July 2, 2007

The Permanent Secretary
Ministry of Finance
P.O. Box 9111
Dar es Salaam.

Dear Sir:

Subject: USAID Strategic Objective Grant Agreement (SOAG) Number 621-0011.01 for Health Status of Tanzanian Families Improved.

Implementation Letter (IL) Number 7

The purpose of this Implementation Letter is to sub-commit and sub-obligate US $160,000 as requested by the Ministry of Health to finance twelve months program activities for the Kigoma Zonal Training Center (KZTC), from July 1\textsuperscript{st}, 2006 to June 30\textsuperscript{th}, 2007. This Implementation Letter utilizes funds from the Strategic Objective Grant Agreement for Health Status of Tanzanian Families Improved, Number 621-0011.01.

USAID hereby agrees to finance the following major activities under this Implementation Letter:

1) **Capacity building for KZTC, Regional health management teams and training institutions:** In order to improve the capacity of the Zonal Training Center and the Regional Health Management teams of Kigoma and Tabora regions, under this budget line KZTC will:

- Train all the senior staff in computer skills.
- Procure 3 desk top and 2 lap top computers.
- Train all the financial department staff on the financial management computer skills and the Quick-book accounting systems in order to manage Mission grant funds properly.
- Connect KZTC into internet and encourage its use in strengthening health system management between the zone, regions, districts and the central ministry as well as other training institutions.
- Procure one vehicle for KZTC for strengthening monitoring of the program and trainee follow ups.

(Cost US $81,654)
2) **Human resource capacity building in the districts:**
Under this budget line KZTC will implement the program directly in all the districts of Kigoma and Tabora regions. The focus will be to train about 570 health providers in different cadres. They will be oriented and trained in the following areas:

- Train Council Health Management Team (CHMTs) members and training resource members at the districts on alternative teaching skills.
- Train health providers on focused antenatal care, syphilis screening and malaria prevention during pregnancy, and infection prevention in health settings in order to avoid HIV infection within health facilities.
- Train CHMTs, health administrators and health providers in organizational development in order to improve the quality of health care.  
  
  (Cost US $ 57,475)

USAID funds under this IL shall be used in accordance with the applicable United States policy and statutory requirements relating to voluntary family planning and none of the USAID funds provided under this IL, or goods or services financed by such funds, may be used for:

- The performance of abortion as a method of family planning or to motivate or coerce any person to practice abortion.
- The performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilization.
- Any biomedical research which relates, in whole or in part, to performance of abortion or involuntary sterilization as a method of family planning.
- Service provided by referral agents in the project shall not implement or subject to quotas or other numerical targets of total number of births, number of family planning acceptors or acceptors of particular methods of family planning.
- The project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of scientific study in which participants are advised of the potential risks and benefits.
- The project shall provide family planning acceptors comprehensive information about health benefits and risks of methods chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method. This requirement might be satisfied by providing a Swahili wall chart that is permanently placed at the service delivery point, which provides information in accordance with medical practice and health conditions in Tanzania.
When Kigoma ZTC (the “contracting agency”) enters into any Host Country contracts under this implementation letter, USAID regulations for host country contracting must be followed. Therefore:

1) When contracting for technical or professional services, Kigoma ZTC should provide proof of fair treatment to the competitors by following competitive review of the various options. Consideration of a reasonable number of candidates is required. Kigoma ZTC must document the steps it takes to complete this review and should keep the documents in its files for possible review by USAID and/or the auditors in the future.

2) When contracting technical or professional services to individual consultants, Kigoma ZTC shall ensure that USAID will receive, review and agree to the terms of reference, bio data sheet, curriculum vitae, proposed rates and the contract for technical/professional services prior to initiating the contract. Furthermore, after the technical/professional services contract has been negotiated but prior to signing, at USAID discretion, they may be required to submit it for USAID approval.

3) USAID Financial Controller will review and approve methods of payment for any host country contract, by either direct payment to the vendor, cost reimbursement or by a letter of credit from USAID to the vendor depending on the amount of money for each sub-contract.

4) USAID approval may also be required, at USAID discretion, for the action taken by Kigoma ZTC during the host country contracting process, e.g. contract administrative actions such as subcontracts, amendments and change orders.

5) Kigoma ZTC shall state clearly that USAID is not a party to the contract, and that USAID does not take any liability neither in part nor in whole of the contract between the Kigoma ZTC, the “Contracting Agency” and the “awardee” of the contract.

6) Funds under this IL will not be used to pay for Government of Tanzania taxes related to services or commodities procured in-country to be used by the Kigoma ZTC, Ministry of Health or any other Government of Tanzania institution.

7) Funds under this IL will be used according to GOT financial regulations. It includes per diem rates during travel in country and out of the country.
Your signature or that of an authorized representative is required in the space provided below to signify your agreement to the action described. Please return to USAID the original copy of this letter.

Sincerely,

Charles Llewellyn
Health and Population Officer

Accepted by:

Name: ____________________________

Title: ____________________________

Signature: _________________________

Date: ____________________________
Summary of the Kigoma ZTC budget under USAID support from July, 2006 to June 2007

<table>
<thead>
<tr>
<th>Budget line Number</th>
<th>Description of the program activity</th>
<th>Cost in US dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Capacity building of the Zonal Training Center, Regional Health Management and other training institutions in Kigoma zone</td>
<td>$81,655</td>
</tr>
<tr>
<td>2.</td>
<td>Human resource development in the districts</td>
<td>$57,475</td>
</tr>
<tr>
<td>3.</td>
<td>Overhead cost (15% of the direct costs)</td>
<td>$20,870</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$160,000</strong></td>
</tr>
</tbody>
</table>

Exchange rate 1 US $ = Tsh.1185