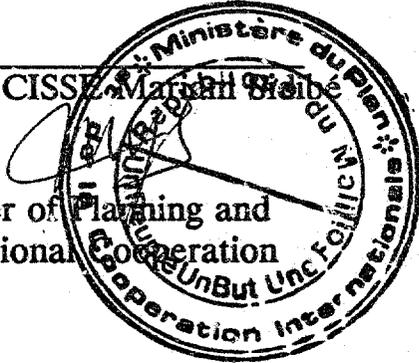
IN WITNESS WHEREOF, the Cooperating Country and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

GOVERNMENT OF THE REPUBLIC OF MALI

Signed by:

Mme Cisse Mariam Sidibe

Title: Minister of Planning and International Cooperation



Date: 27 AOUT 1991

UNITED STATES OF AMERICA

Signed by:

Herbert D. GELBER

Title: United States Ambassador

AUG 27 1991



Date:

Signed by:

Dennis J. BRENNAN

Title: Director, USAID/Mali

Date: AUG 27 1991



COMMUNITY HEALTH AND POPULATION SERVICES (CHPS)
GRANT AGREEMENT BUDGET
PLAN FINANCIER
(in thousands of dollars)
(en milliers de dollars)

Item Rubrique	This Obligation Amount Engagé	Future Obligation Engagements Futurs	Total
1. Training Formation	2,962	388	3,350
2. IEC	1,782	2,160	3,942
3. MIS SIG	719	347	1,066
4. Core MCH PMI/PF	430	1,370	1,800
5. Research Recherche	220	780	1,000
6. Contraceptive Contraceptif	747	1,253	2,000
7. Project Management Gestion du Projet	562	588	1,150
8. Contingency Imprévus	433	959	1,392
Total	7,855	7,845	15,700

Annex 1
Project No: 688-0248

Title: COMMUNITY HEALTH AND POPULATION SERVICES PROJECT

AMPLIFIED PROJECT DESCRIPTION

A. INTRODUCTION

The project purpose is to increase the sustainability and effectiveness of family health service delivery in Mali.

The total cost of the Mali Health, Population and Rural Water Project (MHPRW) is estimated at \$60.6 million of which A.I.D. will contribute \$15.7 million of Development Fund for Africa (DFA) Program funds.

The term of the project is seven years from the date of initial obligation. Accordingly, the Project Assistance Completion Date (PACD) is estimated to be on or about August 31, 1998.

The activities of the current Project will support the second Health Development Project (PDS-II) designed by the World Bank and the MSPASPF, in six program areas: Human Resource Development; Information, Education and Communication (IEC); Design and Testing of a new Management Information System (MIS); Core Maternal Child Health/Family Planning Services (MCH/FP); Operations Research; and Contraceptive Procurement and Management. The activities will be carried out by both the MSPASPF and the AMPPF. Funding reserved for AMPPF activities will be granted to the Project Coordination Unit (PCU) of the MSPASPF and then transferred directly to AMPPF. Before any funds may be made available directly to AMPPF, however, that organization must provide evidence acceptable to AID of adequate management and accounting systems which comply with AID standards. The MSPASPF, AMPPF and AID will sign a memorandum of understanding which defines the responsibilities of each party in project implementation.

B. GRM Responsibilities

The GRM's responsibilities under the Grant will include the following:

- (1) The MSPASPF will maintain an accounting system adequate to manage and account for all funds released to it under this grant.
- (2) The GRM will be responsible for establishing and maintaining an inventory system and maintenance system for all AID-financed commodities to be

procured under the Grant.

- (3) Prior to the disbursement of funding to the MSPASPF under this Grant, The MSPASPF will assign a full-time training coordinator to the Project Coordination Unit who will coordinate the training activities of the Project.
- (4) Prior to the disbursement of funding to the MSPASPF under this Grant, the GRM will develop formally authorized norms and procedures that approve the initial dispensing of oral contraceptives at the Arrondissement level and the resupply of oral contraceptives at the village level.
- (5) Before any funds may be disbursed under this grant for the FASEF fund, the GRM will develop an effective Operational and Management plan for the Fund, along with the assurance of private sector and donor involvement in the selection process for funding of proposals by the Fund.
- (6) The GRM will release personnel to attend training sessions organized under the Project, and grant recognition in accordance with the GRM personnel system to personnel completing the training. It will also establish and maintain an adequate system of personnel evaluation to serve as a basis for selection of candidates to receive training under this Grant and ensure equal training opportunities for women.
- (7) The GRM will authorize the formation and maintenance of an inter-institutional training group which will supervise the training component of the project.

C. Project Components

1. Human Resource Development

The Human Resource Development project component will provide training for approximately 6,000 people based on the training needs assessment report carried out in May, 1991, by a USAID funded consultant. The core areas and targeted personnel are (a) integrated health care technologies (PHC/MCH/FP) and essential drugs, for regional and district health teams (physicians, nurses), community health center staff (nurses, midwives, aides), pharmacists, and primary and secondary school teachers; (b) resource management (health, family planning and pharmaceutical systems management; financial and personnel management; management information systems) for central, regional and district managers; and (c) the training of trainers for MSPASPF staff and ONG's, and curriculum development for in-service training and medical/nursing/midwifery courses.

Most of this training will be conducted in-country by Malian trainers. Approximately 90 people will be sent for specialized courses in Lome, Dakar, and Mauritius.

The MSPASPF will form an Inter-Institutional Training Group (ITG) comprised of 7 persons including the project coordinator who will be based in the project coordination unit, and the other team members will remain attached to their sponsoring organizations. The ITG will be the central coordinating and implementing unit for all training done under the Project and will be housed in the Project Coordination Unit. It will be headed by a Malian Training coordinator assigned full-time by the Ministry, who will be assisted by a long-term (four year) human resource development consultant contracted by USAID. The ITG's main tasks will include assisting in identifying training needs, collecting training materials, creating a set of modules that correspond to the training needs, conducting training, and following-up the activities. To the extent possible, training will take place at the work site, and will be conducted by experienced trainers who represent complementary areas of expertise. Emphasis will be placed on participatory training methods and on-the-job training.

To ensure that newly trained personnel are indeed using their new (or improved) skills, one person at each Regional Directorate and one member of each District Health Committee will be designated as a "training resource and follow-up person (TRFP)." Their most important task will be to monitor the application of skills and techniques through regular field visits, and provide technical assistance.

To minimize attrition of newly trained personnel, a "bonding" policy will be adopted by the MSPASPF which will help ensure that people trained under the project, particularly those who receive specialized and overseas training will return to the same post after their training.

2. Information, Education, and Communication (IEC)

The national and local IEC campaigns will seek to get people to use PHC/MCH/FP services once they are in place by either creating a demand where it is weak or satisfying an unmet demand where it exists. The Project will support integrated family health care and education and community sensitization campaigns, developing and disseminating targeted materials and approaches for both national and local use as further defined in the National Plan of Action for Family Planning Report. Critical to the success of IEC activities will be using multiple channels that tap the comparative expertise and networks of public agencies, PVO/NGOs, private practitioners, the media, schools, associations, and community groups.

AMPPF and CNIEC will take major responsibility for the implementation of this project component. AMPPF will be largely responsible for the distribution and promotion aspects of the campaign while CNIEC will have major responsibility for the production of materials.

An IEC technical Committee will be formed to oversee implementation of the project IEC component which will be chaired by AMPPF. The committee will include AMPPF, DNAS/CNIEC, DNSP/DSF, PPM/SOMARC, MEN/DNAFLA, CCA-ONG, the Ministry of Plan, and in a consultative capacity, RTM. The Committee will be responsible for formulating the operation plan for the national FP/IEC strategy and will unite all concerned

parties and coordinate all efforts in the planning and implementation of that strategy. It will also serve as the overseer for contracting and supervising research organizations, public and private artists, technicians and facilities for the development and production of FP/IEC materials. The actual contracting of research organizations will be performed by PCU after receiving technical recommendations from the IEC Technical Committee.

A combination of mass media, printed materials and interpersonal communication will be used to send FP/IEC messages which will be adapted to the local context with the content and media dependent on the audience and the degree to which family planning services are already available to the particular audiences. Given that there are few IEC materials available, whether in urban or rural areas, the early stages of implementation will emphasize the development and production of print and mass media materials.

The IEC messages will be coordinated with the population education activities of other ministries, such as the Ministry of Education Basic Education Expansion Project for introducing family health education into the core curriculum at the primary and secondary levels. The promotion and advertising associated with the PPM/SOMARC social marketing project will have a somewhat different, through complementary focus, by concentrating on promoting the commercial sales of specific contraceptive products.

The IEC program will be closely monitored by contracting with local research organizations to perform studies on the coverage and comprehension of the messages by the target populations, and messages will be modified based on the results of these studies.

USAID will provide a long term (four year) technical IEC advisor who will be based at AMPPF but work approximately 50% of the time at CNIEC as well. USAID will also finance seven regional IEC advisors to be hired by AMPPF and to be based at their regional offices. These IEC advisors will have primary responsibility for developing IEC programs for the PDS-II Community Health Centers in collaboration with the Regional and Cercle level health teams.

3. Management Information System

The Project will build upon the existing National System of Health Information (SNIS) using a decentralized approach to refine, improve and streamline the collection of health statistics and commodity logistics management information. The recent report completed by CDC/CERPOD consultants in collaboration with the GRM will serve as a basis for the project interventions once it is approved by the Ministry.

The management information system will be designed and tested in the initial project areas (Bamako, Kayes and Mopti.) Regular monitoring and supervision will be conducted to assess reporting compliance for system indicators to determine if the system requires adjustment or needs to be changed. Monthly, quarterly and annual reports will be prepared and disseminated in a timely manner. The system will also allow for the disaggregation of all information by gender to assist in meeting and reporting on USAID women in

development objectives.

The MSPASPF will organize a technical committee from concerned ministry divisions to oversee this section of the project. USAID will provide a long term (two year) resident advisor either to the Project Coordination Unit or to the DNSP for the Management information system component. The MSPASPF will be responsible for developing and maintaining the system as well as for supervision and evaluation. The resident advisor and other short-term technical assistance as needed will serve as primary contacts on technical issues related to the system.

Ten Computer systems and two 2-way radio systems have been budgeted as well as other equipment listed in the budget section. This equipment is intended primarily for the PDS-II project intervention areas and will not be sufficient for the entire country. Additional equipment needs will hopefully be met from other funding sources.

4. Core MCH/FP

The project will support key elements of the recently completed National Family Planning Action Plan, the operational side of the National Family Planning Strategy and the National Population Policy. The object is to help Mali reach its goal of a national modern contraceptive usage prevalence rate of 11% by 1997. Targets of 40%, 30%, 22%, and 14% have been established for the Bamako District, regional, cercle, and arrondissement levels respectively.

The project will make the following contributions to attaining these objectives:

i) **Commodity Logistics Support:** The project will assist local cercles and arrondissements in the selected project areas with warehouse renovations to permit the storage of perishable items such as pharmaceuticals and contraceptives. An engineering needs assessment will be performed to identify locations which need assistance in this area. The PCU will order three trucks from the World Bank vehicle budget (non-USAID) to allow for deliveries to all areas according to recommendations in the National Family Planning Action Plan. DSF is currently directing contraceptive logistics activities but is mostly dependent on incoming travel of health officials for deliveries and cannot deliver large quantities at one time.

Technical assistance and training in commodity management at the local levels will also be financed by a small grant to the Family Planning Logistics Management Project (FPLM) who have already assisted DSF, AMPPF, and the National AIDS Committee in projecting commodity needs through maximum and minimum stock levels, record keeping and reporting, and distribution of commodities to the field.

ii) **Medical Equipment and Training:** According to the 1987 DHS survey, current use of clinical methods of family planning is very low in Mali. To make the provision of these services more widely available, the project will provide medical equipment and training to

hospitals in Bamako, regional capitals, and to other qualifying districts. Training will include post-partum IUD insertion, norplant insertion and removal, voluntary surgical contraception including counseling, and other clinical skills. This will be reinforced by operations research that examines how these methods might be introduced into the other regions. Technical and procurement assistance for this project component will be provided by a small grant to the Association for Voluntary Surgical Contraception (AVSC) which has an ongoing project in Mali.

Medical equipment for the arrondissement level has been recommended in the National Family Planning Action Plan and the MSPASPF will seek to fund these items from other sources.

The MSPASPF will train at least one person at every arrondissement level in the screening and prescribing of oral contraceptives and one member in each village covered by the project in resupply of this product. Funding for this training is budgeted in the human resource development component of the grant agreement. Availability of oral contraceptives at the arrondissement and village level (resupply) is a requirement for first disbursement of the grant agreement.

iii) Support to private health care practitioners: The project has provided a small fund to AMPPF to train and assist private physicians and nurse/midwives in the provision of family planning services. AMPPF will create a training and administrative structure which allows management and supervision of this project component. AMPPF will require the provision of service statistics from all private medical practitioners who receive assistance and will seek to collect the same statistics from all identified private medical practitioners. Short term technical assistance in management and accounting will also be provided to AMPPF to enable them to implement this aspect of the project.

iv) Social Marketing with the PPM: The national Social Marketing of Contraceptives program currently being implemented by the PPM with the technical assistance of a resident advisor from SOMARC will be continued and expanded, beginning in 1994, to the regions and areas (including villages) selected for the PDS-II project interventions. Promotional advertizing will be directed at both potential family planning users and the at-risk populations who need to avoid infection with AIDS or other sexually transmitted disease. Local ONG's and the commercial private sector will be trained and become involved in the commercial distribution and sale of these commodities as well as providing health education concerning their use.

5. Operations Research

Given the newness of many primary health care and family planning activities, in Mali, and the need to find flexible and responsive ways to implement them, the project will finance certain operations research activities aimed at encouraging private and public groups to find innovative and sustainable ways to bring quality family health care delivery to Malians.

i) **The FASEF Fund:** The major support under this project component will be for the FASEF fund which will support small scale innovative projects in family health and family planning selected by a national committee composed of the MSPASPF, the private sector, and donors. The grants will be awarded competitively and will be approximately equally divided between MCH/FP service delivery, IEC, operations research including surveys, and Women In Development (WID) activities. The structure and management of the fund must be approved by USAID prior to any disbursement of funding for this activity.

ii) Other special studies will be funded by the Grant including an assessment of the organization and quality of MCH/FP services, client satisfaction, project impact assessment, norplant introduction into Mali (with the assistance of a small buy-in to FHI), and two other special studies designed and proposed by the PCU and approved by USAID.

iii) A repeat of the 1987 National Demographic and Health Survey will be carried out in 1996. Preparations will begin in 1994. Funding has been budgeted for a buy-in to the Westinghouse DHS Project with local assistance from CERPOD. The project will cover local costs as well as the cost of technical assistance in designing, carrying out, and analyzing the results of the survey. The 1996 DHS survey will serve as an impact evaluation for the entire PDS-II project and comparisons will be made between communities within and outside the project intervention zones.

6. Contraceptive Procurement and Management

The Project will provide USAID eligible contraceptives to the national family planning program. These commodities include Lo-Feminal, Ovrette, Sultan Condoms, Conceptrol Vaginal Foaming Tablets, and Copper 380-A IUD's. Limited supplies of norplant will also be provided as soon as this method is approved in Mali. Contraceptives will also be provided to the PPM/SOMARC social marketing program beginning in 1992 and will include Norquest, Protector Condoms, and Flower Vaginal Foaming Tablets. These commodities will be sold in commercial outlets and in community run pharmacies.

USAID and the MSPASPF will make a major effort to increase the percentage of contraceptives sold and reduce the percentage distributed free of charge in order to institute cost-recovery and reduce dependence on donors over the life of the project. Other brands of contraceptives will also be imported commercially by the PPM and private pharmacists under the Bamako Initiative in accordance with the recently enacted pharmaceutical reforms, which will give consumers a larger number of alternative choices.

7. Project Evaluation and Audit

The Grant will fund a midterm and final project evaluation in addition to the 1996 DHS survey and will also fund two project audits. A project manager will be contracted who will work at USAID and be the primary contact between the MSPASPF, AMPPF and USAID.