

Grant Agreement No PA 95-G-612-0246
Project No 612-0246

PD-ARR-989
10396-1

PROJECT GRANT AGREEMENT

between

**THE GOVERNMENT OF THE
THE REPUBLIC OF MALAWI**

and the

UNITED STATES OF AMERICA

for

COMMUNITY HEALTH PARTNERSHIPS PROJECT

DATED SEPTEMBER 30, 1995

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PROJECT GRANT AGREEMENT
FOR
COMMUNITY HEALTH PARTNERSHIPS PROJECT

Dated September 30 1995

Between

The Government of the Republic of Malawi
(hereinafter referred to as the Grantee")

and

The United States of America, acting through the
Agency for International Development
(hereinafter referred to as "USAID")

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 Grantee of the Project described below, and with respect to the financing of the Project by the Parties

Article 2 The Project

Section 2 1 Description

The Project, which is further described in Annex 1, is designed to assist the Grantee strengthen delivery of health services at the district health center and community levels and increase institutional capacity of district health offices (DHO) to provide these services This will be accomplished primarily through grants to private voluntary organizations (PVO) to work in partnership with DHOs Annex 1, attached, amplifies the above definition of the Project Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 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 USAID Contribution

(a) USAID's contribution to the Project will be provided in increments totaling \$4,100,000 (Four Million One Hundred Thousand U S Dollars), the initial one being made available in accordance with Section 3 1 of this Agreement Subsequent increments will be subject to the availability of funds to USAID for this purpose, and to the mutual agreement of the Parties, at the time of each subsequent increment, to proceed

(b) Within the overall Project Assistance Completion Date (PACD) stated in this Agreement USAID based upon consultation with the Grantee may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by USAID under each individual increment of assistance

Article 3 Financing

Section 3 1 The Grant

(a) To assist the Grantee to meet the costs of carrying out the Project USAID pursuant to the U S Foreign Assistance Act of 1961 as amended, agrees to grant the Grantee under the terms of this Agreement not to exceed Three Million United States ('U S ") Dollars (U S \$3,000,000) ("Grant")

The Grant may be used to finance foreign exchange costs, as defined in Section 6 1 of this Agreement, and local currency costs, as defined in Section 6 2 of this Agreement, of goods and services required for the Project

(b) If at any time USAID determines that its contribution to the Project under Subsection 3 1(a) exceeds the amount which reasonably can be committed for Project purposes during the current or following U.S. fiscal year, upon written notice to the Grantee, USAID may withdraw the excess amount, thereby reducing the amount of the Grant, as set forth in Subsection 3 1(a) Actions taken pursuant to this Subsection shall not reduce USAID's total estimated contribution to the Project below that contained in Subsection 2 2(a), subject to the availability of funds to USAID for this purpose and to the mutual agreement of the Parties, at the time of each subsequent increment, to proceed

Section 3 2 Grantee Resources for the Project

(a) The Grantee 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 Grantee for the Project will be in accord with Section 5 of Annex A of this Agreement

Section 3 3 Project Assistance Completion Date (PACD)

(a) The PACD, which is September 30, 2000, 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 USAID may otherwise agree in writing, USAID 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 USAID or any bank described in Section 7.1 no later than nine (9) months following the PACD or such other period as USAID agrees to in writing. After such period, USAID, giving notice in writing to the Grantee, 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 Letters were not received before the expiration of said period.

Article 4 Conditions Precedent

Section 4.1 Conditions Precedent to First Disbursement

(a) Except as USAID may otherwise agree in writing prior to any disbursement under the Grant, or to the issuance by USAID of documentation pursuant to which such disbursement will be made, the Grantee shall furnish or have furnished to USAID, in form and substance satisfactory to USAID a written statement setting forth the names and titles of persons holding or acting in the Office of the Grantee and of any additional representatives, and representing that the named person or persons have the authority to act as the representative or representatives of the Grantee, together with a specimen signature of each such person certified as to its authenticity.

Section 4.2 Notification When USAID has determined that the conditions precedent specified in Section 4.1 have been met, USAID will promptly so notify the Grantee.

Section 4.3 Terminal Dates for Conditions Precedent If the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as USAID may agree to in writing, USAID, at its option, may terminate this Agreement by written notice to the Grantee.

Article 5 Special Covenants

The Grantee agrees to undertake or cause to be undertaken the following:

(a) Project Evaluation The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include during the implementation of the Project: 1) evaluation of progress towards attainment of the objectives of the Project, 2) identification and evaluation of problem areas or constraints which may inhibit such attainment, 3) assessment of how such information may be used to help overcome such problems, and, 4) evaluation, to the degree feasible, of the overall development impact of the Project.



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(b) Policy Dialogue The Grantee agrees to involve USAID in discussions of policy issues which are likely to affect implementation of the Project

Article 6 Procurement Source

Section 6 1 Foreign Exchange Costs Except as USAID may otherwise agree in writing, and subject to Section 6 3 below, disbursements pursuant to Section 7 1 will be used exclusively as follows

(a) to finance the costs of goods and services required for the Project having, with respect to goods their source and origin, and with respect to suppliers of services their nationality, in Code 935 of the USAID Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services (' Foreign Exchange Costs") except for ocean shipping and air travel and transportation services to and from the U S (see below) and except as provided in the Project Grant Standard Provisions Annex Section C 1(b) with respect to marine insurance,

(b) to finance ocean transportation costs under the Grant only on vessels under flag registry of the countries included in USAID Geographic Code 935, subject to the 50/50 shipping requirements of the U S Cargo Preference Act and the regulations promulgated thereunder

(c) to finance air travel and transportation services to and from the U S on U S flag carriers to the extent such service is available

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 USAID may otherwise agree in writing, their origin in Malawi ("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

Section 6 3 U S Procurement Notwithstanding the provisions of Section 6 2, the Parties agree that all reasonable efforts shall be made to maximize procurement of goods and services from the U S

Article 7 Disbursement

Section 7 1 Disbursement for Foreign Exchange Costs

(a) Following satisfaction of the applicable conditions precedent, the Grantee 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 USAID with necessary supporting documentation as prescribed in Project Implementation Letters (A) requests for reimbursement for such goods or services or (B) requests for USAID to procure commodities or services on the Grantee's behalf for the Project or

(2) by requesting USAID to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to USAID, committing USAID 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 (B) directly to one or more contractors or suppliers committing USAID to pay such contractors or suppliers for such goods or services

(b) Banking charges incurred by the Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless the Grantee instructs USAID 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) In accordance with requirements of conditions precedent, the Grantee 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 USAID, 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 USAID with U.S. Dollars by purchase or from local currency already owned by the U.S. Government, or

(2) by USAID, (A) requesting the Grantee to make available the local currency for such costs, and (B) thereafter making available to the Grantee, through the opening or amendment by USAID of Special Letters of Credit in favor of the Grantee or its designee, an amount of U.S. Dollars equivalent to the amount of local currency made available by the Grantee, which Dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters

(c) The U.S. Dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b) (1) above, the amount of U.S. Dollars required by USAID to obtain the local currency, and, in the case of subsection (b) (2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit

Section 7 3 Other Forms of Disbursement Disbursements of the Grant also may 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 Malawi by USAID or any public or private agency for purposes of carrying out obligations of USAID hereunder the Grantee will make such arrangements as may be necessary so that such funds may be converted into the currency of Malawi at the highest rate of exchange which at the time the conversion is made is not unlawful in Malawi to any person for any purpose

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, cable or telefax, and will be deemed duly given or sent when delivered to such party at the following addresses

To the Grantee	The Secretary to the Treasury Ministry of Finance P O Box 30049 Lilongwe 3, Malawi
To USAID	USAID/Malawi P O Box 30455 Capital City Lilongwe 3, Malawi Attention Director

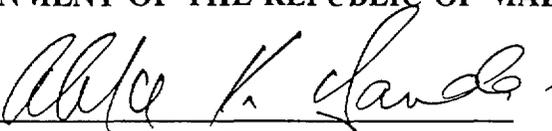
All such communications will be in English, unless the Parties otherwise agree in writing Other addresses may be substituted for the above upon the giving of notice The Grantee, in such cases, will provide USAID/Malawi with a copy of each communication

Section 8 2 Representatives For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of the Minister of Finance, and USAID will be represented by the individual holding or acting in the office of the Mission Director, USAID/Malawi, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Article 2 to revise elements of the amplified description in Annex 1 The names of the representatives of the Grantee, with specimen signatures, will be provided to USAID, 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 2) is attached to and forms part of this Agreement

IN WITNESS WHEREOF the Grantee 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

THE GOVERNMENT OF THE REPUBLIC OF MALAWI



**Aleke Banda
Minister of Finance**

30/9/95
Date

THE GOVERNMENT OF THE UNITED STATES OF AMERICA



**Cynthia F Rozell
Mission Director
USAID Malawi**

SEP 30 1995

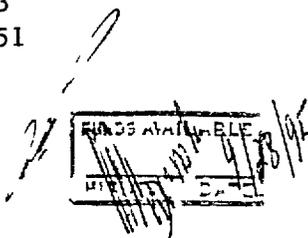
Date

Attachments

- Annex 1 - Amplified Project Description including Illustrative Summary of Project Costs by Expense Category
- Annex 2 - Project Grant Standard Provisions (HB 3, App 6A-2-37 to 44)

Fiscal Data

Project No	612-0246
Appropriation	725/61014
Budget Plan Code	GSS5-95-21612-KG13
Allowance	581-50-612-00-61-51
Reservation Control No	M250099
Obligation No	PA-95-G-612-0246
Amount	US\$ 3,000,000.00
Reference	STATE 102565



Community Health Partnership Project

Moosa A Valli

Moosa A Valli
Charge d'Affaires, a 1
of the United States of America

SEP 30 1995

1 PROBLEM, AND PROJECT PURPOSE

1 1 Clarification of Problem

Malawi has one of the highest infant and child mortality rates in the world. The 1992 Malawi DHS estimated a child mortality rate of 234, and an infant mortality rate of 134. The maternal mortality rate (1992 MDHS) estimate is 620 deaths/100,000 live births. The five leading causes of out-patient visits account for 74% of all recorded visits for children 0-4 years. The four leading causes of death account for nearly two-thirds of all under-five deaths in the country. Most infant, child and maternal deaths occurring in Malawi could be prevented by appropriate and low cost primary health care (PHC) interventions.

The Government of Malawi (GOM) has responded to the nation's health problems by initiating the development of a health policy framework (May 1995), which is appropriate to Malawi's health needs. However, the framework describes a broad spectrum of reforms, and covers a wide array of changes that will take time to implement. MOHP's institutional capacity has weaknesses in personnel management, supervision, quality of care, drug supply, health information systems, policy enforcement and financial and accounting systems. Budgetary and material resources at all levels, including the district, are insufficient, and effective mechanisms for mobilizing communities and coordinating services with non-government providers need to be strengthened.

USAID/Malawi has been assisting GOM child survival efforts over the past seven years through the Promoting Health Interventions for Child Survival (PHICS) Project. This has resulted in changes that strengthened central offices of the MOHP and made notable contributions to the malaria and health education programs. Efforts to increase health center and community-based services, however, met with limited success. This led to revisions to the PHICS Project and the CHAPS Project concept. Based on numerous meetings with Ministry of Health and Population (MOHP), at all levels, and field visits over the past 18 months, CHAPS is designed to address the above mentioned constraints while continuing policy dialogue with the GOM to help to build the understanding and political will to sustain and extend positive changes brought about in focus districts.

1 2. Purpose Statement and Its Link to USAID's Strategic Objectives and Expected Program Outcomes

1 2 1 Purpose Statement The purpose of the CHAPS project is to improve health care services in target areas through public/private sector partnerships for health.

1 2 2 Link to USAID/Malawi's SOs and POs

The project supports the mission's strategic objective no. 3, "increased adoption of measures that reduce fertility and risk of HIV/AIDS transmission while promoting child health practices", and one program outcome under strategic objective no. 3, "increased adoption of measures that lessen infant and maternal mortality". This project will increase service delivery capacity at the district, community and household level, focusing on child survival interventions, such as increased use of oral rehydration therapy and effective case management of malaria and acute respiratory infection, along with activities that lead to sustainable improvements in service capacity.

1 2 3 Relation to Agency Policies and Guidelines

USAID's established strategy for child survival and population health and nutrition (PHN) guidelines call for increased delivery of focused interventions (e.g. vaccinations ORS) and broader investments in the health systems and structures needed to sustain health service delivery. Further, the Africa Bureau of USAID's May 1995 policy guidance states "child survival is an essential element of overall development strategies for African countries." CHAPS is fully consistent with the Agency's policy guidance and established strategic directions which include encourage **partnerships of ministries of health with NGOs** (emphasis added) and the commercial private sector, to access additional resources for the provision of health care and to increase coverage.

2 IMPLEMENTATION OF THE CHAPS PROJECT

2 1 Project Phasing

The program outcome will be achieved through a two-phased project which improves health service delivery at the district and community levels. Phase I is a pilot effort geared toward testing and evaluating the effectiveness of private voluntary organizations (PVO)-MOHP district partnerships as a means for improving child and maternal health services. Two or three of these grants (cooperative agreements), as well as one or two PVO social-marketing grant (ORS and promotion of anti-malarial drugs) will be included. Subject to availability of funds, phase II will involve an expansion in the number of PVO partnership grants, possible support to the MOHP for financing district-level services on a reimbursement basis, and participant training.

Phase I LOP funding is estimated at \$4.1 million: \$3 million in FY95 and \$1.1 re-obligated from PHICS. Phase II costs are estimated to be \$10.9 million. The total estimated USAID cost for both phases of CHAPS is \$15 million.

2.2. PVO/District Partnership Grants

2 2 1 The PVO/District Partnership

This component includes two or three PVO/district partnership grants for which qualified US and other international PVOs will be asked to submit proposals to work in eligible districts. These organizations will collaborate closely with DHOs, health providers, other NGOs, and communities within the district in developing their proposals in response to criteria in the invitation for application (IFA) to be issued by USAID. Proposals are expected to reflect stated priorities of the MOHP (particularly the districts, but regional and headquarters priorities should also be represented). The PVOs will be responsible for ensuring MOHP, especially at the DHMT level, fully supports the proposal and has indicated its intent to participate if funding is obtained. Following awards, successful PVOs will assume direct responsibility for management of funds and provision of support to MOHP and other health providers involved in primary health care in order to ensure that agreed-upon programs designed to achieve the project purpose are implemented.

Each assistance instrument will clearly define the roles responsibilities (reporting financial management audit etc), and performance targets of the PVO recipient DHMT and USAID/Malawi It will also describe the relationship the PVO is expected to maintain with the DHMT and regional and headquarters offices of the MOHP Government structures will retain and exercise their normal authorities and PVOs will "integrate" partnership activities within existing structures in order to ensure that this mechanism will not result in parallel district systems

The specific responsibilities and activities to be carried out by PVOs will include assisting the districts to accomplish the following

<p>Service Delivery</p> <ul style="list-style-type: none"> • Increase access to quality of and use of child survival and other community based health services • Improve availability and management of drugs and supplies (including IE&C materials) in the district • Provide health education which will result in appropriate and timely home treatment of malaria and diarrheal diseases proper home diagnosis and referral of ARI and increased vaccination coverage • Improve patient management to result in better case management of sick children efficient referral and case handling and improved health status <p>Capacity Building</p> <ul style="list-style-type: none"> • Improve planning management supervision and monitoring and evaluation capabilities at the DHO health center (including HSAs) and HDA (if operational) • Help to establish a pre- and in service training program • Develop the health/management information system (HMIS) to provide timely and effective feedback to health managers at all levels • Promote teamwork among all district-providers and provider organizations • Foster multisectoral collaboration especially with relation to community-based activities • Empower the community to take responsibility for its own health (strengthen VHVs & VHCs and provide knowledge skills and resources)
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Table 1-- Anticipated Improvements at District Level

2 2 2 Illustrative Description of PVO-Partnership activities

Focused interventions Within the context of the activities described in Table 1 (above) program interventions will be prioritized to address the most important health problems in the districts These priorities will be determined in consultations with district authorities and communities Table 2 (below) shows the "menu" of focused program interventions which should be considered by the PVO/district partnership Further, program interventions should not be looked at in isolation The widely accepted approach known as "integrated management of the sick child*" should be used to ensure that the program changes result in improved operations and patient outcomes Project interventions will include both advocacy and delivery of specific interventions aimed at improving practices which prevent illness and promote better care of ill children (and their mothers), and actions to reinforce the health system at the district level (and especially at the service delivery level)

*See *World Development Report 1993*, prepared by The International Bank for Reconstruction and Development

- Malaria prevention and treatment
- Prevention of diarrheal diseases
- Oral rehydration therapy
- Treatment of acute respiratory infections
- Exclusive breastfeeding and proper weaning
- Promotion of Immunizations
- Promotion and Provision of Family Planning
- Maternal Health Services (including AIDS education and prevention)

Table 2 - Focused Interventions for Child Survival in Malawi

2.2.3 Target Beneficiary Districts

Under the PHICS project USAID has been working in the following 8 MOHP districts Mzimba (North) Dedza Dowa and Salima (Central) and Blantyre Mangochi Mulanje and Zomba (South) The selection of these districts was made in collaboration with the MOHP, and was based largely on the fact that these districts have among the highest infant mortality rates in the country, few other donor programs low access to health services high proportion of the population owning less than 5 hectare of land and high proportion of female-headed households These criteria remain valid for the CHAPS Project Moreover, by retaining at least some of the same districts under CHAPS, USAID and the MOHP will build on investments already made while maintaining continuity in those activities being transferred from PHICS to CHAPS

Recent discussions, however, have revealed that other donors (EU and ODA) may implement projects similar to CHAPS in one or more of the districts currently receiving funding under the PHICS Project If this happens it will be necessary to reassess the need for assistance in these districts to avoid duplication

2.2.4 Guidance for PVO-District Partnership Grant Selection

Specific criteria for the selection of PVO-district partnership grants will be refined and expanded during further discussions with MOHP during the process of preparing the invitation for applications (proposals) Selection criteria will include, but not be limited to choice of an area in which the grant can make a significant impact, effectiveness of proposed interventions, commitment at the district level to primary health care, evidence that a genuine DHMT/PVO partnership is feasible, and, a strategy to ensure that the interventions will be sustained

2.3 **PVO Social Marketing Grant**

Most deaths due to malaria and diarrheal disease are preventable if treated early and appropriately For malaria the recommended first-line treatment is sulfadoxine pyrimethamine (S-P), for diarrhea, it is oral rehydration salts (ORS) The main problems with use of S-P and ORS relate to cost, availability, and acceptability Social marketing combines public health interventions with private sector product development and promotion in order to provide an inexpensive and widely accepted product to a target

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audience (in this case rural Malawians) It is anticipated that one or two social marketing grant will be awarded under CHAPS

2.4 Monitoring and Technical Assistance

The proposed PVO grants under phase I will include funds required for monitoring operations research and evaluation In addition to that USAID will provide some resources for program monitoring and specialized technical assistance in areas such as cost sharing organizational assessment and other policy areas of potential interest to the GOM and USAID

2.5 Evaluation/Audit

Funding for project evaluations and audits will be provided as required

2.6 Participatory Design Procedures Used

CHAPS primary customers (beneficiaries) are the residents of the targeted districts women and children in particular Customers needs were identified through face-to-face meetings in villages in collaboration with district health authorities Other key stakeholders of CHAPS include district authorities (e g , district commissioner members of parliament), district health offices health centers, and NGO/PVOs working in targeted districts USAID/PHN Officers joined the MOHP on field visits to district health offices and rural health centers to discuss ongoing health problems in relation to project design

The CHAPS concept evolved from these numerous meetings and field visits over the past 18 months Initial discussions flowed around the ongoing activities of the PHICS Project and how to improve them On February 27, 1995, representatives from nine district health offices, all three regional health offices and USAID met under the auspices of MOHP headquarters for full day discussions of how best to assist district health programs The conclusions reached from that meeting reinforced the concept of PVO/District partnerships and gave rise to the concept underlying CHAPS

Finally, plans for ensuring intensive customer and stakeholder participation will be required in PVO proposals solicited by USAID for funding under CHAPS

3. ROLES AND RESPONSIBILITIES (Project Management)

3.1. Ministry of Health and Population (MOHP)

District Level

CHAPS is designed to facilitate MOHP efforts in primary health care through support and strengthening of existing structures at the district level The project should not impose a new entity which would complicate the health system and be unlikely to be sustained The DHMT must be intimately involved in the planning, implementation and monitoring and evaluation of activities undertaken with project support The relevant DHMT will be involved in the formulation of district partnership proposals prior to implementation in

collaboration with the PVO and in developing annual workplans. Ideally, the project workplans will be part of broader district health office workplans. In this way, duplication of efforts - e.g. multiple sources of funding for a given activity, or PVOs developing plans independently from MOHP and CHAM health providers - should be avoided. Once workplans (and budget support - from the MOHP, the project, and possibly other donors) have been developed, the district health team will join with other health providers from CHAM and the community (community based distributors of contraceptives (CBDs), HSAs, VHV's) to implement the workplan.

The Regional Level

The MOHP is represented at the regional level by a regional health office (North Central, South) and the Regional Medical Stores (RMS). The RHO is responsible for providing oversight and management of health services and programs operating within the region, including supervision. Districts are supervised by RHO staff, provide monthly reports to both the RHO and MOHP headquarters (CHSU). District pharmacies receive commodities (including contraceptives, ORS, drugs and medical supplies) from the RMS. RHOs are active in helping the districts plan, carry out and evaluate both preventive and curative health care. It is appropriate, therefore, that RHOs should be involved in the formulation of CHAPS proposals to the extent that they are in keeping with MOHP policies and priorities, technically sound and feasible. It is proposed that the appropriate RHO will review annual workplans developed by district/PVO partners and provide guidance and feedback.

Headquarters

MOHP headquarters must be committed to and capable of providing districts with an appropriate policy framework, personnel, and material and budgetary resources necessary for improved delivery of primary health care through district facilities and, by extension, in order for CHAPS to be completely successful and sustainable. For example, if funds for district recurrent budget items such as community outreach and supervision, pharmaceuticals and medical supplies, and vehicle maintenance are not adequate, project interventions will be constrained and impact diminished. Further, if the CHAPS project activities have an impact and are shown to be effective and affordable, the MOHP must be willing to implement such measures in other districts. Headquarters has an important role to play in providing direction and encouragement for health workers to devote themselves to national health goals, and to reach agreed-upon targets. It is an implicit assumption of the CHAPS Project that the GOM will continue to reflect their commitment to improved health in their budgetary allocations and policy statements. Through statements of policy and overall direction provided to the health sector, headquarters will be influencing the development of district workplans and budgets, and these will be reflected in the DHMT/PVO proposals and workplans. Headquarters will also be involved in oversight of district performance and proposed project support to the district partnerships.

3 2 Mission and USAID/W Responsibilities

Within USAID/Malawi the PHN Office will be responsible for providing overall accountability, monitoring and coordination of CHAPS. Other USAID/Malawi offices will provide support and oversight as required. Policy direction for the project will be provided by the CHAPS project committee comprised of representatives from the participating district health offices and CHAM members, participating PVOs, a USAID representative and the designated representative of the MOHP.

Representatives from the GOM and USAID/Malawi will jointly review and assess proposals for PVO/district partnerships as well as social marketing of S-P and ORS. USAID will have final responsibility for approval and award of PVO partnership grants.

4 EXPECTED PROJECT OUTCOMES

4 1 Intended Results (Project Outputs)

4 1 1 Program Objective (Project Purpose) Level Results

The program objective is to improve health care in target areas through promotion of public/private sector "partnerships" forged around a common purpose. Everything else being equal, the CHAPS project will result in lower infant, child and maternal mortality within targeted areas, which is measured every five to six years through national surveys. Since we know that some of the underlying causes of under-five mortality are beyond the influence of this project it is difficult to determine whether CHAPS will result in lower under-five and maternal mortality (the U.S. Bureau of the Census estimates that due to AIDS the under-five mortality rate will be 50% higher by 2010 than it would have been**). It is reasonable to assert, however, that if CHAPS is successful in achieving the project purpose of improved health care delivery (which implies that not only will the services be available, but they will be used correctly by the communities) that this will result in lower mortality in the target areas than would have been the case if CHAPS were not implemented. Using survey data and computer models, the overall impact of the project will be assessed during the final evaluation.

4 1 2 Project Level Objectives

In target areas the CHAPS Project will a) increase community access to selected health services, b) increase capacity of district health staff to deliver selected health interventions, and c) increase knowledge of and use by mothers (and other care givers) of measures to improve health status. Project level results will be achieved within the six year time-frame of the project. Project implementation will begin in FY95. The project assistance completion date (PACD) is December 31, 2000.

**See *Country Health Profile/Malawi, 1995*, USAID/CDIE

5 FINANCIAL PLAN

USAID Funding (US\$ x 1,000)

<u>Component</u>	Phase I	Phase II	Total
1 PVO Grants			
District Partnership	3,600	7,750	11 350
Social Marketing	350	350	700
2 Direct District Funding	--	2,000	2 000
3 Participant Training	--	300	300
4 Project Management	50	250	300
5 Evaluation & Audit	<u>100</u>	<u>250</u>	<u>350</u>
Total USAID Contribution	4,100	10,900	15,000
<u>GOM Contribution</u>	<u>1,367</u>	<u>3,633</u>	<u>5,000</u>
TOTAL PROJECT FUNDING	5,467	14,533	20,000