

USAID Grant Agreement No. 391-007-08

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER EIGHT

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF PAKISTAN

FOR

HEALTH AND POPULATION WELFARE

Islamic Republic of Pakistan City of Islamabad Embassy of the United States of America	SS:
I, the Consul of the United States of America at Islamabad, Pakistan duly commissioned and qualified do hereby certify that the foregoing is a true and faithful copy of the original, the same having been carefully examined by me and compared with the said original and found to agree therein word for word and figure for figure.	
IN WITNESS WHEREOF I have here unto set my hand and affixed the seal of the Embassy of the United States of America at Islamabad, Pakistan, this <u>20</u> day of <u>August</u> , 200 <u>8</u>	
<i>Kristen R. [Signature]</i>	
VICE CONSUL OF THE UNITED STATES OF AMERICA	

August 19, 2008

Fiscal Date: Appropriation 728/91037-20  
Fund: ES-08/09  
Phoenix Obligation: 391-SOAG-007-08  
Program Area: A11  
Program Element: A052  
Distribution: 391-M  
Amount: \$6,500,000.00

FUNDS AVAILABLE	
CFM / Accounting Section	
Amount:	\$6,500,000.00
	11 AUG 2008
< > Contact Clearance only	
Posted By:	PAm 08/11/08
Cleared By:	PAm 08/11/08
MAGS/PAK T&M: C/CT	

**AMENDMENT NUMBER EIGHT TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT** between the Government of the United States of America, acting through the United States Agency for International Development ("USAID"), and the Government of Pakistan, acting through the Economic Affairs Division of the Ministry of Economic Affairs and Statistics ("GOP" or "Grantee").

**WHEREAS**, the GOP and USAID entered into a Strategic Objective Grant Agreement for Health and Population Welfare, Grant Agreement No. 391-007, dated August 18, 2003, as subsequently amended (the "Agreement").

**WHEREAS**, USAID and the Grantee wish to further amend the Agreement to increase the USAID contribution by US\$6,500,000, for a total amount of US\$165,686,462, and extend the Completion Date to September 30, 2009.

**NOW THEREFORE**, the parties to the Agreement hereby agree as follows:

**A. USAID Contribution:**

1. **The Grant.** Section 3.1(a) of the Agreement is amended by deleting the amount of "One Hundred Fifty-Nine Million, One Hundred Eighty-Six Thousand, Four Hundred Sixty-Two U.S. Dollars (US\$159,186,462)" and inserting the amount "One Hundred Sixty-Five Million, Six Hundred Eighty-Six Thousand, Four Hundred Sixty-Two U.S. Dollars (US\$165,686,462,)" in lieu thereof.

2. **Total Estimated USAID Contribution.** Section 3.1(b) of the Agreement is deleted in its entirety and replaced by the following new Section 3.1(b):

(b) **Total Estimated USAID Contribution.** USAID's total estimated contribution to achievement of the objective will be One Hundred Seventy-Five Million, Four Hundred Ninety-Eight Thousand, Four Hundred Eight U.S. Dollars (US\$175,498,408), which will be provided in increments. Subsequent increments will be subject to the availability of funds to USAID for this purpose and may be provided by USAID upon written notice to the Grantee. The Parties agree that each such incremental contribution provided, if any, shall cumulatively increase the total amount of the Grant set forth in Section 3.1 and consequently may increase the Grantee's contribution under Section 3.2. The Grantee further agrees to acknowledge by written notice to USAID each such incremental contribution, if any.

**B. Amendment to Annex 1, Amplified Description:** Annex 1, Amplified Description is deleted in its entirety and replaced with the attached Annex 1, Amplified Description.

**C. Completion Date:** Section 4(a) of the Agreement is deleted in its entirety and replaced with the following:

(a) The Completion Date, which is September 30, 2009, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all the activities necessary to achieve the Objective and Results will be completed.

**D. Standard Provisions (Annex 2):** Article F of the Standard Provisions (Annex 2) is amended by adding Sections F.4, and F.5 attached hereto.

**E. Other Terms and Conditions:** All other terms and conditions of the Agreement remain unchanged and in full force and effect.

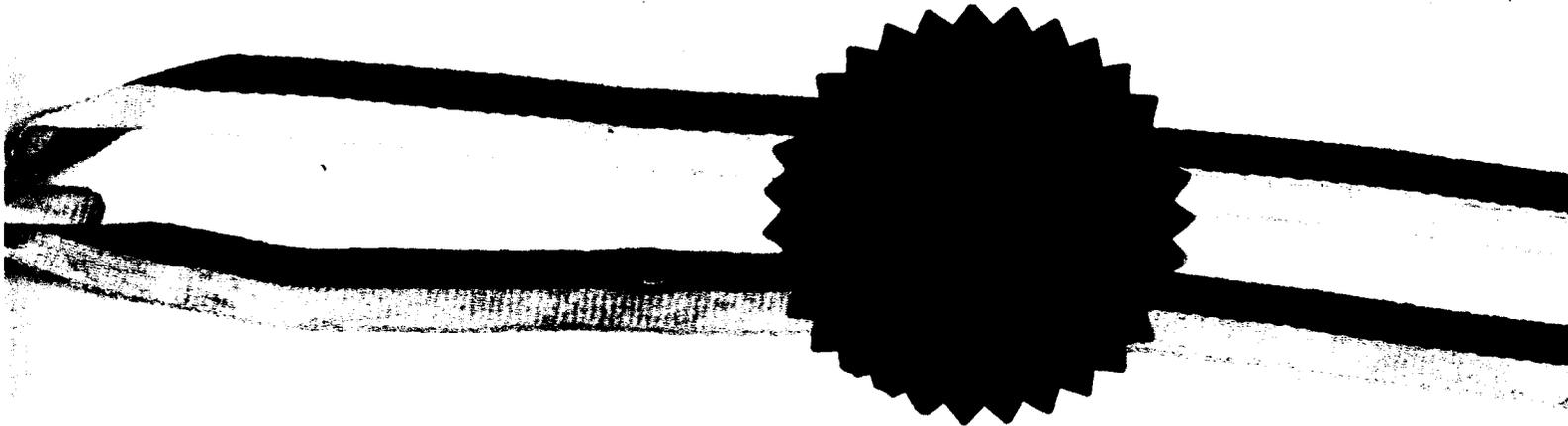
**IN WITNESS WHEREOF,** the United States of America and the GOP, each acting through its duly authorized representatives, have caused this Amendment Number Eight to be signed in their names and delivered as of the date shown on the cover page of this Amendment.

**UNITED STATES OF AMERICA**

By:   
Name: Edward Birgells  
Title: Acting Director  
USAID Mission to Pakistan

**THE ISLAMIC REPUBLIC OF PAKISTAN**

By:   
Name: Junaid Iqbal Ch.  
Title: Acting Secretary  
Economic Affairs Division



## **AMPLIFIED PROGRAM DESCRIPTION**

### **I. Introduction**

This annex describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Annex 1 shall be construed as amending any of the definitions or terms of the Agreement.

### **II. USAID's Health and Population Program**

In FY 2005 and beyond, USAID will improve the quality of health care in Pakistan by focusing on three objectives identified in collaboration with the GOP: improve the quality and use of maternal, newborn and child health and reproductive services; improve administrative and financial management of primary health care programs; and increase the use of proven interventions to prevent major infectious diseases. USAID supports GOP health programs and coordinates closely with other donors and partners. Under this Agreement, USAID will provide training, technical assistance, small grants and some limited upgrading of infrastructure to achieve mutual GOP and USAID objectives in health.

USAID funds will:

- Develop new and improved maternal, newborn, and child health care throughout the country by improving services and upgrading equipment at selected health facilities.
- Strengthen the midwifery education system by developing a midwifery tutor specialization and increasing the oversight capacity of the Nursing Council and midwifery professional bodies.
- Continue efforts to eradicate polio through vaccination programs.
- Improve surveillance and control of diseases of major public health importance (e.g., hepatitis, TB, HIV).
- Promote greater awareness of HIV/AIDS and encourage healthier behaviors among the most at-risk groups.
- Improve water and sanitation system, including health and hygiene education to better assure safe drinking water, storage and end-use. Schools and health centers will be given priority in USAID focus districts.
- Provide training and technical assistance to reproductive health service providers to improve the availability and quality of care in underserved areas, in accordance with the Mexico City Policy.
- Fund a nation-wide Demographic Health Survey to produce a reliable figure for the maternal mortality ratio and collect data on fertility levels, preferences, family planning use and infant and child mortality.
- Improve access to and utilization of child health services in the Federally Administered Tribal Areas (FATA).

- Help health officials and local governments improve the planning, implementation, and monitoring of health programs and
- Improve the logistics systems for essential drugs and contraceptives at provincial level and in 20 districts.

The program will support ten out of twelve objectives outlined in the GOP's reform strategies for the health and population sectors outlined in its Ten Year Perspective Development Plan 2001-11. The program will promote the health of women and children through interventions that can be sustained over the long-term by improving the utilization and quality of health services. The objective of this assistance is to help the GOP develop and deliver accessible and quality health and reproductive health interventions.

**Strategic Objective:** Improved health services for vulnerable populations. This objective will be achieved through the following three intermediate results:

**1. Improved quality and use of maternal, newborn, and child health and reproductive services in target districts.**

**2. Improved administrative and financial management of primary health care programs in target districts.**

**3. Increased use of proven interventions to prevent major infectious diseases.**

**1. Improved quality and use of maternal, newborn, and child health and reproductive services in target districts:** The maternal and newborn health activity is focusing on hospital and community activities in eleven districts and two Agencies and two Frontier Regions of FATA. Technical training and assistance, development of a community midwife cadre, facility renovation and equipment, and service upgrades are improving mother and child birth outcomes and increasing child survival. This activity will be expanded to an additional 10 to 15 of the neediest districts in Balochistan, North-West Frontier Province and Azad Jammu Kashmir and will include child health. A new health systems strengthening activity will develop a midwifery tutor specialization and assist the Pakistan Nursing Council to prepare licensing exams and certification procedures for the new cadre of nurse midwives. A child health program has been initiated in FATA to increase family access to and use of health services. The Demographic Health Survey has collected and is analyzing national data on reproductive, child and maternal health. The new birth spacing and family planning activity will increase demand for contraceptives nationwide, improve quality of services in public and private clinics in 20 districts and support social marketing of contraceptives in 86 districts.

**2. Improved administrative and financial management of primary health care programs in target districts:** USAID will provide technical assistance to improve the fiscal and administrative management of primary health care programs at the provincial and district levels. Technical assistance and training will improve the capacity of district

health teams to manage and monitor health programs and the health situation. This initiative directly supports devolution and other national objectives to improve health sector performance. The new health systems strengthening activity will improve essential drugs and contraceptives logistics delivery systems from national to district level including 20 districts.

**3. Increased use of proven interventions to prevent major infectious diseases:**

The concentrated outbreak of HIV/AIDS revealed in a groundbreaking study released in late FY 2004, highlights the importance of an immediate strategic response. USAID funds are programmed for HIV/AIDS prevention among high-risk groups and for care and support of persons living with AIDS. This component will also address polio eradication, and support national immunization days, and continued surveillance. Funding will continue to be provided to fight TB through government services nationwide and extend DOTS (Directly Observed Treatment Strategy) to the private sector. A field epidemiology and laboratory training program will improve surveillance and response for infectious diseases (e.g., hepatitis, tuberculosis). A water and sanitation activity is supporting hygiene education in schools and community management of government-installed water filtration plants in thousands of villages throughout the country.

**III. Funding**

Illustrative Financial Plan: The illustrative financial plan for the Agreement is set forth in the following table:

**Illustrative Financial Plan**

(in US\$ millions)

<b>Health and Population Program</b>	<b>Obligated through Amendment 7</b>	<b>Obligated through Amendment 8</b>	<b>Total Estimated Contribution</b>
<b>USAID Contribution – excluding AID/W withholdings:</b>			
Reproductive Health Services	\$53.298	\$0.000	\$53.298
Provincial and district health systems strengthening programs	\$12.941	\$0.000	\$12.941
Maternal and neonatal health care	\$57.830	\$6.500	\$64.330
Communicable Disease Control	\$32.265	\$0.000	\$32.265
HIV/AIDS			
Water Supply and Sanitation			
Other Public Health Threats			
Program Management	\$2.852	\$0.000	\$2.852
<b>Total Mission Contribution</b>	<b>\$159.186</b>	<b>\$6.500</b>	<b>\$165.686</b>

<b>AID/W Withholdings:</b>			
Infectious Diseases – UNICEF and WHO -Tuberculosis -Maternal and Child Health	\$9.520	\$0.000	\$9.520
IT Recovery Cost	\$0.014	\$0.000	\$0.014
Demographic and Health Survey	\$0.278	\$0.000	\$0.278
<b>Total AID/W Withholdings</b>	<b>\$9.812</b>	<b>\$0.000</b>	<b>\$9.812</b>
<b>Total USAID Contributions</b>	<b>\$168.998</b>	<b>\$6.500</b>	<b>\$175.498</b>
<b>Total GOP Contribution</b>	<b>Rs. 1.2 billion</b>		<b>Rs. 1.2 billion</b>

**Foreign Assistance Framework  
Illustrative Financial Plan Cross-walk**

**Objective: Investing in People**

(in US\$ millions)

<b>Program Elements</b>	<b>Obligated in FY 2007</b>	<b>Obligated in FY 2008</b>	<b>Total Estimated Contribution</b>
<b>Program Area: Health</b>			
HIV/AIDS	\$1.500		\$1.500
Tuberculosis	\$1.031		\$1.031
Other Public Health Threats	\$1.439		\$1.439
Maternity and Child Health	\$13.068	\$6.500	\$19.568
Family Planning and Reproductive Health	\$13.276		\$13.276
Water Supply and Sanitation	\$1.006		\$1.006
<b>Objective Total</b>	<b>\$31.320</b>	<b>\$6.500</b>	<b>\$37,820</b>

Changes may be made to the Financial Plan by representatives of the Parties without formal amendment to the Agreement, if such changes do not cause USAID's contribution to exceed the amount specified in Section 3.1 of the Agreement, or the Grantee's contribution to be less than the amount specified in Section 3.2 of the Agreement.

**IV. Illustrative Indicators**

Specific targets for indicators will be set in respective sub-agreements and may be incorporated into this Agreement without formal amendment but with written notice to both parties.

Illustrative indicators of program success for all three intermediate results include:

- Increase in number of service delivery centers for reproductive health services in peri-urban and rural areas.
- Improved quality of reproductive health services.

- increased availability of modern contraceptive methods to eligible couples in peri-urban and rural areas.
- Increased and effective utilization of skilled workers for delivering emergency obstetric, post-partum care and neonatal health services.
- Development of health education and information, education and communication (IEC) material appropriate for the target population regarding HIV/AIDS and STDs.
- Improved fiscal management and administrative capacity at the district and provincial levels.

For all indicators, the Parties agree to use definitions adopted for purposes of reporting under the Pakistan Integrated Household Survey and Demographic Health Survey.

#### **V. Activities/Activity Selection**

USAID will select the majority of activities after a competitive grant or contract selection process conducted by USAID with participation from relevant government institutions and other entities. Criteria for selection of grant or contract proposals generally include the proposing organization's technical approach and program description, management structure (including the choice of key personnel), institutional capacity, past performance in like circumstances, and degree of Grantee reliance on Pakistani institutions and expertise for implementation. Proposals will also take into account ongoing activities of other donors in the health sector to avoid duplication.

#### **VI. Monitoring and Evaluation**

The Parties will monitor and evaluate progress towards the Strategic Objective in the following manner:

A mid-term and final evaluation will be conducted for each implementation agreement. The GOP will be invited to join the evaluation team

In addition, USAID will conduct up to two formal evaluations, financed by funds under this Agreement. A formal, formative-type evaluation will be carried out after two years of implementation if deemed necessary to gauge the overall quality and progress of the work conducted to date, and make recommendations for improvement. This evaluation will be carried out by a highly qualified, external and objective organization. The GOP will be invited to join as a team member. The second evaluation, more summative in nature, will be carried out at the beginning of the program's final year to begin planning the follow-on USAID program.

USAID's implementation agreements, whether contracts, grants or cooperative agreements, also contain provisions for regular monitoring and evaluation of activities conducted thereunder. USAID's Regional Inspector General in Manila and the Auditor General of Pakistan may also undertake performance audits of activities under this Agreement from time to time. The Parties also undertake, as much as possible, to publicize the undertakings in this Agreement on public websites in Pakistan so that the citizens of Pakistan can monitor progress towards results hereunder.

## **VII. Other Implementation Issues**

The prevailing security situation in Pakistan may pose unique challenges for implementing activities under this Agreement. The Parties recognize that implementation may be delayed from time to time in response to unexpected events and will make every effort to reduce such delays if and when they occur. To minimize such disruptions, the Parties agree to seek implementation partners that can move as freely as possible throughout Pakistan, even during periods when expatriate personnel may be forced to leave the country unexpectedly.

**ADDITIONAL STANDARD PROVISIONS (ANNEX 2)**

**STRATEGIC OBJECTIVE GRANT AGREEMENT  
FOR  
HEALTH AND POPULATION WELFARE**

**Section F.4. Prohibition on Funding Foreign Government Delegations to International Conferences.** Except as USAID may otherwise agree in writing, funds obligated under this Agreement may not be used to finance the travel, per diem, hotel expenses, meals, conference fees or other conference costs for any member of a foreign government's delegation to an international conference sponsored by a public international organization. This restriction may be further described by USAID in Implementation Letters.

**Section F.5. Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking.**

- (a) The U.S. Government shares the Government of Pakistan's opposition to prostitution and related activities, which are inherently harmful and dehumanizing, and contribute to the phenomenon of trafficking in persons. None of the funds made available under this Agreement may be used to promote or advocate the legalization or practice of prostitution or sex trafficking. Nothing in the preceding sentence shall be construed to preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceutical prophylaxis, and necessary pharmaceuticals and commodities, including test kits, condoms, and, when proven effective, microbicides.
- (b) For purposes of this provision, "sex trafficking" means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.
- (c) The Grantee shall insert this provision in all sub-agreements involving HIV/AIDS activities which will be supported in whole or in part with USAID funds under this Agreement.
- (d) This provision includes express terms and conditions of this Agreement and any violation of it shall be grounds for unilateral termination of the Agreement by USAID prior to the end of its term.

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