

PD-ABE-008

46297



LEBANON

AMENDMENT

TO

THE HEALTH SECTOR REHABILITATION PROJECT

#268-0305

DECEMBER 22, 1983

1) Authorized - 2/5/26
 2) No idea of a date
 3) 14 m (including 2 m for ...)

AGENCY FOR INTERNATIONAL DEVELOPMENT

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

PROJECT DATA SHEET

COUNTRY/ENTITY: Lebanon
 BUREAU/OFFICE: USAID/Lebanon [268] Health Sector Rehabilitation
 PROJECT NUMBER: 268-0305
 ESTIMATED DATE OF OBLIGATION: (Under 31" below, enter 1, 2, 3, or 4)
 A. Fiscal FY: 78 | B. Quarter: III | C. Fiscal FY: 84

3. COSTS (\$000 OR EQUIVALENT \$1 = 4.60LL)

| A. FUNDING SOURCE | FIRST FY 78 | | LIFE OF PROJECT | | | |
|-----------------------|-------------|-------|-----------------|-------|-------|----------|
| | 3. FY | 2. LC | 2. Total | 2. FY | 2. LC | G. Total |
| AD Appropriated Total | 4900 | --- | 4900 | 19260 | --- | 19260 |
| Grants | 4900 | --- | 4900 | 19260 | --- | 19260 |
| Loans | | | | | | |
| Other | | | | | | |
| U.S. | | | | | | |
| Host Country | | 1000 | 1000 | | 8157 | 8157 |
| Other Donors | 500 | | 500 | 1522 | | 1522 |
| TOTALS | 5400 | 1000 | 6400 | 20782 | 8157 | 28939 |

9. SCHEDULE OF AID FUNDING (\$000)

| A. APPROXIMATE PRIMARY PRIOR/PURPOSE CODE | B. PRIMARY TYPE CODE | C. OBLIGATIONS TO DATE | | D. AMOUNT APPROVED THIS ACTION | | E. LIFE OF PROJECT | | | |
|---|----------------------|------------------------|---------|--------------------------------|---------|--------------------|---------|-------|-----|
| | | 1. Grant | 2. Loan | 1. Grant | 2. Loan | 1. Grant | 2. Loan | | |
| (1) HE | 520 | 19260 | --- | 5260 | --- | 14000 | --- | 19260 | --- |
| (2) | | | | | | | | | |
| (3) | | | | | | | | | |
| (4) | | | | | | | | | |
| TOTALS | | 5260 | --- | 14000 | --- | 19260 | --- | | |

10. SECONDARY TECHNICAL CODES (maximum 3 codes of 3 positions each): 570, 580
 11. SECONDARY PURPOSE CODE: 762
 12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each):
 A. Code: BU, PVQU
 B. Amount: 17260, 2000
 13. PROJECT PURPOSE (maximum 400 characters):

To assist the Government of Lebanon to re-establish health and social/health services which were disrupted or terminated as a result of recent hostilities.

14. SCHEDULED EVALUATIONS: MM YY: 01/79, Final: 1/2/85
 15. SOURCE/ORIGIN OF GOODS AND SERVICES: 300 341 Local Other (Specify) Lebanon

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of 30 page PP. Amendment.)
 The additional funding being provided by this amendment will be utilized to (A) finance an OPG with World Rehabilitation Fund, Inc. to expand rehabilitation services for handicapped persons, and (B) to finance the procurement and erection of two fully equipped prefabricated hospitals.

17. APPROVED BY: [Signature] Title: [Date Signed: MM DD YY] DATE DOCUMENT RECEIVED BY AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION: MM DD YY

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GLOSSARY OF TERMS

TERM:

ACRONYM

| | |
|--|---------|
| Agency for International Development/Washington | AID/W |
| Area Health Authority | AHA |
| Architect and Engineering | A&E |
| Council for Development and Reconstruction | CDR |
| Economic Support Fund | ESF |
| European Economic Community | EEC |
| Fiscal Year | FY |
| Government of Lebanon | GOL |
| Invitation for Bids | IFB |
| Ministry of Health | MCH |
| Ministry of Health and Social Affairs | MOHSA |
| Operational Program Grant | OPG |
| Project Activity Completion Date | PACD |
| Project Advisory Committee | PAC |
| Technical Work Group | TWG |
| United States Agency for International Development/Lebanon | USAID/L |
| Unit for Health Systems Planning | UHSP |
| World Rehabilitation Fund, Inc. | WRF |
| World Health Organization | WHO |
| Government of Lebanon | GOL |
| World Rehabilitation Fund, Inc. | WRF |

I. SUMMARY AND RECOMMENDATIONS

- A. Grantee: (1)The Government of Lebanon (GOL), and
(2)The World Rehabilitation Fund, Inc.(WRF)
- B. Implementing Agencies: (1)The Ministry of Health and Social Affairs, and
(2)The World Rehabilitation Fund, Inc.

C. Proposed Project Costs: This Amendment \$14.0 million (ESF)

| | |
|--|------------------------|
| (1)Previous Life of Project Funding Level | \$5.26 million |
| (2)Proposed Project Amendment | \$14.00 million |
| a.Prefabricated Hospitals | [\$12.00 million] |
| b.OPG Activity | [\$2.00 million] ✓ |
| (3)Revised Total Life of Project Funding Level | <u>\$19.26 million</u> |

D. Project Purpose: The purpose of the Project is to finance the re-establishment of Public Health facilities which service deficit areas of population concentration and to finance the re-establishment and re-equipping of a number of Rehabilitation Centers which are most urgently needed by the handicapped population of Lebanon.

E. Brief Description of Project: The Health Sector Rehabilitation project is a multifaceted project focused on assisting the GOL efforts in the Health Sector. Since it began the Project has provided funds for the following; (1)fully re-equipping a 200 bed hospital in Tripoli, (2)restoring the Beirut Public Health vehicle fleet, (3)completing an Epidemiological Study of food and water-borne disease in Lebanon, (4)providing training, technical assistance and equipment to Rehabilitation Centers throughout Lebanon and to the Lebanese Family Planning Association, and (5)organizing a Planning Unit within the Ministry of Health.

Since 1982 USAID/Lebanon (USAID/L) has concentrated its funding on programs to assist the GOL's effort to rapidly implement a Reconstruction and Rehabilitation Program. The intention of this focus has been to re-establish the GOL as a strong unifying force capable of responding to the needs of all sectors of the Lebanese population. This Project Amendment is aimed at providing urgently needed assistance specifically to the GOL's programs in the Public Health Sector.

The funding provided under this Amendment will be obligated as two separate grants to two different implementing agencies. A Grant Agreement Amendment of \$12,000,000 will be signed with the GOL to finance the provision of two fully equipped prefabricated medical facilities, one for the West Beirut area and the other for Sidon. An Operational Program

Grant (OPG) for the remaining \$2,000,000 will be signed with the World Rehabilitation Fund, Inc. (WRF) to finance the procurement of equipment and services required for the expansion and reconstruction of various private voluntary Rehabilitation Centers for the training and rehabilitation of the handicapped population.

F. Summary Findings:

(1) Prefabricated Hospitals: A recent assessment of the health situation in Lebanon carried out by the United Nations', World Health Organization (WHO), concluded that there is an urgent need for temporary medical facilities in the communities of Sidon and West Beirut. The existing facilities were all severely damaged during the hostilities of 1982 and have as yet not been replaced.

(2) OPG ACTIVITY: In 1978 AID financed a Report which provided an assessment of the rehabilitation needs of the handicapped population of Lebanon. That Report was subsequently updated in 1982. Both reports detailed the extensive damage to existing Rehabilitation Centers and the increased number of disabled and handicapped persons requiring short term care and long term rehabilitation.

The information provided in these reports and in the technical, economic, financial, social and administrative analyses contained in this Project Paper Amendment have led USAID/L and the appropriate AID/W technical offices to the conclusion that the proposed activities can be implemented within the time period projected in the Implementation Plans contained in the Project Paper Amendment.

G. Waivers: No waivers are anticipated under this Project Amendment.

H. Statutory Requirements: All statutory requirements have been met. See Annex A for a detailed statutory checklist.

I. Recommendation:

1) An Amendment to The Health Sector Rehabilitation Project 268-0305 in the amount of \$12,000,000 from the Supplemental Appropriation for Lebanon from the Fiscal Year (FY) 84 ESF account be authorized in accordance with the terms and conditions set forth in the Project Authorization provided in Annex B of this Project Paper Amendment.

2) That an Operational Program Grant (OPG) in the amount of \$2,000,000 from the Supplemental Appropriation for Lebanon from the FY 84 ESF account with The World Rehabilitation Fund, Inc. (WRF) be authorized in accordance with the terms and conditions set forth in the Project Authorization provided in Annex B of this Project Paper Amendment.

(3) That in order to allow completion of the activities envisioned in this Project Paper Amendment the Project Assistance Completion Date (PACD) for The Health Sector Rehabilitation Project 268-0305 be extended for an additional eight (8) months to a new date of January 1, 1986.

J. Project Design Team:

| | |
|-----------------|----------------------------------|
| S.J. Freundlich | Design Officer, NE/PD/MENA |
| C.S. Rahman | Project Officer, USAID/L |
| L. Butler | Program Officer, NE/ME |
| K. Loken | Health Officer, NE/TECH |
| M. Williams | Legal Advisor, GC/NE |
| R. Henrikson | Engineering Advisor, NE/PD/ENGR. |
| A. Shimomura | Program Officer, NE/DP |

II. BACKGROUND AND RATIONAL

A. Background: This Project was authorized in May of 1978 for a life of project funding level of \$4,900,000. In August of 1979 the funding level was increased to \$5,260,000. In March of 1982 the PACD was extended by three years to May 1, 1985.

The Project was originally designed to assist the GOL in the reconstruction and rehabilitation of the nation's Health Sector programs and infrastructure. The Project concentrated on the utilization of existing health facilities, systems, personnel, and institutions to accomplish these ends. Given the security situation in Lebanon over the last eight years, the Project has been a remarkably useful means of channelling assistance to the GOL and thereby meeting Project objectives.

In the summer of 1982, the few existing health facilities which provided services to Beirut and the surrounding areas were severely damaged and in some cases totally destroyed. Medical equipment, vehicles, and supplies were also damaged, stolen, or destroyed. While war-related injuries greatly increased the number of disabled persons requiring medical assistance, the conflict related movement of large segments of the population overstrained the existing Health System's capacities by creating huge slum areas outside the city of Beirut. As a result the newly arrived populations of these areas have absolutely no access to adequate Public Health facilities.

Taking note of this desparate situation and the absences of a systematically collected or reliable data base necessary for the design of a new USAID/L funded project, it was concluded that the existing Health Sector Rehabilitation Project would be the most appropriate mechanism available for the provision of the additional assistance which the GOL has requested as part of the emergency program of reconstruction activities in the Health Sector.

Following the events of the summer of 1982, the central government of Lebanon was strengthened. A new Minister of Health (MOH) was appointed with the charge to initiated steps to revitalize the Ministry. The many years of violence and civil strife had taken a heavy toll of the administrative and service delivery capacity of the Ministry. Public authority and credibility were significantly weakened. The new Minister quickly assembled a team of highly qualified individuals to investigate specific problem areas and develop strategy and program recommendations to; (a)combat serious health hazards, (b)meet the health needs of the people, and (c)reorient the policy direction of the Ministry of Health. As a result of the recommendations of that team, the Minister requested USAID approved to reprogram \$1,700,000 remaining in the existing project. These funds were to be utilized to establish a Unit for Health Systems

Planning (UHSP) within the MOH which would develop implementation plans related to the Team's recommendations. USAID/L approved this request in February of 1983.

Since its establishment the UHSP has successfully coordinated the activities of various ministerial Task Forces and has served as the focal point for rational planning of all international donor assistance to the Health Sector. The UHSP has been charged with the responsibility of detailing the GOL's new Health Policy and of coordinating the implementation of recently approved GOL legislation which consolidated the old Ministry of Public Health and the old Ministry of Labor and Social Affairs into a new Ministry of Health and Social Affairs (MOHSA). The strategy development and implementation planning undertaken by the UHSP will have a direct bearing on the planned operation of all medical facilities. Discussions are currently underway to activate additional Divisions of the UHSP which will coordinate overall management of medical facilities, train staff for the Ministry, explore new methods of health financing, and develop Area Health Authorities (AHA).

B. Rational: The first two activities initiated by the new UHSP were the establish Epidemiological Surveillance Systems and Health Information Systems in Lebanon. To augment the data generated by these Systems, the WHO, the World Bank and USAID/L financed teams of specialist to assess the situation in Lebanon from various view points. The findings of these teams are presented in the four reports which are listed in the bibliography Annex C of this Project Paper Amendment. These reports describe the: extensive damage which health facilities have suffered; the loss of medical equipment; the weakened condition of the Public Health Sector; and a number of other health system problems which require immediate attention. The Reports include recommendations concerning; the generation of health data needed for planning; the control of communicable disease; and the urgent need for the provision of facilities to provide medical and rehabilitation services to underserved populations. This Project Paper Amendment concernings itself with the last of these health sector problems

(1)Pre-Fabricated Medical Facilities: According to the WHO "Health Sector Assessment", two specific service deficit areas require immediate attention.

(a)In Sidon, the only public hospital was seriously damaged during the invasion of 1982. Surveys of the facility indicated that although the structure is sound, the necessary repairs and remodelling would not be cost effective. The European Economic Community (E.E.C.) has agreed to fund the construction of a new hospital for this area, however completion is not expected for at least four years. During the interim period temporary medical services must be provided to this deficit area.

(b)The southern suburbs of West Beirut were heavily damaged during the summer of 1982. This is an area of extreme population concentration. The area's population is estimated at almost 800,000 people, many of whom are economically and socially disadvantaged. In addition, the immediately contiguous areas of Greater Beirut, with an estimated economically and socially disadvantaged population of 240,000 are presently served by only 116 active Public Hospitals beds. Therefore, this combined population of over 1 million economically and socially disadvantaged people, who cannot afford to utilize the very costly and limited numbers of private health facilities, has virtually no Public Health facilities available to it. The GOL has plans to build a new public hospital to serve this area but construction will not be completed for several years. A temporary facility is urgently needed during the interim.

(2)OPG Activity: The LaRocca/Brinkley Assessment of "Rehabilitation Needs and Resources in Lebanon" (Annex C) was financed by USAID/L under this project and was completed in November of 1982. The Assessment documents both the extensive damage to existing private Rehabilitation Centers and the urgent need for expansion of all human rehabilitation services following eight years of war.

The Assessment notes that a first priority requirement related to the rehabilitation of handicapped individuals is the reconstruction and re-equipping of existing facilities. the Report also points out the urgent need for developing a long range plan for dealing with Lebanon's disabled population. This population is presently estimated at between 150,000 and 300,000 individuals. This is a sizable percentage of Lebanon's estimated population of 3.1 million people. Without rehabilitation services, this group will be left out of the national recovery process and will actually represent a substantial drain on limited GOL and private sector resources available to the Health Sector.

After completing discussions with GOL officials, USAID/Lebanon with AID/W concurrence (Annex D), determined that this activity is consistent with the original goals of the Health Sector Rehabilitation Project 268-0305 and that it will contribute substantially to the achievement of overall Project objectives. In addition, it was concluded that the most efficacious method of financing this urgent Health Sector requirement would be to provide the necessary funding as a OPG to The World Rehabilitation Fund, Inc. Such an OPG will insure that this activity will be carried out immediately by an experienced organization.

III. DETAILED PROJECT DESCRIPTION

USAID/L considers investment in the Lebanese Health Sector to be a cost effective investment of U.S. resources in Lebanon, however the objectives of this Project Amendment are not oriented towards traditional developmental goals. The Project Amendment is considered a means of immediately providing funding for health oriented reconstruction and recovery activities. USAID/L and the GOL have reviewed the findings of various Health Sector assessments teams and have selected only the highest priority requirements for funding under this Project Amendment. This Amendment will deal with two specific activities; (1) the provision of two fully equipped prefabricated public medical facilities; and (2) the procurement of the services needed to reconstruct and re-equip a number of Rehabilitation Centers for the handicapped.

(1) Prefabricated Medical Facilities: Under this Amendment, an estimated \$12,000,000 will be used to procure, erect and equip two prefabricated medical facilities, one for Sidon and one for West Beirut. These facilities will contain respectively 110 and 145 public hospital beds.

In July of 1983, a uniquely qualified Architect and Engineering (A&E) firm was contracted under The Planning Rehabilitation Project 268-0327 to complete the preliminary assessment of the requirements for the two proposed prefabricated medical facilities and to assist in the prequalification of U.S. manufacturers having experience in the production and supply of such prefabricated hospitals. Once the prequalification exercise is completed the A&E firms will assist the GOL and USAID/L in developing a final Invitation for Bids (IFB) and in evaluating the bids for the provision of the required prefabricated medical facilities.

The firm that is awarded the contract will be required to manufacture the two hospital units, procure all the required equipment, ship the entire units to Lebanon and erect the units on the sites which have been provided by the GOL. The GOL will provide all the necessary utility connections and the manpower required to operate each facility.

The facilities will provide out-patient and general hospital (medical, surgical, and obstetrical) services to lower income families in Sidon and West Beirut. The condition of patients requiring more intensive care will be stabilized so that they can be transferred to a more sophisticated hospital such as the American University Hospital in Beirut.

Although prefabricated units may provide a shorter working life than the permanent facilities which will replace them in approximately five years, they have the benefit of being available quickly at a relatively

low unit cost. These prefabricated units will also be used for other related purposes once their initial five year operational life has been completed ie. Nurse Training Units and/or Rehabilitation Service Centers. The provision of these prefabricated facilities will immediately ease the political pressure on the GOL to meet the medical requirements of the respective communities of these areas. The facilities will also give the GOL the additional time required to plan and construct permanent hospitals at each site.

(2)OPG Activity: The remaining \$2,000,000 will be utilized to assist in the reconstruction and re-equipping of selected Rehabilitation Centers for the handicapped. The Health Sector Rehabilitation Project has already provided \$400,000 in direct assistance to a number of these Rehabilitation Centers and the USAID/L experience has been that effective, cost efficient use of these resources has been achieved.

As an outgrowth of this initial USAID/L funded effort, an Unsolicited Proposal was received from the WRF. The Proposal requested financing, under an OPG, to continue and expand their programs in Lebanon. This proposal has the enthusiastic support of the GOL as well as that of appropriate private sector rehabilitation officials. Although the MOHSA will be involved in aspects of the oversight and coordination this project activity, they agree that the WRF is the most appropriate and effective implementing agency for it. This proposed method of implementation will allow scarce Ministry personnel to focus their attention on other Health Sector priorities.

The WRF has been active in the rehabilitation field in Lebanon and internationally for over thirty years and has contributed substantially to the development and expansion of various Rehabilitation Centers in Lebanon. These Centers are privately owned and operated. The only GOL connection to these Centers is an indirect one, through the reimbursements of the cost of treating indigent patients.

The WRF will be the implementing agency for the OPG and will develop the full program with the approval and concurrence of USAID/L and the GOL. The activity will include the provision of the training and technical assistance required; to rehabilitate a number of the more seriously damaged Centers, and to assure proper and maximum utilization of these and other facilities and equipment.

IV. OTHER DONOR ACTIVITIES:

Since the end of the summer of 1982, a number of studies funded by bilateral donors or by International Development Agencies have assessed various aspects of Lebanon's Health Sector. The World Bank "Reconstruction Assessment Report of 1983" is the most comprehensive to date. The GOL has initiated preliminary discussion concerning the possibility of financing a variety of the Health Sector activities proposed in these reports, but given the existing situation in Lebanon no decisions have been forthcoming.

One major exception to this is the EEC commitment to fund the construction of a permanent hospital for the Sidon area. Preliminary feasibility studies are underway and the MOHSA has established a target of approximately four years for the completion of this, as yet to be designed effort. The knowledge that such a permanent structure is being planned for Sidon and in all probability for the other site that will be covered by this Project activity, greatly influenced the USAID/L decision to propose that AID financing be used to provide a temporary facility at each of the chosen sites. The knowledge that the GOL is developing programs for follow-on hospitals at the chosen sites re-enforced government assurance that adequate staff and funding will be made available and that the construction of these facilities is in reality an extremely high priority for both the GOL and the target beneficiaries.

V. GOAL AND PURPOSE

This Project Amendment has a two fold goal; (a) to provide two fully equipped prefabricated hospitals to assist the GOL to improvement the general health of the Lebanese population; and (b) to assist the GOL's efforts to reintegrate the handicapped population of Lebanon into society as productive members.

The Purpose of the Project is to finance the re-establishment of Public Health facilities which service deficit areas of population concentration and to finance the re-establishment and re-equipping of a number of Rehabilitation Centers which are most urgently needed by the handicapped population of Lebanon. (Under the present political situation, project activities will take place only in the Greater Beirut area. This area was the hardest hit during the hostilities of last year.)

V. OUTPUTS

(1) Pre-fabricated Medical Facilities: Funding will be provided for the procurement of two fully equipped prefabricated public hospitals; one 110 bed unit for Sidon and one 150 bed unit for West Beirut. Staff, operating expenses and supplies will be contributed by the GOL through the MOHSA.

Due to the urgent need for the services which will be provided in these facilities, every effort will be made to have this procurement completed within nine months from the date a contract for the supply of the prefabricated facilities is signed.

Both units will provide medical, surgical, delivery, postpartum, and outpatient services with necessary food, laboratory, pharmacy, laundry, administration, sterilization, etc., support services. Sites for both facilities have been designated and provided by the GOL. The GOL will provide utility connections for each site. A U.S. supplier will be competitively selected to supply the required medical equipment, manufacture the prefabricated units, and erect the facilities on site in Lebanon.

(2) OPG Activity:

This activity will support various Rehabilitation Centers for the handicapped by developing specifications for the reconstruction of Rehabilitation Centers at the Al-Kafaat, Ouzai, and Cortbawi. Facilities at each site will be evaluated by WRF with the assistance of a competitively selected A&E firm. A Rehabilitation Plan will be developed for each site. Construction contracts will be advertised and awarded on a competitive basis. All construction will be appropriately supervised by the WRF A&E firm and final inspection will be performed prior to turning over the facilities.

In addition, U.S. and a limited number of local procurements of badly needed equipment and supplies for six Centers (Al-Kafaat, Ouzai, Cortbawi, Beit Chebab, Sidon and West Beirut) will be assessed, financed and completed. The activity will also initiate the development of a National Plan for the reconstruction and re-establishment of rehabilitation facilities and related services, and for the development and training of rehabilitation personnel. At the same time technical assistance will be provided to GOL and to other non-governmental agencies and related institutions in order to develop Standards and Guidelines for the effective use of rehabilitation facilities and for the training of personnel to achieve maximum rehabilitation of disabled persons. As part of this technical assistance short-term training programs for rehabilitation personnel will be instituted in order to insure utilization of rehabilitation facilities and equipment in keeping with the Standards and Guidelines that are developed.

VII. SUMMARY PROJECT ANALYSES

A. Introduction:

Given the prevailing state of social and civil unrest in Lebanon and the

special data collection problems which have plagued Lebanon for the past several years, the following technical, social, financial and economic analyses are presented in summary form only. Nonetheless the information provided is sufficient to determine that the urgently needed activities proposed in this Project Paper Amendment are feasible and meet AID requirements for approval of projects which are funded under the Supplemental Appropriation for Lebanon from the FY 1984 Economic Support Fund (ESF) account.

B. Technical Analysis:

1. Prefabricated Medical Facilities: The decision to utilize a prefabricated mode of construction for the facilities to be supplied under this Project Amendment is based on the fact that the requirement for these facilities is extremely urgent given the existing situation in Lebanon as a whole and the target areas in specific. Such facilities can be supplied relatively quickly when compared with the normal time to design and construct an entire permanent hospital facility. The prefabricated mode of construction results in the provision of a high quality finished product with considerable savings in the cost due to the limited numbers of the skilled labor required to complete the erection.

As a first step in the process of developing the plan for each of the proposed sites, a uniquely qualified and experienced A&E firm was contracted to go to Beirut to discuss with appropriate GOL officials their concepts of what each facility would eventually be able to provide. While in Beirut the consultant visited each of the sites and investigated the available data on the provision of medical services at each of the sites. The results of that visit led to the development of a detailed Medical Services Program including a calculation of bed and medical service requirements for the two proposed sites. These calculations are the result of a largely empirical analysis conducted by the A&E firm. Each of the detailed Medical Service Programs includes a breakout of the actual equipment requirement and a plan for the distribution of all of the services to be provided. The Final Report of the A&E firm is found in Annex E.

The contents of the Report have been reviewed and approved by the appropriate technical offices of both the GOL and AID. The information provided in this Report will be used to develop technical specifications and schematic drawings to be incorporated into the IFB for the supply of each facility. This IFB will be comprehensive enough to ensure that all bids are based on the same general Medical Services Program and physical layout for each of the facilities, so as to permit comprehensive and realistic evaluation of all proposals and the award of the contract to the most responsive and reasonably priced bid.

The last official census for Lebanon was completed in 1932. Since that time population figures for Lebanon both national and area specific have been based on the best existing estimates. As of 1980, the total estimated population of Lebanon was 3,100,000. Of that, the Greater Beirut area and Sidon are estimated to have a population of approximately 2,000,000.

By combining the above population estimates with estimates of medical coverage for the population as a whole and data concerning the availability of hospital beds for the two areas, current utilization estimated in terms of beds per thousand population served were developed. Incorporating current utilization intensities data for private hospital beds with the above estimates on current utilization data enabled the A&E firm to calculate an approximate requirement for an additional 299 bed and an additional 260 beds respectively for the Greater Beirut area and for the Southern Lebanon area of Sidon. While this is admittedly an oversimplification of a very complex issue it does support the empirical need for additional beds.

The final computations of the facility requirements for each site were then refined. The computations were first modified by the modest utilization rates of 1.73 and 1.25 beds per thousand population. Then factors of morbidity and the system for health care delivery in each of the a particular areas were taken into consideration in establishing the appropriate number of beds to be provided by each facility.

(a)The Sidon Site; The A&E Report proposes a facility of 110 beds for the Sidon site. Available surgical, maternity and pediatric caseload data was used to determine the requirements for beds for these specialties. On the basis of experience, general medical bed requirements were established which suggest that 40% of total beds should be provided for surgical patients and 60% for postpartum, medical pediatrics and general medicine patients. Computed on this basis, the facility would utilizing a base nursing unit of 26-32 beds. Requirements for diagnostic and treatment services are computed from historic utilization data relative to outpatient visits and inpatient occupancy. Supporting services were based on operational requirements discussed with hospital staff and on area per bed norms for departmental space allocation.

(b)The Bir Hassan hospital site; This facility will be located in an area of concentrated population growth in southern Beirut. This area has a limited number of private sector hospital beds and absolutely no Public Hospital facilities. In the absence of any historic data for this service area, the Medical Services Program developed by the A&E firm was based on the most recent census data which led to an estimation of area caseloads per year which totaled 1,200 deliveries

and 30,000 outpatient visits. The resulting Medical Services Program estimates for this area conclude with the requirement for a 150 bed facility. Total beds are allocated on an estimated requirement of 50% general surgery, pediatric surgery and gynecology services and 50% for general medicine, pediatric medicine and postpartum care.

(2)OPG Activity: This activity provides for the re-establishment of major Rehabilitation Centers for the handicapped in Lebanon. The focus of the activity will be the physical reconstruction and re-equipping of selected Rehabilitation Centers. Including will be the provision of technical assistance and short-term training. This activity will be financed by establishing an OPG with the WRF.

Specific support requirements for this activity were determined during a 1982 USAID/L financed study which updated a previous 1978 Assessment of the Rehabilitation Requirements of Lebanon. Mr. Joseph LaRocca and Dr. Sterling Brinkley of the Rehabilitation Services Administration prepared the 1982 revised assessment of the situation in Lebanon.

The Report details rehabilitation needs and among other things, recommends the reconstruction and re-equipping of damaged and gutted Rehabilitation Centers and the training of personnel so that full use of the reconstructed and re-equipped facilities will ensue. The Report concludes that by following such a program of activities the GOL would find it unnecessary to continue the highly expensive and highly questionable practices of sending disabled children and adults to the United States and other countries for the rehabilitation treatment needed to enable this group of disadvantaged people to once again become productive members of Lebanese society.

The rehabilitation effort in Lebanon began about thirty years ago. The WRF has been involved in the development and expansion of various Lebanese programs since that time. The WRF, throughout its history, has insisted on the use of appropriate technology in the provision of service delivery system. Only materials available locally are utilized, for example, in the production of artificial limbs and appliances. The WRF in its training activities insists on the development of indigenous personnel wherever feasible. This procedure assures the development of local capability which will be in place when the activity is completed.

In July, 1983, WRF submitted an Unsolicited Proposal addressing the reconstruction, training, and re-equipping needs identified in The LaRocca/Brinkley Report. The Unsolicited Proposal consists of support for the a) reconstruction and re-equipping of the Al-Kafaat and Ouzai Rehabilitation Centers, with limited renovation at the

Cortbawi Center, b) the provision of additional equipment and limited transportation support for the Cortbawi and Beit Chebab Centers, and c) the training of rehabilitative staff at the AID assisted hospitals in Sidon and West Beirut, and at each of the Centers mentioned above. Particular attention is paid to the re-establishment of the principal Rehabilitation Centers of OUZAI, AL-KAFAAT and CORTBAWI.

Well trained local manpower is available in adequate supply to carry out all required incountry construction activities. Therefore, collaboration between a qualified Lebanese and U.S. A&E firm is the preferred mode of project implementation. In view of WRF's previous experienced in implementing similar planning and construction programs in Lebanon, implementation of this activity should proceed relatively easily. Equipment requirements for Rehabilitation Centers receiving support under the OPG will be developed in cooperation with the private organizations that manage the individual Rehabilitation Centers. Procurement Plans will be the approved by USAID/L and the GOL prior to reimbursement of costs. Although all equipment will be of U.S. source and origin, approximately \$200,000 of the equipment to be financed under the OPG will be local off the shelf procurement. The equipment to be procured, for the most part, are in common use throughout the Lebanese Health Sector and will therefore present no unusual maintenance and/or use problems to the concerned Lebanese professional and technical personnel.

(3)Conclusion of Technincal Analyses: Based on the findings and experiences of; a qualified U.S. A&E firm, a number of hospital management and rehabilitative medicine specialists, and a comprehensive review of the preliminary plans and studies completed during the Project design effort, it has been determined that the activities planned under this Project Paper Amendment are technically sound.

C. Financial Analyses:

Under this Project Paper Amendment, USAID/L will provide a total of \$14,000,000 in grant funding from the ESF account of the FY 84 Supplemental Appropriation for Lebanon. The GOL will contributing a total \$ 5,160,000 to the costs involved in the activities funded under the Project Amendment. This contribution of approximately 36 % of the total cost of the activities is well within USAID's statutory requirement for counterpart funding of project activities. USAID/L plans to obligate this entire \$14,000,000 in FY 84.

(1)Prefabricated Hospitals: This activity will require approximately 85% of the total cost of the proposed Project Paper Amendment. The estimations for the costs involved in this activity are derived from the work of an A&E firm with extensive past experienced in the

supervision, manufacture and erection of similar prefabricated structures. In order to develop the necessary detailed estimates required for Project design the A&E firm sub-contracted for the services of an experience hospital equipment specialist and with an experience firm of construction cost estimators.

The final budget estimates for the prefabricated hospitals are based on a detailed analysis of quotations provided by five manufacturers of prefabricated hospitals that were prequalified by the COL with the approval of AID. In developing the cost information included below, the A&E firm took into consideration the similarities and differences of the production systems and the final products of these five firms and examined the cost of labor, materials, utilities, shipping, tariffs, foundation construction, field erection, and other related costs factors. These costs were then adapted to the specific requirements of the site for each facility.

The analysis conducted by the A&E firm yielded a range of three separate possible costs for the required hospital facilities. These estimates include a 15% contingency factor and a 3% escalation factor. The first two cost estimates ranged from a low cost of approximately \$3,500,000 per hospital to a high cost of approximately \$8,000,000. The third cost estimate was significantly higher than the other two and was for a very different type of modular hospital unit that did not conform to the project objectives. Based on these estimates The A&E firm concluded that the production systems and products at the lower range of cost estimates were more in line with hospital units to be provided under this Project Amendment.

(2)OPG Activity:

A detailed estimated budget and financial plan for the OPG with the WRF, Inc. is included in Annex F of this Project Paper Amendment.

(3)Summary Cost Estimate and Financial Plan:

The following chart provide a Summary Cost Estimate and Financial Plan for the Project Amendment activities. A factor of 32% has been used to calculate the contingency and escalation for the estimated cost of the medical facilities and equipment while a contingency and escalation factor of 10% was used in calculating the technical assistance costs of the activity.

TABLE I
(U.S. \$ 000)

| USES | SOURCES OF PROJECT FINANCING | | | Total |
|---|------------------------------|-----------------|-----------|-----------|
| | AID | HC Contribution | WRF, Inc. | |
| 1. Medical Facilities | | | | \$7,271 |
| a) West Beirut | \$4,099 | | | (\$4,099) |
| b) Sidon | \$3,172 | | | (\$3,172) |
| 2. Technical Assistance (A&E Services) | \$110 | | | \$110 |
| 3. Equipment | | | | \$4,619 |
| a) West Beirut | \$2,381 | | | (\$2,381) |
| b) Sidon | \$2,238 | | | (\$2,238) |
| 4. Land Acquisition | | \$4,627 | | \$4,627 |
| 5. Project Personnel | | \$142 | | \$142 |
| 6. Site Development | | \$150 | | \$150 |
| 7. Equipment | | \$238 | | \$238 |
| 8. Supplies | | \$2,000 | | \$2,000 |
| 9. OPG to WRF | \$2,000 | | | \$2,000 |
| 10. Personnel | | | \$170 | \$170 |
| 11. Training | | | \$32 | \$32 |
| 12. Overhead | | | \$820 | \$820 |
| TOTALS | \$14,000 | \$7,157 | \$1,022 | \$22,179 |

(4) Costing of Project Outputs/Inputs:

The following chart provides a summary of the costing of the various inputs and outputs which the Project Amendment will finance;

TABLE II
(In \$000 or equivalent)

| PROJECT INPUTS | PROJECT OUTPUTS | | | Revision #1 |
|------------------|-----------------|---------------|------------|-------------|
| | [Prefab Hosp.] | [Reb. Center] | [Training] | TOTAL |
| AID Appropriated | \$12,000 | \$20000 | | \$14,000 |
| Other U.S. | | | \$1,022 | \$1,022 |
| Host Country | \$7,157 | | | \$7,157 |
| Total | \$19,157 | \$2,000 | \$1,022 | \$22,179 |

(5) Life of Project Expenditures by Fiscal Year:

The following chart provides a summary by fiscal year of the expenditure which have already occurred and are planned for the future life of the Project;

TABLE III
(U.S. \$000)

| <u>Fiscal Year</u> | <u>AID</u> | <u>Host Country</u> | <u>Other[WRF]</u> | <u>Total</u> |
|--------------------|-------------|---------------------|-------------------|--------------|
| FY 1978 | \$4,900(G) | \$1,000 | \$500 | \$6,400 |
| FY 1979 | \$360(G) | | | \$360 |
| Fy 1984 | \$14,000(G) | \$7,157 | \$1,022 | \$22,179 |
| Total | \$19,260(G) | \$8,157 | \$1,522 | \$28,939 |

D. Host Country (GOL) Contribution;

The GOL contribution to the Project includes the cost (in kind) of the land provided for both the Sidon and West Beirut construction sites, the salaries of GOL project personnel, site development work, and the procurement of a limited quantity of equipment and supplies. The GOL's contribution of \$7,157 is approximately 25% of the total Project Amendment cost of \$28,939. This percentage is within the statutory requirements for the level of Host Country contributions for Projects funded from the ESF account of the FY 1984 Supplemental Appropriation for Lebanon.

E. Economic Analysis:

(1) Introduction:

Quantifying the economic benefits of a Health Sector related Project, with any degree of accuracy, is difficult under the best of normal circumstances. Given the situation in Lebanon, it is easy to understand that investment planning in the GOL's Health Sector Program can not presently followed traditional methodologies. Therefore an overriding non-economic factor has dominated the determination of how USAID/L resources are to be allocated in assisting activities in the GOL's Health Sector Program. This non-economic factor is the immediate political need to strengthen and demonstrate a willingness and capability to respond to the health services needs of these service deficit population groups.

The process of economic analysis for this Project Amendment is further complicated by the existing paucity of accurate historical health data for Lebanon. Specific up to date data on Morbidity, on the Incidence of various Diseases, and on the provision and utilization of Health Services to various sectors of the population does not exist. In addition, the years of civil strife in Lebanon have caused a severe limitation in GOL's ability to deliver any Health Services. Therefore, this Economic Analysis examines the economic feasibility of the proposed activities only in terms of the cost effective use of the required resources.

(2) Prefabricated Hospitals;

The approach to Project implementation which has been selected for this activity is a cost effective method of immediately providing improved access to quality Health Services for the service deficit populations of both the Greater Beirut area and parts of Southern Lebanon. The approach will also provide the GOL time for the long-range data collection required to develop a rational "Public Sector Health Facilities Construction and Renovation Plan".

The need for additional hospital beds and medical services in the target areas has been well documented by the findings of both WHO and USAID/L. In addition, the EEC financed a study entitled, "A Comprehensive Facilities Plan for Southern Lebanon", which also supported the need for additional hospital beds in the Sidon area.

In the case of the Bir Hassan and Sidon prefabricated facilities the number of hospital beds to be provided falls well within the estimated public health service requirements of the areas, due to the fact that these areas presently have no Public Health facilities and new construction is the only means of providing the required Health Services.

The results of an American University of Beirut Survey report included in the WHO "Health Sector Assessment" indicate that of the 1,194 total available Public Hospital beds in Lebanon, only 573, or 48% are being used. Taking this fact into consideration the GOL has acknowledged that the need for additional Public Hospital Services will be partially met by increasing the utilization of existing Public Hospital beds and by rehabilitating existing hospitals facilities. Such rehabilitation activities will take precedence over new construction of Public Hospital.

However it should be noted that the activities envisioned under this Project Amendment will be implemented at the same time as these other Health Sector activities planned by the GOL and, as a result of the mode of construction, will not distract from the completion of these other related activities. The prefabricated mode of construction is

also a relatively low cost means of providing the required service facilities due to a minimal requirement for skilled labor and supervision.

To date, given the current political climate in Lebanon and the inactivity of the Lebanese health related private sector, it is highly unlikely that the private sector can be expected to provide the additional hospital beds required to serve these Health Service deficit areas in the near future.

Thus in determining the economic feasibility of this activity consideration has been given to the fact that the facilities will respond immediately in a cost effective manner to a major concern of GOL health officials ie. the rapid provision of the required Public Health Services to the target areas, while at the same time allowing the GOL badly needed additional time to plan out a rational long-range program of health facility development for the nation as a whole.

(3) OPG Activity:

The determination that the provision of funds for the OPG activity is a cost effective utilization of resources in Lebanon is based on the fact that in most countries of the world, regardless of the level of development attained, at least ten percent of the population is in need of rehabilitation and vocational services to overcome physical handicaps. In the case of Lebanon given the recent years of uncontrolled violence, such estimates must be seen as being very low. Therefore it is logical to conclude that physical handicaps and disabilities cost Lebanon dearly not only in terms of overall economic, vocational and social development, but also in terms of individual loss of income, lack of employment and negative social attitudes.

Disabled people in Lebanon constitute the poorest segment of the population. Unless they receive rehabilitation services to restore maximum functional capacity, they are not able to work and provide for the support their families in a socially acceptable manner. Thus the number of people adversely effected by the handicapped population is multiplied by a factor equal to the number of persons in the average Lebanese family. Without rehabilitation services this population group is largely dependent on private or governmental charities for their basic care and support. Such individuals will eventually be institutionalized to some degree and therefore become and even more severe drain upon the very limited financial and developmental resources of the GOL and concerned private agencies.

The cost of providing rehabilitation services to restore Lebanon's disabled population to maximum functional capacity is a fraction of

what it would otherwise cost the GOL to maintain these people in institutions on disability payments under a social security or other government or private support systems. In the United States recent studies have shown that for each dollar spent on rehabilitation services there is a nine dollar return to the overall economy. While no similar studies have been made in Lebanon there is no reason to believe that this return would be any different in Lebanese context.

The Al-Kafaat Rehabilitation Program, which was initiated with AID support, has been training disabled persons for three years and has had remarkable success in placing graduates in productive employment. Follow-up studies of the people trained under this program show results which compare favorably with the results of similar programs in the United States. One example of this is a Lebanese employer who indicates that the nine disabled employees he recently hired not only earn the same wages as the non-disabled employees but have earned the highest bonus payments given during the year.

The GOL acknowledges the fact that there is an overall shortage of skilled workers in Lebanon at the present time and that this shortage will become more acute as planned GOL and private rehabilitation programs are implemented and the general economy of the nation is allowed to expand. The Rehabilitation Centers that receive funding under this OPG are seen as an extremely cost effective means of providing assistance to help overcome this shortage of skilled manpower, while insuring that the GOL will be in a position to gradually reduce the drain on its economic and financial resources which results from the large number of overseas training programs it funds for rehabilitation services and vocational training.

F. Social Soundness Analysis;

It is essential to realize that the situation in Lebanon for the last eight years and at the present time precludes any attempt to carry out a standard Social Soundness Analysis of the Project Paper Amendment. Nonetheless it has been possible to identify in a summary manner a few key factors which may enhance the likelihood that the anticipated outputs of the activities will benefit the target populations during the life of the Project.

Among these factors the most prominent one is the MOHSA's delegated responsibility to improve the GOL's credibility as a health service provider by being more responsive to the health service requirements of the segment of the Lebanese population which is presently disadvantaged or completely without such services. Another factor which greatly influenced the determination that the proposed project activities are socially feasible, is the level of desire for these activities which has been expressed by the target beneficiary groups.

(1) Beneficiaries of Prefabricated Hospitals;

The MOHSA has identified two target beneficiary populations with an immediate need for access to Public Health services. As a result of that identification two hospital sites were selected: a site in the Bir Hassan suburb of West Beirut, and another site at the damaged hospital located at Sidon in South Lebanon. Although there is very little current information, the evidence which does exist points to these two areas as among the three major concentrations of poverty in Lebanon (The third in Tripoli remains inaccessible at the present time).

Both of the selected areas are predominantly occupied by population groups that have been displaced by the events of the last eight years. Because of this large influx of displaced persons, population estimates for these areas are unreliable. However, the best available estimates indicate that roughly one quarter of Lebanon's population, 500,000 to 700,000 people live in the southern suburbs of Beirut and that an additional estimated 800,000 live in South Lebanon which includes the Sidon area. Therefore it is estimated that the proposed activity will immediately provide services to a target beneficiary population of well over one million inhabitants.

The provision of any form of public or private services to much of this rapidly increasing population is hopelessly inadequate. This inadequacy of services and the inevitable comparisons between this situation and that in other areas contributes substantially to a growing resentment against the central government of Lebanon. The lack of health services is a particularly visible irritant to these already volatile populations. Stories appear daily in the Lebanese press concerning ill and/or wounded citizens of these areas being forced to ride in a taxi from hospital to hospital unable to gain access to the available private hospital facilities.

The current level of service and hospital bed availability is clearly inadequate to serve the existing population of these areas. The need for beds and medical services at the two sites has been confirmed by a number of Health Sector Assessments and by estimates presented in the A&E firm's technical analysis for the development of the proposed IFB. (Annex E) Furthermore, there is little doubt that the current GOL program of reimbursement for the cost of limited available private services will in time increase the already huge unmet demand for health facilities in these areas. In such a situation, it is likely that the economically disadvantaged will either pay a disproportionately large percentage of their income for private sector medical care or they will be forced to go without any adequate health care.

(2) Social feasibility of the Prefabricated Hospitals;

During their visit to Lebanon the A&E firm consulted with appropriate GOL officials and community representative in an effort to insure that the concerns of the target population which influence public acceptability and utilization of the proposed facilities would be included in the final technical specification for the two proposed facilities. The list of these factors include the following; actual and the perceived quality of the services to be provided, real costs to the consumer, appearance of the facilities, the availability of adequate transportation to the facility, and the degree of responsiveness of the facility and its staff to the needs and expectations of the target communities.

The MOHSA is committed to improving the existing image of Public Health facilities and the services provided by them. A necessary first step will be to fully staff these proposed facilities with competent professionals at all levels and provide adequate compensation to that staff. Experience with other government hospitals indicates that there are staff shortages throughout the system, however there is adequate data to suggest that qualified available medical personnel exists in Lebanon. In order to insure that the GOL staffs the proposed hospitals and provides adequate budget for salaries, the Grant Agreement for this activity will include a number of covenants which re-enforce the GOL's stated commitment to the necessary staffing actions.

A positive perception of the levels of services provided by Public Health facilities is difficult to achieve in light of the current stigma associated with the existing facilities. The general physical appearance of these facilities may contribute to this unfavorable public perception. That the A&E firm has taken such factors into consideration in the development of the technical requirements of each of the proposed prefabricated hospitals is evident from the following quote from their final report;

"As the first public hospital constructions in many years, the MOHSA is aware that these units will be a highly visible expression of government intentions and policy for medical care. Regardless of the nature or quality of services provided, public perception will be sensitive to considerations of accommodation and amenity. Any suggestion in these structures that they are makeshift or an expedience based on the indigence of the population served will render them, and the public health policy they represent, unacceptable. Appearance is, therefore, an important consideration. This consideration extends well beyond building material and color selection. It includes building organization for ease of patient access and staff operation as well as planning and

environmental determinants of whether or not the building is a pleasant and receptive place for patients and staff. Both the facility and staff attitudes based on the facility create the hospital environment for the patient and ultimately determine the degree of acceptability for both patient and staff."

Recently passed GOL legislation is aimed at insuring community participation in the provision of health services. This legislation calls for the establishment of Area Health Authorities (AHA) in each province of Lebanon. These AHAs will have the responsibility for the provision of quality care in their own communities. They are also to focus on the equitable distribution of primary health care, on considerations influencing accessibility and continuity of services. The MOHSA officials concerned with the development of these proposed facilities are committed to the early establishment of AHAs in the target areas. These officials are convinced that the AHAs will be important vehicles for coordinating the provision of health service in these areas by facilitating greater participation of the target communities in the planning and development phases of the facilities envisioned in this activity.

(3) Beneficiaries and Social Soundness Analysis of the OPG;

Given the existing situation in Lebanon and knowing that the WRF, Inc. has had a long and successful history of implementing activities in Lebanon which are similar to those which are envisioned in the WRF, Inc. Unsolicited Proposal (Annex F), has convinced USAID/L that the activities included in the Proposal are socially sound and feasible.

(4) Conclusion of Social Soundness Analysis:

As a result of the above analysis and given the urgent requirement for the proposed activities under the existing situation in Lebanon, USAID/L has determined that the proposed activities are feasible from a social soundness stand point.

G. Administrative Feasibility

A Project Advisory Committee (PAC) will be established to provide overall coordination of the activities to be funded under this Project Amendment. The PAC will be chaired by the Minister of MOHSA and composed of senior representatives from the MOHSA, the Council for Development and Reconstruction (CDR), USAID/L and other concerned agencies. A separate Technical Working Group (TWG), under the direction of this PAC will be responsible for the development of detailed implementation plans for each of the separate activities funded under the Project Amendment.

(1) Prefabricated Hospitals:

Overall management responsibility for this activity will be retained within the MOHSA. The Minister will serve as the GOL project manager. Routine monitoring and implementation planning will be carried out by USAID/L and coordinated with the TWG staff and the Facilities Management Division within the UHSP.

The issues of staff availability and funding for the operational costs of the proposed facilities have been the subject of considerable discussion during the development of this activity. The MOHSA has repeatedly stressed that it anticipates no significant problems in either regard. The entire Sidon Hospital staff is presently on the active MOHSA regular payroll. The MOHSA has also assured USAID/L that adequate general service personnel are available to assist in providing non-professional services and to supplement the limited pool of available nurses or other allied health professionals. Moreover, pending GOL legislation will authorize significant increases of up to 150% in the salary levels which the MOHSA pays to certain professional employee categories.

Unfortunately given the GOL budget cycle and the urgent need for these facilities, GOL funding for hospital staff etc. can not be committed in the budget prior to the initiation of the manufacture and erection of the required facilities. However, the Grant Agreement Amendment for this activity will contain covenants committing the Ministry to;

a. The preparation of detailed staffing plans and operational budgets for each of the proposed Medical Service and Architectural Programs, and

b. The confirmation of the availability of the necessary staff and operational funds prior to the completion of the facilities.

Accordingly, no significant problems are anticipated in the planned MOHSA's management and operation of the prefabricated hospitals to be provided under this project.

(2) OPG Activity:

The WRF, Inc. will re-active its offices in Beirut and with guidance provided by a Technical Working Group (TWG) under the PAC will be responsible for the implementation of the OPG activities. The TWG for this activity will consist of representatives of the MOHSA, the Lebanese National Rehabilitation Council, specific private Rehabilitation Centers, and the various University faculties involved in related programs.

The WRF will be responsible for the development of a "National Plan" to prioritize the rehabilitation of facilities, and the provision of new equipment and training. WRF representatives will visit Rehabilitation Centers to update equipment and supply requirements and to develop specifications for the planned reconstruction work. Written agreements between the WRF and each of the Rehabilitation Centers to be assisted, will then be executed prior to the initiation of any reconstruction activity. Civil engineering and reconstruction activities will be carried out using the technical supervisory and design services of an experienced U.S. A&E firm with an operational capacity in Lebanon.

H. Environmental Analysis:

In October of 1983 the Near East Bureau Environmental Coordinator carefully reviewed the plans being developed for this Project Amendment. Given the situation in Lebanon and the obvious need for the proposed facilities and services, it was determined that the proposed Amendment activities are "... exempt from environmental review under the provisions of 22 CFR 216.2 (b) Exemptions (1) (i), Emergency circumstances, "A.I.D. Environmental Procedures" (Annex G).

IIX. Implementation Plan:

(1) Prefabricated Hospitals:

The procurement, installation and equipping of the prefabricated facilities will take place under a direct AID contract. The contract will be written so as to allow the entire activity to be completed as a "turnkey" operation. A technical services contract with an experienced A&E firm was funded under the Rehabilitation Planning Project 268-0327 to develop the initial Medical Services Programs for each of the proposed facilities and to assist in the prequalification of interested U.S. manufacturers. (Annex E)

A second technical assistance contract is envisioned for the A&E services required to prepare the necessary IFB documentation and evaluation of the bids that are received. A second phase of the A&E contract will provide for supervision of the manufacture and supply of the facilities, for the supply of the required medical equipment and for the supervision of the erection of the facilities in Lebanon.

Once the Grant Agreement Amendment has been signed and all the Conditions Precedent have been satisfied the IFB package will be issued to prequalified and interested U.S. manufacturers. Subsequent to AID and GOL evaluation of the bids that are received a contract will

be awarded to the most responsive and reasonable bid. Upon complete of a the delivery and erection of the prefabricated facilities and the supply and installation of all the required medical equipment, a final inspection of each facilities will be conducted by the A&E firm and with GOL approval each facility and all the equipment will be turned over to the GOL for operation.

An outline of the sequence of implementation activities planned under the Project Amendment follows:

TABLE IV

| <u>ACTIVITY</u> | <u>SUMMARY OF ACTIVITIES</u> | <u>IMPLEMENTATION AGENT</u> |
|--|------------------------------|-----------------------------|
| 1.Approval of PP Amendments and Project Authorization. | | AID/W |
| 2.Signing of Grant Agreements for the separate activities. | | USAID/GOL |
| 3.Completion, review, and approval of IFB. | | GOL/USAID/AID |
| 4.Satisfaction of Conditions Precedent. | | GOL |
| 5.Issuance of IFB. | | AID |
| 6.Bid evaluation, negotiations and award of contract. | | GOL/AID/USAID |
| 7.Begin site preparation work in Lebanon. | | GOL |
| 8.Manufacture of hospitals and procurement of equipment. | | Contract |
| 10.Construction of foundation for prefabricated units. | | Contract |
| 11.Shipment of hospital units and equipment to Lebanon. | | Contract |
| 12.Development of budget and staffing plans for facility activation. | | GOL |
| 13.Appointment and training of staff for the hospitals. | | GOL |
| 14.Procurement of hospital operating supplies and materials. | | GOL |
| 15.Erection of facilities. | | Contract |
| 16.Equipment installation. | | Contract |
| 17.Final inspection of hospitals. | | A&E Firm |
| 18.Hospitals are turned over. | | USAID/GOL |
| 19.Activation of Hospitals. | | GOL |
| 20.Joint review of hospital operation. | | USAID/GOL |

(2)OPG Activity;

Completion of the entire activity is detailed in the WRF, Inc. Unsolicited Proposal which is included in Annex F of this Project Paper Amendment. The Proposal projects a time frame of approximately eighteen months (18) to complete the activities planned for the OPG.

Subsequent to the signing of an OPG with the World Rehabilitation Fund, Inc., at least six training sessions for personnel from selected Rehabilitation Centers will be organized. Training will be provided in a variety of different service categories in order to introduce senior staff to the process of developing Standards and Guidelines for the operation of Rehabilitation Centers.

As equipment specifications are developed by the individual Centers, the WRF will assess additional requirements for training in the operation and maintenance of this equipment. Such additional training will be provided in conjunction with the arrival of the equipment.

Technical assistance will be provided by WRF project staff and by the staff of the Institute of Rehabilitation Medicine of New York University as well as by other qualified volunteer experts available to the WRF.

IX. CONTRACTING AND PROCUREMENT:

(1)Prefabricated Hospitals;

Under this Amendment, a contract will be awarded to a U.S. firm for the supply of two fully equipped prefabricated hospitals. USAID/L with the assistance of the appropriate AID/W technical offices has determined that a direct AID contract is the most appropriate contracting mode for the supply of the required facilities and equipment.

There are a number of factors supporting this decision. Primary among these is the fact that the GOL implementing agency, the MOHSA, has almost no experience in a contract of this magnitude or complexity. The MOHSA is also unfamiliar with USAID contracting procedures. Ministry staff resources are currently stretched to the limit, both in terms of manpower and institutional capability. Therefore, a direct AID contracting mode is the only realistic mechanism to insure immediate and successful implementation of these activities.

(2)OPG Activity:

The WRF, Inc. Unsolicited Proposal indicates that whenever contracting or procurement is undertaken as part of the activities funded under the OPG, standard U.S. government and USAID procedures and regulations

will be the rule. USAID/L will be requested to provided prior approval of any exception to this rule.

X. MONITORING AND EVALUATION:

(1)Prefabricated Hospitals: This activity is an emergency procurement which is designed to require minimum amount of supervision by the GOL. The USAID/L Health Office will be responsible for the overall monitoring of the implementation of this activity. The work of the USAID/L direct hire staff will be supplemented by the services of a local engineering consultant that will be hired for this Project.

Mission and GOL officials will jointly review the quality and acceptability of facilities and equipment as well as the GOL plans for the activation and operation of the prefabricated hospitals prior to the final A&E inspection of the completed facilities by the A&E firm and subsequent turnover to the GOL.

A separate evaluation of these activities is not planned, due to the fact that the impact of these activities will be thoroughly examined as part of an overall Health Sector evaluation which is now scheduled at the completion of Project 268-0305. However, given the current situation in Lebanon and the uncertainty of the operational factors involved in implementation of this activity, USAID/L will closely monitored the progress of these activities and will advise AID/W immediately if any problems arise.

(2)OPG Activity;

The USAID/L Health Office will be responsible for monitoring the implementation of this activity. The Grant Agreement with WRF, Inc. will include provisions for both a mid-point and end-of-project joint evaluation by WRF, GOL, and USAID.

XI. CONDITIONS PRECEDENT AND SPECIAL CONVENANTS:

(1) Conditions Precedent to Initial Disbursement of Funds:

Prior to the first disbursement under this Amendment or to the issuance by AID of documentation pursuant to which disbursement will made the GOL, except as AID may otherwise agree in writing, will furnish AID in form and substance satisfactory to AID;

- a. An opinion of counsel acceptable to AID that this Amendment has been duly authorized and/or ratified by, and executed on behalf of the Government of Lebanon and that it constitutes a valid and legally binding obligation of the Government of Lebanon in accordance with all its terms;

b. A statement of the name of the person principally representing the Government of Lebanon for the purpose of this Project and of any additional representatives, together with a specimen signature of each person specified in such statement;

c. Evidence of the formation of a representative committee responsible for management of the design and implementation phases of hospital construction. This committee will have an executive officer and an alternate, designated to act as liaison with AID for the purpose of implementing this Project.

d. Evidence of the Government of Lebanon's legal ownership of land at each hospital site and of provision for the removal of all extraneous materials and unnecessary above ground improvements at each site prior to prepare of the site for construction.

(2) Special Covenants:

The Grant Agreement Amendment will include the following covenants;

a. That the Government of Lebanon agrees to provide evidence of an the FY 1984 GOL budget line item (or appropriate supplemental appropriation request) for amount of funding required for the operation of both of the prefabricated hospitals facilities,

b. That the Government of Lebanon will provide a detailed organigram with positions and individuals identified to staff each of the hospitals and that the GOL will identify a particular individual with appropriate experience and training to administer of each hospital.