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*Office of Inspector General*

March 29, 2005

**MEMORANDUM**

**TO:** Director, USAID/Egypt, Kenneth C. Ellis

**FROM:** Regional Inspector General/Cairo, David H. Pritchard /s/

**SUBJECT:** Survey of USAID/Egypt's Population and Health Activities  
(Report No. 6-263-05-003-S)

This memorandum transmits our final report on the subject survey. This is not an audit report, and the report does not contain suggestions or recommendations. However, the survey information forms a future basis for audit. In finalizing our report, we considered your comments on our draft report and have included your response in its entirety in Appendix II.

I appreciate the cooperation and courtesy extended to our staff throughout the survey.

# BACKGROUND

Since the late 1970s, USAID has invested approximately \$550 million in the population and health sector in Egypt. During this time period, health indicators in Egypt have improved. For example, 57 percent of married women now use modern contraceptives, more than double the 1980 rate. The total fertility rate<sup>1</sup> has fallen by a third—from 5.3 births per woman in 1980 to 3.2 births in 2003. In addition, 95 percent of Egyptians reside within five kilometers of a health clinic or family planning clinic. More recently, the 2003 Egypt Interim Demographic and Health Survey documented that, between 2000 and 2003, infant and under-five child mortality declined, use of modern family planning methods increased, total fertility declined, and more women gave birth attended by medical providers.

According to USAID/Egypt's financial records, USAID/Egypt had expended \$265 million for population and health activities to support its current Strategic Objective, "Healthier, Planned Families", as of September 30, 2004. These activities focused on (1) family planning, (2) maternal and child health, (3) infectious diseases surveillance and response, (4) communication for healthy living, (5) health workforce development, and (6) health policy support. USAID/Egypt plans to expend approximately \$94 million for this Strategic Objective over fiscal years 2005-2009.

## SURVEY OBJECTIVE

We conducted this survey as part of the Office of Inspector General's fiscal year 2004 audit plan to answer the following question:

- What is the status of USAID/Egypt's population and health activities?

Appendix I contains a discussion of the survey's scope and methodology.

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<sup>1</sup> Fertility rates measure the average number of live births a woman would have throughout her reproductive life.

# DISCUSSION

USAID/Egypt administered its population and health activities through six intermediate results under its Strategic Objective. Each of the six intermediate results is associated with a specific project and performance indicators as presented in Table 1 below. In addition, the results framework included two performance indicators at the strategic objective level as shown in Appendix III.

**Table 1: Results Framework for USAID/Egypt's Population and Health Program**

| <b>Intermediate Result (IR)</b>   | <b>Project</b>  | <b>Performance Indicators Reporting Results for 2003</b>  |
|---|---|---|
| IR 20.1 -- Improved Family Planning and Reproductive Health                             | Improving Our Health through Planning Our Families (TAHSEEN <sup>2</sup> )    | <ul style="list-style-type: none"> <li>• Contraceptive prevalence rate of modern methods</li> <li>• Percentage of low parity women in the reproductive age using family planning</li> </ul>   |
| IR 20.2 -- Improved Maternal and Child Health   | Healthy Mother Healthy Child  | <ul style="list-style-type: none"> <li>• Percentage of births attended by medical providers</li> <li>• Percentage of antenatal clients who received antenatal care that meets minimum standards</li> <li>• Number of districts implementing integrated management of childhood illness program</li> </ul> |
| IR 20.3 -- Improved Surveillance and Response to Infectious Diseases                    | Infectious Disease and Surveillance Response                                  | <ul style="list-style-type: none"> <li>• Number of newly established epidemiology and surveillance units</li> <li>• Number of districts reporting on incidence of reportable prioritized diseases up to central level</li> </ul>  |
| IR 20.4 -- More Effective Communications for Healthy Living                             | Communication for Healthy Living  | <ul style="list-style-type: none"> <li>• Percentage of women who support female genital cutting</li> </ul>  |
| IR 20.5 -- More Effective Health Workforce  | Health Workforce Development  | <ul style="list-style-type: none"> <li>• None</li> </ul>  |
| IR 20.6 -- Reformed Health Policy and Improved Use of Management and Health Information | Health Policy and Information Project (later known as Focus on Family Health) | <ul style="list-style-type: none"> <li>• Percentage of Ministry of Health and Population hospitals operating under ministerial decree guiding cost recovery</li> </ul>  |

<sup>2</sup> TAHSEEN is the common Arabic title for the project and translates as “improving”.

According to USAID/Egypt's financial records, the Mission had expended approximately \$223 million since the inception of the six projects, as of September 30, 2004. The Mission also expended about \$42 million under its Cash Transfer program for a total of about \$265 million as detailed in Table 2.

**Table 2: Obligations and Expenditures for USAID/Egypt's Population and Health Strategic Objective through September 30, 2004**

| <b>Project Name<sup>3</sup></b>              | <b>Obligations</b>   | <b>Expenditures</b>  |
|--|----------------------|----------------------|
| TAHSEEN                                      | \$127,962,297        | \$100,358,592        |
| Healthy Mother Health Child                  | 84,514,363           | 69,919,774           |
| Infectious Disease and Surveillance Response | 28,825,795           | 21,936,964           |
| Communication for Healthy Living             | 12,297,150           | 2,668,415            |
| Health Workforce Development                 | 10,081,131           | 1,603,324            |
| Focus on Family Health                       | 33,731,168           | 26,105,003           |
| Cash Transfer                                | 42,163,000           | 42,163,000           |
| Strategic Objective Management               | 925,270              | 51,911               |
| <b>Total =</b>                               | <b>\$340,500,174</b> | <b>\$264,806,983</b> |

USAID/Egypt administered its population and health activities through six intermediate results—each associated with a specific project. The purposes of the projects are as follows.

**TAHSEEN** – The purpose of this project was to improve family planning and reproductive health by increasing the availability, attractiveness, and quality of services offered, and expanding consumer choice. More specific activities included the following:

- Build local and national capacity in the public, non-governmental organization, and commercial sectors to manage family planning and reproductive health services.
- Support policies that enable the Ministry of Health and Population to use its resources more efficiently and allow the commercial and non-governmental organization sectors to expand.
- Develop a showcase governorate in Upper Egypt, demonstrating how family planning and reproductive health and other interventions can synergize sustainable impact in health and population.

**Healthy Mother Healthy Child** – The purpose of this project was to expand and improve maternal child health services by narrowing the access gap for services between rural Egypt and the rest of the country. It also intended to strengthen the capacity of Egyptian institutions to meet the needs of the poor. More specific activities included the following:

- Expand access of essential maternal, prenatal, and child health services to poor and under-served populations through more effective targeting resources and services.

<sup>3</sup> Totals include amounts from predecessor projects.

- Advance cooperation and communication between community representatives and health providers.
- Enhance public health activities of non-governmental organizations and the commercial sector.
- Eradicate polio in Egypt to the level of other regional countries.

**Infectious Disease and Surveillance Response** – The purpose of this project was to build Egypt's capacity for conducting infectious disease surveillance and responding to widespread and emerging diseases. More specific activities included the following:

- Support the development of a national infectious disease surveillance and response system, and strengthen the Ministry of Health and Population's Epidemiology and Surveillance Unit.
- Build institutional capability to conduct infectious disease research in selected institutions.
- Develop interventions that prevent and control blood borne and other pathogens, especially viral hepatitis, HIV/AIDS, tuberculosis, and sexually transmitted infections.

**Communications for Healthy Living** – The purpose of this cross-cutting support project was to emphasize behavior change in health and lifestyle practices. It supported information, education, and communication activities enabling families and communities to better protect and maintain their health. It also improved the capacity of the Government of Egypt to carry out communications. More specific activities include the following:

- Build the capacity of the Ministry of Health and Population to set and implement national public health agendas and communications strategies, plans, and programs.
- Increase public and commercial sector participation in the development of a national health agenda.
- Build on successful family planning and maternal and child survival information, education, and communication campaigns to promote behavior change.

**Health Workforce Development** – The purpose of this project was to strengthen undergraduate physician and nursing education with emphasis on basic health care. It addressed the inadequacy of professional training for nurses and doctors and ensured that the Ministry of Health and Population and other health institutions receive competent graduates of medical and nursing schools. More specific activities included the following:

- Develop and standardize physician and nurse undergraduate curriculum.

- Establish professional linkages with American medical and nursing schools.
- Strengthen medical and nursing schools' faculty training capacity.

**Health Policy and Information (Later Known as Focus on Family Health)** – The purpose of this cross-cutting project was to support health policies that promote sustainability of basic health services, especially maternal and child health, infectious disease control, and family planning. The policies also supported sector growth balanced between commercial and non-governmental organizations, greater efficiency of public sector services, changes in the organization and financing of health service delivery, and accountability toward consumers.

# CONCLUSION

For fiscal year 2003, USAID/Egypt's population and health activities had mixed success in achieving their intended results as measured by the 11 primary performance indicators in the Mission's Annual Report. As detailed in Appendix III, the Mission met or exceeded 8 of the 11 performance indicator targets, fell short on 2 targets, and did not report results for 1 performance indicator. However, for the 2 performance indicators where the Mission fell short of its targets, the differences were 10 percent or less. Specifically, the differences were 1 percent and 10 percent below target.

Although USAID/Egypt reported mixed success in achieving their intended results, it was accomplishing its overall objective according to Mission officials. For example, the 2003 Egypt Interim Demographic and Health Survey documented that mortality and fertility rates have dropped substantially. Fertility rates fell from 5.3 births per woman in 1980 to 3.2 births in 2003. The infant mortality rate was 44 deaths per 1000 births in 2000 as compared to 38 deaths per 1000 births in 2003. The under-five mortality rate was 54 deaths per 1000 births in 2000 as compared to 46 deaths per 1000 births in 2003.

Furthermore, USAID/Egypt officials noted that the use of modern family planning and contraceptive methods increased as shown in Table 3 and documented in the 2003 Egypt Interim Demographic and Health Survey. For example, family planning changed rapidly at the national level in the 1980s, with increases of around 1.5 percentage points annually between 1980 and 1988 and a near doubling of use levels between 1980 and 1992 (from 24 percent to 47 percent). The use rate remained relatively stable at around 47 percent during the early 1990s to mid 1990s and then began to rise again, reaching 60 percent in 2003.

**Table 3: Trends in Use of Family Planning Methods Between 1992 and 2003**

| <b>Family Planning Method</b> | <b>1992</b> | <b>1995</b> | <b>1997</b> | <b>1998</b> | <b>2000</b> | <b>2003</b> |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| • Any Method                  | 47.1        | 47.9        | 54.5        | 51.8        | 56.1        | 60.0        |
| • Any Modern Method           | 44.8        | 45.5        | 51.8        | 49.5        | 53.9        | 56.6        |
| • Any Traditional Method      | 2.3         | 2.4         | 2.7         | 2.3         | 2.2         | 3.4         |
| • Not Using                   | 52.9        | 52.1        | 45.5        | 48.2        | 43.9        | 40.0        |
| Total Percent =               | 100.0       | 100.0       | 100.0       | 100.0       | 100.0       | 100.0       |

Finally, a USAID/Egypt official noted that more than 158 disease control units are now on-line monitoring diseases and outcomes in over 50 percent of Egypt. By the end of 2004, surveillance systems will be in place throughout Egypt.

Despite these gains, USAID/Egypt's Annual Report cited significant health challenges. Egypt is one of the most densely-populated countries in the world, and the population continues to grow at 2.1 percent annually. While basic infrastructure and health services cover nearly all of Egypt, the quality and efficacy of care are very uneven. Rural and lower income families, particularly women and young children, face major impediments to obtain the most basic health information and services. As a result, USAID assistance continues to focus on ensuring that vital and effective health information and service are available to all people, especially women and young children.

# EVALUATION OF MANAGEMENT COMMENTS

In its response to the draft report, USAID/Egypt noted that the survey report contained no suggestions or recommendations, and the Mission agreed with its contents.



# SCOPE AND METHODOLOGY

## Scope

The Regional Inspector General/Cairo conducted this survey of USAID/Egypt's population and health activities. Our survey was not an audit and covered the status of USAID/Egypt's population and health activities as of September 30, 2004. According to USAID/Egypt's financial records, USAID/Egypt expended about \$265 million in population and health activities to support its current Strategic Objective, "Healthier, Planned Families". USAID/Egypt plans to expend an additional \$94 million between fiscal years 2005 and 2009.

This assignment was part of the Office of Inspector General fiscal year 2004 audit plan and was originally scheduled to be an audit with the following audit objectives: (1) "What is the status of USAID/Egypt's population and health activities?" and (2) "Have USAID/Egypt's population and health activities progressed toward their intended results?" We changed this assignment to a survey covering the first objective due to staffing requirements and our assessment of the risk exposure of the population and health program. We plan to conduct a separate audit at a later time based on the second audit objective or a similar audit objective.

We conducted the survey at USAID/Egypt in Cairo, Egypt, in answering audit objective 1. Preliminary survey work was conducted from April 18, 2004, to May 13, 2004. The fieldwork was resumed from June 3, 2004, through July 29, 2004, and October 18, 2004, through October 31, 2004.

## Methodology

During this survey, we interviewed USAID/Egypt officials and reviewed documentation on USAID/Egypt's population and health activities. These interviews and documents covered background, organization, management, budget, staffing responsibilities, project information, prior reviews, and internal controls in order to gain an understanding of the actual and potential problems in implementing the population and health activities. We did not independently validate information.

We also assessed the risk level of USAID/Egypt's population and health program. In accomplishing that, we listed possible risk areas that could impact program results. For each risk, we identified the control objective that we would expect to be in place so that the Mission can avoid the specific risk. We interviewed Mission officials to determine whether internal controls were in place to achieve each control objective.

March 13, 2005

**Memorandum**

**To:** David Pritchard, RIG/Cairo

**From:** Kathryn Panther, USAID/Egypt, HRH/PH/s/

**Subject:** Mission Response to Draft Report on Survey of USAID/Egypt's Population and Health Activities (Report No. 6-263-05-00x-S)

The Mission has reviewed the draft report on the Survey of USAID/Egypt's Population and Health Activities issued on February 14, 2005. The survey contains no suggestions or recommendations and the Mission agrees with its contents. Per our discussion with RIG, minor edits have been transmitted by e-mail.

We appreciate all efforts made by the RIG/Cairo audit team during this survey and request RIG to issue the report in final.

**Fiscal Year 2003 Population and Health Performance Indicators and Reported Results**

| <b>No.</b> | <b>Performance Indicator</b>   | <b>Target</b> | <b>Reported</b> | <b>Difference</b> | <b>Percentage Below or Above Target</b> |
|------------|--|---------------|-----------------|-------------------|---|
| 1          | Total Fertility Rate (Strategic Objective level performance indicator)   | 3.4           | 3.2             | +0.2              | 6% Above Target                         |
| 2          | Infant Mortality Rate (Strategic Objective level performance indicator)  | 40            | 38              | +2                | 5% Above Target                         |
| 3          | Contraceptive Prevalence Rate of Modern Methods (Intermediate Result 20.1)   | 57%           | 57%             | 0%                | Met Target                              |
| 4          | Percent of Low Parity Women in the Reproductive Age Using Family Planning (Intermediate Result 20.1)                                       | 46%           | 47%             | +1%               | 2% Above Target                         |
| 5          | Percent of Births Attended by Medical Providers (Intermediate Result 20.2)   | 65%           | 69%             | +4%               | 6% Above Target                         |
| 6          | Percent of Antenatal Clients Who Received Antenatal Care That Meets Minimum Standards (Intermediate Result 20.2)                           | No Data       | No Data         | No Data           | Not Applicable                          |
| 7          | Number of Districts Implementing Integrated Management of Childhood Illness Program (Intermediate Result 20.2)                             | 75            | 87              | +12               | 16% Above Target                        |
| 8          | Number of Newly Established Epidemiology Surveillance Units (Intermediate Result 20.3)   | 30            | 60              | +30               | 100% Above Target                       |
| 9          | Number of Districts Reporting on Incidence of Reportable Prioritized Diseases up to Central Level (Intermediate Result 20.3)               | 100           | 158             | +58               | 58% Above Target                        |
| 10         | Percent of Women Who Support Female Genital Cutting (Intermediate Result 20.4)   | 72%           | 71%             | -1                | 1% Below Target                         |
| 11         | Percent of Ministry of Health and Population Hospitals Operating under Ministerial Decree Guiding Cost Recovery (Intermediate Result 20.6) | 30            | 27              | -3                | 10% Below Target                        |

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