ANNEX I

AMPLIFIED DESCRIPTION
FOR THE
HEALTHIER, PLANNED FAMILIES
STRATEGIC OBJECTIVE GRANT AGREEMENT
NO. 263-0287

I. INTRODUCTION

This Annex I describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Annex I shall be construed as amending any of the definitions or terms of the Agreement. This Annex I may be amended by the authorized representatives of the Parties through Implementation Letters (ILs) as provided under Article A, Section A.2 of the Standard Provisions Annex (Annex II) to this Agreement, without formal amendment, provided that the definitions of the Strategic Objective and Results as set forth in Article 2 of this Agreement are not altered thereby.

II. BACKGROUND

A. Problem

Major obstacles and challenges facing Egypt's health sector include disparities in health status, especially affecting vulnerable groups in the population, and inefficient systems to ensure effective health care programs and services. Continuous population growth, untreated or poorly treated infectious or chronic diseases, and a limited capacity to respond to acute and emergency medical needs, contribute to lower length and quality of life and ultimately hamper Egypt's prospects for economic growth. Some of the major problems causing shortened lives and poor health status are noted below:

- The fertility rate of 3.5 will not achieve the Arab Republic of Egypt's (A.R.E.'s) target of replacement fertility of 2.1 children before 2017;

- Regional inequities exist in health status due to regional inequalities in health and other services delivery;
- Major opportunities to save lives of women and children are lost due to inadequate medical services and/or information in some areas, including poorly organized and ineffective referrals and emergency medical response;
- Inadequate infectious disease surveillance and response leads to unnecessary illness and deaths;
- Lack of awareness of healthy behaviors results in disease and disability;
- Inadequate education and training systems for health care workers reduces the quality of health care services;
- Medical personnel are inadequately trained to meet demands for basic and emergency care;
- Weak management and inappropriate resource allocations reduce the effectiveness of public health programs.

This new program is based on partnerships between the United States Agency for International Development (USAID), the Ministry of Health and Population (MOHP), the Ministry of Information (MOI), and the Ministry of Higher Education (MOHE). Under this program, the USAID, MOHP, MOHE and MOI will plan strategies for addressing national population and health requirements, and will support the implementation of this program in the form of technical assistance and other support, as articulated in this Annex.

B. Transition Period

USAID and other donors, such as The United Nations Fund for Population Activities (UNFPA), and the World Health Organization (WHO) have on-going programs to support Egypt's development process. The A.R.E. continues to take greater responsibility within the Egyptian-United States development partnership. As a result, USAID is adapting its development efforts to better support the A.R.E.'s sustainable development agenda.

This new health and population program focuses on the achievement of mutually agreed upon results within a sectoral assistance framework. USAID will provide its assistance through this Agreement which establishes that framework and emphasizes a hierarchy of achievements, results and activities.

Significant funding was previously obligated under individual project and/or program agreements. For purposes of achieving the mutually agreed results, the funds remaining under such agreements are available; however, accounting and programming such funds will continue to be governed by the terms of their respective agreements. Once this SOAG is signed no additional funds will be added to the older grant agreements. Activities under this agreement will be complemented by those of five (5) other agreements: Healthy Mother/Healthy Child Grant No. 263-0242, Population/Family Planning & Reproductive Health IV Grant No. 263-0267, Combating Emerging and Endemic Diseases Grant No. 263-0265, Health Policy Support Program Grant No. 263-0254, and Health Policy Cash Transfer Program Grant No. 263-K-638. All of these agreements support achievement of the overall result of this Agreement "Healthier, Planned Families."

III. Strategic Objective

A. The Strategic Objective

The Strategic Objective for **"Healthier, Planned Families"**, focuses on improving the quality, availability, and use of key services in family planning/reproductive health (FP/RH), child survival, infectious diseases including HIV/AIDS, and other health areas in Egypt, with cross-cutting activities to ensure sustainability through communications and behavior change, policy reform and information systems, and capacity building of the health work force.

Progress toward the achievement of this Strategic Objective will be a major factor in allocating funding for this program. Three indicators of achievement, with baselines and targets established, will be monitored to determine progress towards the accomplishment of this Strategic Objective. The Strategic Objective indicators of achievement are:

- Decrease of Total Fertility Rate from 3.5 in 2000 to 3.1 in 2009;
- Decrease of Infant Mortality Rate from 44/1000 live births in 2000 to 34/1000 live births in 2009;
- Increase in percentage of births spaced more than 35 months from 46% in 2000 to 51% in 2009.

The Strategic Objective indicators are further detailed in section IV below.

B. Beneficiaries

The ultimate beneficiaries of this program will be the Egyptian population at large and particularly the poor and vulnerable groups such as women and children. It is envisioned that, as a result of the activities to be undertaken under this Agreement, any Egyptian using any medical service will benefit from positive changes in the sector.

IV. Results

USAID assistance under this Agreement will focus on six results that contribute to the achievement of the Strategic Objective. They are: (1) improved family planning and reproductive health; (2) improved maternal and child health; (3) improved surveillance and response to infectious diseases; (4) more effective communications for healthy living; (5) more effective health workforce; and (6) reformed health policy and improved use of management and health information.

Result 1. Improved Family Planning and Reproductive Health (End 2009)

This result measures success in improving the delivery of family planning and reproductive health care, and particularly focuses on strengthening the MOHP and its national program's sustainability. Achievement of this result will be measured by the following indicators:

- Increase in the percentage of married women using modern contraceptive methods from 54% in 2000 to 63% in 2009.
- Increase in the percentage of family planning clients who report that family planning provider communicated to them key information according to established standards; baseline and target to be determined per Service Provision Assessment Survey (SPA) in 2002.
- Increase in the percentage of MOHP clinics with no shortage of Intrauterine Devices (IUD) or injectables

in the past year; baseline and target to be determined per MOHP reports in 2002.

Result 2. Improved Maternal and Child Health (End 2005)
This result measures improvements in maternal and child health care. Activities in this area will be evaluated based on the following results indicators:

- Increase in the percentage of births attended by medical providers from 61% in 2000 to 68% in 2005.
- Increase in the percentage of antenatal care clients who received antenatal care that meets minimum standards; baseline and target to be determined per Service Provision Assessment Survey (SPA) in 2002.
- Increase in the number of districts implementing the Integrated Management of Childhood Illness (IMCI) program from 10 in 2000 to 125 in 2005.

Result 3. Improved Disease Surveillance and Response (End 2009)
This result measures improvements in infectious disease surveillance response. Measurement of achievement in the area of disease surveillance and response will be based on the following indicators:

- Increase in the number of newly established Epidemiology and Surveillance Units (ESU) from 0 in 2000 to 268 in 2004. ESUS establishment will be completed by 2004, however the activity will focus on strengthening and sustaining the ESUs till 2009.
- Increase in the percentage of Governorate Common Laboratories (GCL) that passes standardized assessments of microbiology capacity (developed by NAMRU, WHO and Ministry of Health and Population) from 4% in 2000 to 80% in 2004 and will strengthen and sustain the GCLs by 2009.
- Increase in the number of districts reporting on the incidence of "reportable prioritized diseases" (the 23 prioritized infectious diseases defined by WHO) up to the central level from 0 in 2000 to 268 districts in 2009.

Result 4. More Effective Communications for Healthy Living (End 2009)

This result measures improvements in the knowledge of the families of appropriate health seeking behavior. This cross-cutting communications activity will be evaluated based on the following indicators:

- Increase in the percentage of women who do not support female genital cutting (FGC) from 25% in 2000 to 34% in 2009.
- Increase in the percentage of women in Upper Egypt who recognize symptoms of possible complications that might occur during pregnancy from 27% in 2001 to 35% in 2009.
- Increase in the percentage of newborns in the last five years who began breastfeeding within one hour of birth from 57% in 2000 to 82% in 2009.

Result 5. More Effective Health Workforce (End 2008)

This result measures improvements in the skills and knowledge of the Egyptian health workforce. This result will be evaluated based on the following indicators:

- Increase in the number of medical and nursing schools that adopted use of competency-based curricula in four areas (family planning, neonatal care, selected pediatric care, and emergency health care) from 0 in 2002 to 18 in 2008 for the Medical Schools; and from 0 in 2002 to 11 in 2008 for the Nursing Schools.
- Increase in the number of teaching staff members (nursing schools and medical schools) trained as trainers on new teaching methodology from 0 in 2002 to 250 in 2008.

Result 6. Improved Health Policy and Information (End 2007)

This result measures improvements in health policy and use of management and health information. Health Population and Information (HPI) will be evaluated based on the following results indicators:

- Increase in the number of public/private facilities accredited and contracted with the Family Health Fund (FHF) from 3 in 2000 to 180 in 2007.
- Increase in the percentage of MOHP hospitals operating under Ministerial Decrees (NO. 185 for the year 1996, 120 for the year 2000 and 200 for the year 2002) guiding cost recovery from 14 in 2000 to 56 in 2007.

- Increase in the number of governorates that received the MOHP's Annual Statistical Report within 3 months following the conclusion of the reporting period from 0 in 2001 to 18 in 2007.
- Increase in the average number of monthly visits per clinic to Comprehensive Smoking Control Centers that meet established MOHP guidelines from 31 in 2001 to 60 in 2007.

V. Projects and Activities

Activities must meet essential criteria. These include demonstrated conformity with the Strategic Objective, a clear relationship with the intended result, the measurability of results and distinct identity of the activity, and proposed costs that are commensurate with anticipated benefits.

The planned level of assistance shown in Attachment 1.1 for each activity is subject to the achievement of satisfactory joint progress reviews, the availability of USAID funds for this purpose, and the mutual agreement of the Parties to proceed at the time each increment is provided. A separate budget line item (Evaluation & Assessments) was established to cover periodic assessments and studies to measure the progress made in all Activities toward achieving the intended results.

Under this Strategic Objective, it was determined that one activity would be implemented to support each of the results. Therefore, there are six activities which are described below.

A. TAHSEEN SIHITNA BI TANZEEM USRITNA (TAHSEEN)

This activity will enhance the supply and demand for family planning and reproductive health services by focusing on priority groups including youth, newlyweds, low parity couples, postpartum patients, couples living in geographically underserved areas, and unempowered women. Most mass media and large scale communication activities will be carried out through the "Communications for Healthy Living (CHL)" cross cutting activity. Close collaboration on demand creation and communication for FP/RH will be required to achieve maximum benefit. TAHSEEN will strengthen NGO capacity for advocacy, education and outreach, and reinforce clinical and referral

services in the population and family planning sector. It will also strengthen the MOHP's capacity to oversee and improve the quality of services and make sure that demographic trends are well understood by key policy makers.

The counterpart Ministry for this activity is the MOHP.

B. Healthy Mother/Healthy Child (HM/HC)

Indicative planned levels of assistance over the life of the activity are $104,950,000 of which $85,500,000 was previously obligated under Healthy Mother/Healthy Child Agreement No. 263-0242.

The purpose of this activity is to reduce national maternal and child mortality through improving essential maternal and child health services. Geographically, this program focuses on Upper Egypt and selected urban slums, where data show higher levels of mortality and health problems than in other areas. This activity will strengthen and expand access to essential maternal, perinatal and child health services; increase the acceptability, convenience, and impact of services, and increase people's awareness of maternal and neonatal risk factors. The HM/HC activity upgraded maternal and child health services in 25 districts in Upper Egypt and it is anticipated that similar upgrades will occur in 50 additional districts and a few urban slum areas. At the national level, support will continue to include strengthening the Expanded Program of Immunization (to help the A.R.E. eradicate vaccine-preventable diseases such as polio, measles and neonatal tetanus), and the Integrated Management of Childhood Illness (IMCI) to assist the MOHP in expanding this program nationwide in collaboration with WHO and UNICEF. USAID assistance will strengthen already established neonatal centers.

The counterpart Ministry for this activity is the MOHP.

C. Infectious Disease Surveillance and Response (IDSR)

This activity will reduce the spread of blood-borne pathogens, especially viral hepatitis and HIV/AIDS, through promotion of safe injections and better infection control practices in medical and dental settings. It also seeks to improve systems

to monitor major infectious diseases and will eventually incorporate important "life-style" diseases (diabetes, cardio-vascular diseases, etc.) into the surveillance and monitoring system. Through effective information, communication and education strategies, the project endeavors to reduce high-risk behaviors that contribute to infectious disease transmission, including Sexually Transmitted Infection (STIs) and HIV/AIDS. Through this project, USAID will continue to provide funds to improve tuberculosis surveillance and operational research.

The counterpart Ministry for this activity is the MOHP.

D. Communications for Healthy Living (CHL)

This new activity will ensure effective communications to the Egyptian public in support of all activities under the Strategic Objective. It will work to increase awareness and reduce risky behavior associated with key public health issues: safe injections, safe pregnancy, healthy life style, increased contraceptive use, and decreases in practice of Female Genital Cutting (FGC). This activity will support the institutionalization of sustained capacity in the Ministry of Information/State Information Service (SIS) to develop and implement on a variety of key health topics, behavior change programs, building on its current capacity in family planning, population, and maternal and child health. The activity will assist local health managers and workers to operationalize selected national public health policies at the community level. Additionally, the activity will seek to increase demand for quality health services, empower clients, and to increase awareness about the right to quality services.

The counterpart Ministries for this activity are the MOI and the MOHP. The MOHP will be responsible for the strategic direction and the technical content of the public information messages and MOI will oversee the production and the broadcasting of the various communication messages.

E. Health Workforce Development (HWD)

The purpose of this new activity is to create a more effective health workforce. This activity will work with medical and nursing schools to enhance the basic skills of students to

function effectively in primary and secondary health care settings. It will also work to revise curricula for Essential Obstetric Care (EOC), FP/RH, neonatal, and selected pediatric care, and emergency health care and work to institutionalize them in the Egyptian medical and nursing schools. Further, it will establish standardized health education and student assessment systems that lay the groundwork for accreditation of health education facilities nationwide. To support these measures, partnerships will be established between American medical and nursing schools and Egyptian faculties of medicine and nursing. Finally, this project will work with the MOHP and Ministry of Higher Education (MOHE) to establish an enabling policy environment that is more conducive to evidence - based decision making and to fostering more vigorous quality assurance systems in health care and health education.

The counterpart Ministry for this activity is the Ministry of Higher Education (MOHE).

F. Health Policy and Information (HPI)

This new activity will support collaboration between the MOHP and other stakeholders in government and private sector to improve health policy and the use of management and health information. It will replicate in other governorates throughout Egypt the health reform model already implemented in Alexandria and assist in implementation of a public insurance fund to finance health care for the poor and vulnerable. It will build MOHP governorate team capacity in selected governorates and districts to become more effective planning, monitoring and evaluation. Further, it will also support the establishment of the more efficient operation of health facilities and its personnel, and in creating a national health facility accreditation system.

The counterpart Ministry for this activity is the MOHP.

Health Policy Change Support Program (Local Currency)

The purpose of this activity is to target strategic policy change in the health sector.

Targeted policies will include:

- Improve allocative efficiency in management of public sector health resources;
- Improve health care financing for the poor and underserved;
- Strengthen GOE oversight of service quality in public and private health care.

USAID will assist the GOE/MOHP through support for studies and assessments that clarify the nature of systemic problems and strategies for policy change. Furthermore, USAID will serve as a donor partner in the GOE/MOHP strategic planning activities. A policy dialogue will be maintained to support formulation of laws or administrative actions that result in targeted policy change.

Policies under development will be tested, as appropriate, in one or more targeted reform governorates, and will provide practical experience to guide and complement policy developments at the national level. Prototype development will provide an additional impetus at the national and governorate levels for targeted policy change. The testing of reform strategies at the governorate level also complements a similar approach being carried out by the European Community (EC) in several reform governorate locations, and offers an important opportunity for donors and the MOHP to have a focal point for policy dialogue and development.

The five-year activity will be initiated by a Memorandum of Understanding (MOU) with the GOE and will be amended annually to define objectives for the upcoming year, as well as cash disbursement ceilings for the period. Local currency general sector support for the MOHP will be disbursed once the objectives will be achieved.

VI. Roles and Responsibilities of the Parties

Each counterpart ministry identified under section V above will be responsible for conducting, on behalf of the A.R.E., overall implementation of the respective activity.

USAID and the Sector of International Cooperation of Ministry of Foreign Affairs (MOFA/SIC) will manage this agreement jointly,

in particular signing and amending the overall agreement and approval of budget reallocations between the activities set forth in section V.

Implementation of activities funded under this Agreement may be carried out by the A.R.E and a combination of U.S., international and local organizations working under grants, cooperative agreements and contracts in support of the Strategic Objective. USAID will enter into such grants, cooperative agreements and contracts only after consultation with the relevant A.R.E. implementing partner. The Activity Management budget line item will cover USAID personnel assigned to manage the above mentioned activities as well as the periodic financial audits of those activities.

A. Grantee: A.R.E.

The MOHP is the principal A.R.E. entity responsible for implementation of the following activities: 1) TAHSEEN SIHITNA BI TANZEEM USRITNA (TAHSEEN); 2) Healthy Mother/Healthy Child (HM/HC); 3) Infectious Disease Surveillance and Response (IDSR); and, 4) Health Policy and Information (HPI). The MOHP and the MOI/SIS are the principal A.R.E. entities responsible for implementation of the CHL activity. The MOHE is the principal A.R.E. entity responsible for implementation of the HWD Project.

B. USAID

USAID is responsible for executing contracts and grants to implement approved activities needed to achieve the results described in this Agreement.

VII. Monitoring and Evaluation

The indicators specified in Section III above will be used to measure progress toward achievement of the Strategic Objectives of this Agreement, to monitor performance, and may influence the allocation of financial resources. The A.R.E.'s management information systems, complemented by activity reports, will provide the basis for annual assessments of overall progress toward program goals and objectives. Therefore, all activities funded under this Agreement will include reporting requirements to help USAID and the A.R.E. monitor achievement of activity

results and performance targets. In addition, USAID in consultation with the appropriate A.R.E. partner institution will use performance data as the basis for recommending adjustments in targets, indicators and activities.

Measures of performance will be based on several sources, including the A.R.E., USAID and other donor financed studies, and partner activity reports. The monitoring, evaluation, and training project (activity) in this Agreement will serve to collect data for and provide services in measuring performance towards achieving the results specified in Section IV, results of the overall SO agreement, and specific project and activity level results and accomplishments.

Further in depth evaluations may be conducted, under this 7-year program, with agreement between USAID and the host partners. These evaluations will examine the extent to which activities have achieved their intended results, estimate the overall development impact of USAID-financed activities in the sector, and recommend any activity modifications needed to improve performance. In addition to this formal evaluation, activity specific and ad hoc evaluations and assessments may also be conducted to answer specific program design and implementation questions.

VIII. Financial Plan

The illustrative financial plan for this Agreement is included to this Annex as an attachment. Changes may be made to the financial plan by representatives of the parties without formal amendment to the Agreement.

Attachment 1.2

SO20 Healthier, Planned Families
(263-0287)
Illustrative Financial Plan (LE 000)
A.R.E. Contribution *

Activities	FY 02		Future Planned Contribution		A.R.E. Total Planned Contribution
	Cash	In-Kind	Cash	In-kind	
Healthy Mother/Healthy Child	25,000	**	30,000	**	55,000
TAHSEEN	27,000	**	171,500	**	198,500
Infectious Disease Surveillance & Response	2,000	**	12,000	**	14,000
Health Policy and Information	5,000	**	15,000	**	20,000
Communication for Healthy Living	2,000	50,000	15,000	316,100	383,100
Health Workforce Development	3,000	**	10,000	**	13,000
Activities Management (FT800) * **	20	0	260	0	280
SUB-TOTAL	64,020	50,000	253,760	316,100	683,880
Health Policy Change Support Program – Special Account	0	0	350,000	0	350,000
Total A.R.E. Contribution	64,020	50,000	603,760	316,100	1,033,880

* The total A.R.E. contribution is equivalent to USD 224,756,521 at an exchange rate of 1USD = LE 4.6.

** The MOHP, MOHE and MOI's "in-kind" contributions include office space, staff time, equipment, supplies and storage /warehouse facilities. For the MOHP this also includes clinics and hospitals, and support from its affiliates such as the National Population Council, Cairo Curative Organization and the Health Insurance Organization. For the MOHE, this also includes medical and nursing schools.

*** FT-800 Account funds will be used to fund the employers' share of Social Insurance and may be used to fund air tickets for international travel and/or medical examinations as necessary.

Attachment 1.1a

US Dollars Summary Obligation Budget ($000)

Description	FY 02 Obligation	Future Planned Obligation	USAID Total Planned Contribution
Healthy Mother / Healthy Child	***2,100***	***16,200***	***18,300***
Technical assistance	900	6,900	7,800
Commodities	0	3,000	3,000
Training	200	300	500
Grants	0	2,000	2,000
Local Support	1,000	4,000	5,000
TAHSEEN	***21,530***	***51,995***	***73,525***
Technical assistance	8,835	19,725	28,560
Commodities	4,700	16,500	21,200
Training	160	260	420
Grants	4,160	7,205	11,365
Local Support	3,675	8,305	11,980
Infectious Disease Surveillance and Response	***2,900***	***17,190***	***20,090***
ESU and related infectious diseases	2,085	5,355	7,440
Institutional Development	300	1,750	2,050
Blood-Born Pathogens	465	9,610	10,075
Training	50	475	525
Health Policy and Information	***4,420***	***19,480***	***23,900***
Technical Assistance	2,950	13,730	16,680
Training	100	300	400
Local Support	1,370	5,450	6,820
Communication for Healthy Living	***2,720***	***16,120***	***18,840***
Technical Assistance	1,430	8,820	10,250
Training	150	450	600
Local Support	1,140	6,850	7,990
Health Workforce Development	***4,358***	***10,926***	***15,284***
Technical Assistance	2,225.2	6,462.8	8,688
Partnerships	731.3	2,134.5	2,865.8
Training	908.5	1,983.7	2,892.2
Commodities/Procurement	375	0	375
Local Support	118	345	463
Evaluation & Assessment	***1,620***	***8,114***	***9,734***
Activities Management (includes audits)	***1,202***	***5,775***	***6,977***
TOTAL	40,850	145,800	186,650