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USAID in Indonesia



OCTOBER, 1985

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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
(USAID)

Indonesia's Development Situation

Indonesia has made substantial development progress over the past twenty years. National education, communications and transportation systems and a family planning program have been established. Inflation has been controlled and foreign debt kept to a manageable level. During the decade of the 1970s, real per capita income increased by two-thirds, rice production doubled, yields per hectare rose to among the highest in ASEAN, education enrollments doubled, and literacy increased from 61% to 71%. More recently, major GOI policy changes have been made to help counteract the decrease in revenues resulting from lower oil export earnings and to initiate steps toward essential longer-term adjustment and restructuring of the economy.

Indonesian development, reflected by Gross Domestic Product growth that was as high as 11.3% during the 1970s and 9.9% in 1980, suffered under the world recession of 1981/82 as both the volume and prices of Indonesia's export commodities fell. The balance of payments plunged from a \$2.8 billion current account surplus in 1980/81 to a deficit of \$6.8 billion in 1982/83 before improving to a \$4.2 billion deficit in 1983/84 and \$1.7 billion in 1984/85. GDP growth stopped in 1982/83 before rebounding to 4.5-5.0% in 1983/84 and 6.5-6.7% in 1984/85. The Indonesian economy is expected to grow at 4-5% during the next several years, assuming the world economic recovery continues and international oil prices do not materially decline.

Progress, however, also poses a new set of development problems. Within less than a decade, for example, Indonesia has gone from being the world's largest rice importer to becoming self-sufficient. Since the prospects of continued rapid growth in rice-related incomes now appears limited, both economically and in budgetary terms, alternative solutions must be sought--such as diversifying into secondary crops, livestock, and tree crops. Similarly, because of the considerable uncertainties surrounding the long-term international oil outlook, oil must increasingly be replaced as a source of growth, domestic savings, export revenues, and budgetary revenues. This implies the need for profound changes in the Indonesian economy. While many positive steps have been made in the past two years, many additional measures are needed. Major issues that require attention include the promotion of non-oil exports, mobilization of domestic resources through continuing liberalization of the financial sector and implementation of recent tax reforms. Other significant issues include the need to liberalize industrial licensing and import trade policy, expansion of programs focusing on the development of key professional and management skills, and, as mentioned previously, the diversification of agriculture toward secondary cropping and agro-forestry crops.

Behind the urgency to address the economic restructuring task and to maintain growth momentum lie the ever present pressures of population and the need for employment. Nearly two thirds of the people of Indonesia live on 7% of its land, leaving little prospect for new agricultural employment opportunities in these areas. The incidence of poverty (44.6%) and degree of underemployment (40.8%) in the rural areas of Indonesia are nearly twice that in the urban areas and are a major factor in the rural-urban migration underway today. Nearly one-half of the population increase during the 1980s and two-thirds during the 1990s is expected to occur in urban areas. With the population projected to reach 213-223 million by the year 2000, employment must grow at an average of 2 million jobs annually just to keep pace with new entrants to the labor force.

Indonesia's development strategy is based on five year plans. The latest, Repelita IV, began in April 1984 and gives priority to investments in agriculture, human resource development, energy, industry and rural development. The investment strategy has as a primary goal the creation of jobs. In addition it aims to bring about structural transformation of the economy, generate foreign exchange savings and enhance the economy's international competitiveness.

The United States receives over 21% of Indonesia's exports (totalling \$5.9 billion in 1984). In 1984 the U.S. imported 64% of Indonesia's export apparel, 61% of its rubber, 45% of its spices, and 27% of its plywood. The large population and growing economy provide an attractive market for imported goods and services from the United States (\$1.2 billion in 1984), primarily in the fields of agricultural commodities, chemicals and transport equipment.

The Inter-Governmental Group on Indonesia

Economic assistance to Indonesia is coordinated through the Inter-Governmental Group on Indonesia (IGGI) which was formed in 1967. A list of IGGI donor countries and organizations follows.

At the June 1985 IGGI meeting at The Hague, the members agreed to provide over \$2.4 billion for fiscal year 1985/86. The World Bank is the largest multilateral donor with a commitment target of \$1.2 billion for 1985/86; the Asian Development Bank follows with a pledge of \$500 million. Japan is currently the largest bilateral donor with commitments totaling over \$330 million for 1985/86. The U.S. pledge, subject to availability of funds, is for \$100 million for the same period. Of this amount, approximately \$60 million will be in loans and grants for development assistance projects, \$5 million for centrally funded activities and the remainder in food assistance.

ESTIMATED IGGI DONOR CONTRIBUTIONS
FY 84/85 - FY 85/86
(Millions US\$)

<u>Bilateral Donors:</u>	<u>FY 84/85</u>	<u>FY 85/86</u>
Australia	39.8	46.0
Belgium	6.4	6.4
Canada	30.7	29.2
France	51.2	*
Italy	30.0	53.0
Japan	321.3	331.6
Netherlands	53.2	46.0
New Zealand	-	1.6
Switzerland	4.1	5.0
United States	115.0	100.0
West Germany	37.4	30.0*
United Kingdom	5.9	18.9
 Bilateral sub-total:	 <u>695.0</u>	 <u>667.7</u>
 <u>Multilateral Donors:</u>		
Asian Development Bank	500.0	500.0
EEC	14.0	14.0
UNDP	38.0	36.4
UNICEF	12.4	15.0
World Bank	1,200.0	1,200.0
 Multilateral sub-total:	 <u>1,764.4</u>	 <u>1,765.4</u>
 <u>TOTAL DONOR CONTRIBUTIONS:</u>	 <u>2,459.4</u>	 <u>2,433.1</u>

* France has pledged \$117 million in mixed credits.
West Germany has pledged an additional \$38 million in mixed credits.

U.S. Economic Assistance

U.S. economic assistance to Indonesia began in 1946 as part of the post-war relief efforts. Various forms of assistance continued on through 1962, at which time U.S. assistance came under the Foreign Assistance Act. U.S. development assistance has changed over the years; the previous focus on capital transfers and infrastructure has been modified to one which now addresses basic human needs with particular emphasis on the problems of the rural poor. Over the past 39 years, the U.S. has provided over \$3.3 billion to Indonesia, composed of both development assistance (soft loan and grant) and food assistance. This includes:

- \$ 1,154 million for development loans;
- \$ 501 million for technical assistance grants;
- \$ 1,488 million for the PL 480 Title I food program (primarily loan);
- \$ 193 million in grants for the PL 480 Title II food program.

The U.S. food assistance program has been an important component of the AID program since 1956. The Public Law 480 (PL 480) program has both concessional loan (Title I) and grant (Title II) components. Title I is a food sales program designed to meet deficits in commercial food markets. The proceeds from the sale of these commodities are utilized for agreed upon development activities. During FY 85 PL 480 Title I provided 250,000 MT of wheat valued at \$40 million. Title II is a grant program designed primarily to meet food deficits of an emergency or humanitarian nature. Title II has been used in Indonesia to provide for famine relief, mother/child feeding and food for work programs. It is presently being administered by the World Food Program, Catholic Relief Service and Church World Service throughout the Indonesian archipelago.

In addition to these activities, which are administered on a bilateral basis, Indonesia receives assistance from over 45 activities funded centrally from the AID office in Washington.

AID Development Strategy

AID is committed to helping developing countries in their efforts to meet basic human needs -- to overcome the problems of hunger, illiteracy, disease and early death. As a worldwide strategy, AID has identified five problems on which it will focus its efforts: inadequate income growth; hunger; health deficiencies, especially infant and child mortality; illiteracy and lack of education; and unmanageable population pressures. AID's approach to these problems will emphasize institutional development, policy studies and discussions, utilization of the private sector, and technology transfer and development.

Within the Indonesian context, AID has modified this strategy to bring it into accord with Indonesia's development goals. This includes cooperation on programs in agriculture, rural development, off-farm employment and human resource development. The types of targets set within Repelita IV for increasing per capita income, decreasing infant mortality, reducing fertility and alleviating hunger are especially in concert with the AID assistance strategy. The USAID Mission works closely with BAPPENAS and the technical ministries to ensure that USAID projects are cooperative efforts and complement GOI development efforts.

The AID development strategy in Indonesia focuses on three major development goals: 1) strengthening and diversifying food production; 2) improving primary health care and family planning; and 3) expanding productive off-farm employment. Human resource development in fields related to these three areas is a major means of achieving these goals. This is accomplished through strengthening selected institutions and through the development of management and technical skills. Special attention is also being devoted to decentralization and the role of the private sector. Policy analysis, relevant to the stated goals, is supported through research and demonstration projects and an expanded policy dialogue with the Government.

1) Strengthening and Diversifying Food Production

As a follow-on to successful endeavors to attain rice self-sufficiency, AID is now supporting the next steps. These include: a) expansion of agricultural research networks to secondary food crops; b) development of a stronger, more tightly coordinated agricultural planning system; c) strengthening water resource management; and d) improving farming systems in densely populated upland areas of Java.

2) Improving Primary Health Care and Family Planning

The overall objectives of this aspect of AID's program are to assist in reducing morbidity and mortality for infants, children under five and women of reproductive age and to assist the Government in achieving its national goal of lowering the crude birth rate to 22 per 1000 by March 1991. This represents a 50% reduction over a 20 year period, i.e., 1971-1991. AID approaches these objectives through: a) assisting in designing cost efficient delivery systems to reduce diarrheal disease morbidity and mortality and immunize children and mothers against immunizable diseases; b) strengthening the decentralized primary health care system; and c) improving nutrition and increasing the accessibility of family planning services and contraceptive prevalence in urban and rural Indonesia.

Reflecting the relative maturity of family planning programs in Indonesia and the successful efforts in rural family planning, USAID is now concentrating on: a) helping establish and implement an effective urban family planning program; b) supporting programs that integrate health and family planning programs; and c) addressing implementation constraints in selected densely populated provinces. These efforts will continue to promote a program which has increased contraceptive usage of married women of childbearing age from 2% in 1972 to 58% in 1984.

3) Expanding Productive Off-farm Employment

In line with GOI policy, AID is exploring the expansion of employment opportunities within the private sector, primarily with small and medium-sized enterprises. Involvement in this sector is recent and still small-scale. Activities support three basic objectives: a) developing services such as credit, management and technology which support small and medium-sized businesses, b) increasing understanding of the policy environment that affects small business development and employment generation, and c) channeling private corporate resources including capital, management skills, and technology to up and coming small enterprises in areas of high employment potential, agribusiness and light manufacturing.

One of the primary means AID is using to achieve the three objectives mentioned above is human resource development. In addition to the training and institution building that takes place as an integral part of the projects funded to achieve the above objectives, AID is contributing to human resource development on a broader scale through: a) assistance to the Ministry of Education to develop a capacity for policy research and planning for the national education and training system; b) support to higher education agriculture faculties and public health facilities that provide training related to the AID program; and c) through graduate level participant training and short-term training for managers and technicians involved in development activities.

The following pages provide an overview of AID levels of funding and individual project activities.

October, 1985

U.S. CONTRIBUTION: FY 83 - FY 86

U.S. CONTRIBUTION TO INDONESIA'S DEVELOPMENT EFFORT

<u>CATEGORY</u>	<u>FY 83 - FY 86</u> <u>(\$000)</u>							
	<u>FY 1983</u>		<u>FY 1984*</u>		<u>FY 1985*</u>		<u>FY 1986**</u>	
	<u>Grant</u>	<u>Loan</u>	<u>Grant</u>	<u>Loan</u>	<u>Grant</u>	<u>Loan</u>	<u>Grant</u>	<u>Loan</u>
I. Food & Nutrition (FN)	8,740	25,000	10,365	35,590	18,055	24,325	16,655	37,360
II. Population Planning (PN) & Health (HE)	4,500	10,850	5,850	6,500	11,625	5,000	8,400	3,000
III. Education & Human Resources (EH)	2,000	13,900	1,750	9,260	2,760	2,000	3,575	3,375
IV. Selected Dev. Problems (SD)	2,760	4,000	1,880	3,407	2,000	500	1,250	-
	<u>18,000</u>	<u>53,750</u>	<u>19,845</u>	<u>54,757</u>	<u>34,440</u>	<u>31,825</u>	<u>29,880</u>	<u>43,735</u>
<u>TOTAL GRANTS & LOANS</u>	<u>71,750</u>		<u>74,602</u>		<u>66,265</u>		<u>73,615</u>	
V. PL 480 Title I		35,000		40,000		40,000		30,000
VI. PL 480 Title II	8,153		4,302		3,741		4,345	
	<u>8,153</u>	<u>35,000</u>	<u>4,302</u>	<u>40,000</u>	<u>3,741</u>	<u>40,000</u>	<u>4,345</u>	<u>30,000</u>
<u>TOTAL PL 480</u>	<u>43,153</u>		<u>44,302</u>		<u>43,741</u>		<u>34,345</u>	
<u>GRAND TOTALS</u>	<u>114,903</u>		<u>118,904</u>		<u>110,006</u>		<u>107,960</u>	

* FY 84 includes \$10.45 million, FY 85 includes \$ 1.265 million, and FY 86 includes \$13.615 million from prior years provided through deobligation-reobligation process.

** Subject to the availability of funds.

USAID ON-GOING PROJECTS

USAID ON-GOING PROJECTS

Project Title & Number	Page No.	Initial Yr. of Funding	Total Cost (\$ 000)	Funding thru FY '85 (\$ 000)
<u>Agriculture/Rural Development</u>				
1. Sederhana Irrigation II (0252)	16	1978	10,738 (G) 21,780 (L)	10,738 21,780
2. Sumatra Agricultural Research (0263)	16	1977 1978	2,500 (G) 7,000 (L)	2,500 7,000
3. Provincial Area Development Program I (0264)	17	1977 1978	5,100 (G) 12,500 (L)	5,100 12,500
4. Provincial Area Development Program II (0276)	17	1979	10,000 (G) 31,500 (L)	10,000 31,500
5. Citanduy II (0281)	18	1980	4,250 (G) 14,600 (L)	4,250 14,600
6. Small Scale Fisheries Development (0286)	18	1980	3,000 (G)	3,000
7. Applied Agricultural Research (0302)	19	1980	14,100 (G) 18,900 (L)	9,500 18,900
8. Secondary Food Crops Development (0304)	20	1985 1983	1,000 (G) 6,400 (L)	210 6,400
9. Local Government Training II (0308)	20	1980	2,500 (G) 7,000 (L)	2,500 7,000
10. Upland Agriculture & Conservation (0311)	21	1984	5,000 (G) 13,900 (L)	5,000 13,900
11. Agricultural Planning (0342)	22	1984	3,000 (G) 6,000 (L)	3,000 6,000
12. Small Scale Irrigation (0347) Management Project	23	1985	7,000 (G) 43,000 (L)	3,500 15,115

(Con't)

Project Title & Number	Page No.	Initial Yr. of Funding	Total Cost (\$ 000)	Funding' thru FY '85 (\$ 000)
<u>Population and Health</u>				
13. Expanded Program in Immunization (0253)	26	1979	3,200 (G) 9,500 (L)	3,200 9,500
14. Family Planning Development & Services I (0270)	27	1978 1982	25,920 (G) 2,000 (L)	25,920 2,000
15. Health Training, Research and Development (0273)	28	1978 1983	9,450 (G) 1,450 (L)	9,450 1,450
16. Village Family Planning/ Mother Child Welfare (0305)	28	1980	10,000 (G) -	10,000 -
17. Comprehensive Health Improvement Program-Province Specific (0325)	29	1982 1981	5,000 (G) 6,000 (L)	5,000 6,000
18. Timor Malaria Control (0326)	29	1980	3,600 (L)	3,600
19. Family Planning Development and Services II (0327)	30	1983	7,500 (G) 15,900 (L)	7,500 15,900
20. Faculties of Public Health (0348)	31	1985	4,000 (G) 5,000 (L)	2,000 5,000
<u>Employment and Enterprise Development</u>				
21. Private Sector Development (0329)	34	1982	750 (G) 3,850 (L)	750 3,850
22. Financial Institutions Development (0341)	35	1984	3,000 (G) 15,500 (L)	3,000 15,500
23. Private Sector Management Development (0345)	35	1984	4,000 (G)	2,000

(Con't)

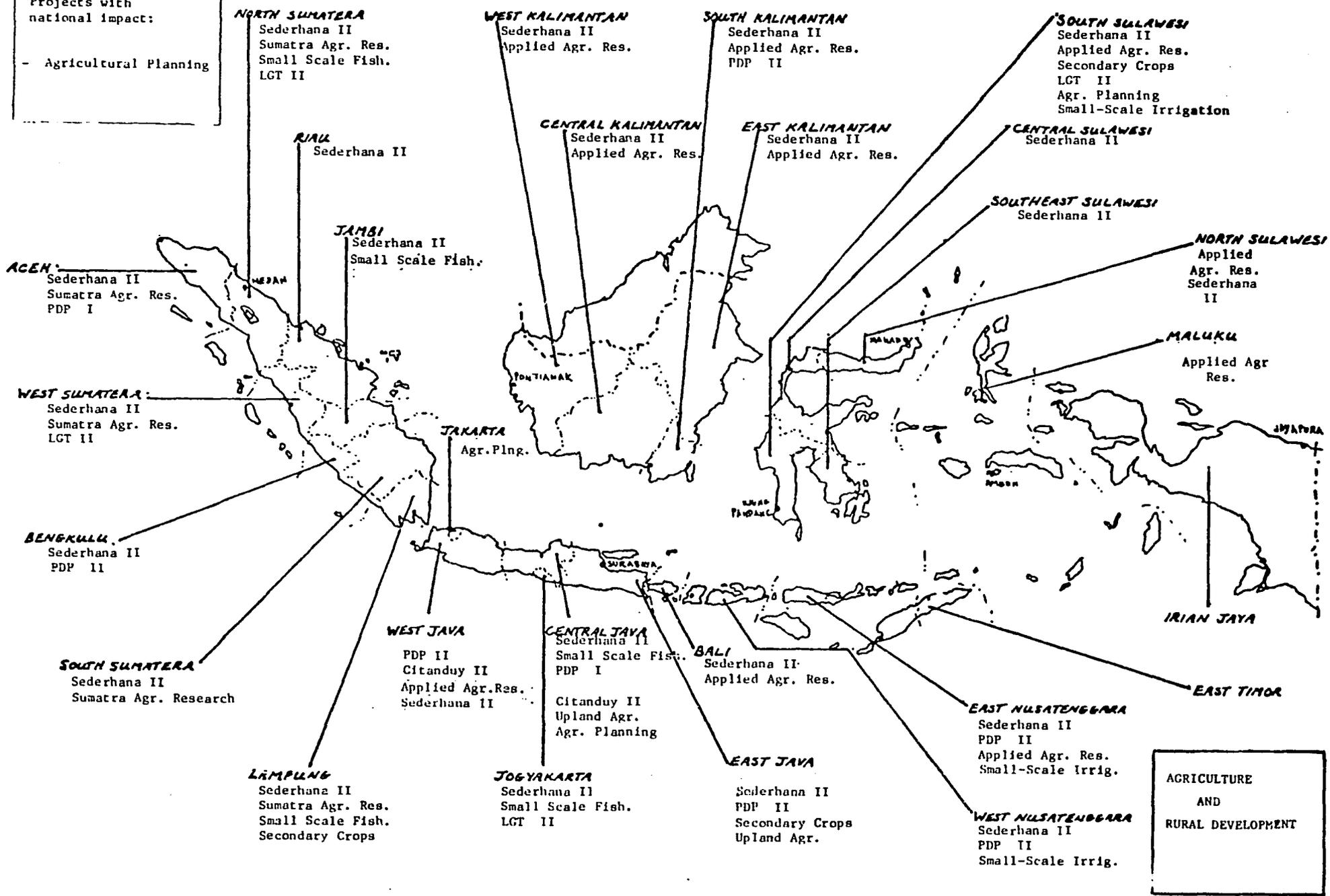
Project Title & Number	Page No.	Initial Yr. of Funding	Total Cost (\$ 000)	Funding thru FY '85 (\$ 000)
<u>Education and Human Resource Development</u>				
24. Graduate Agriculture School (0290)	38	1979	2,170 (G) 5,330 (L)	2,170 5,330
25. Western Universities Agricultural Education (0297)	39	1981	9,400 (G) 12,450 (L)	7,900 12,450
26. In-Country Management Development (0317)	39	1982	3,190 (L)	3,190
27. General Participant Training II (0328)	40	1983	1,500 (G) 16,620 (L)	1,500 16,620
28. Development Studies (0340)	40	1983	4,000 (G)	4,000
29. Educational Policy & Planning (0344)	41	1985 1984	1,510 (G) 4,990 (L)	1,510 4,990
<u>Special Activities</u>				
30. East Timor Agricultural Development Program (0330)	44	1981	5,000 (G)	5,000
31. PUSPIPTEK Energy Research Laboratory (0333)	45	1982	500 (G) 11,750 (L)	500 11,750
32. PVO Co-Financing II (0336)	45	1982	11,250 (G)	11,065
<u>PL 480</u>				
33. Title I *	47	1985	40,000 (L)	40,000 (L)
34. Title II: CLUSA	48	1981 1982 1985	1,444 (G) 877 (G) 2,692 (G)	1,444 (G) 545 (G) 2,692 (G)
35. Title II: Catholic Relief Services *	49	1985	3,561 (G)	3,561 (G)
36. Title II: Church World Service *	49	1985	180 (G)	180 (G)

* Yearly proposal - amount shown is for 1985 only.

PROJECT NARRATIVES

AGRICULTURE/RURAL DEVELOPMENT

Projects with national impact:
- Agricultural Planning



AGRICULTURE
AND
RURAL DEVELOPMENT

Sederhana Irrigation II (497-0252)

Date of Original Agreement: 8/31/78
Anticipated USAID Contribution: \$10,738,000 (G)
\$21,780,000 (L)
Government of Indonesia Contribution: \$12,200,000
Project Completion Date: 12/31/85
Contractors: University of Gajah Mada; LP3ES; PASA/USDA; 1 Personal Services Contract

Project Objectives and Principal Components

This project supports construction for major and on-farm works of small-scale irrigation systems. The objectives are to increase rice production and farmer incomes and to strengthen water management organizations. Project components are: (a) 525 completed major and on-farm works; (b) an organizational analysis of water management for small-scale irrigation systems (HPSIS); and (c) an institutional capability to understand and accommodate socio-economic constraints related to beneficiary participation in system operation and maintenance. All components are completed with the exception of (b) HPSIS. A recently completed study of 30 Sederhana sites indicates that the quality of construction and overall performance of the systems is good. Problems with site selection suggest that more benefits can be achieved by irrigating land previously unirrigated rather than by improving current systems.

Regional focus: Sumatra, Kalimantan, Bali, Nusa Tenggara Timur, Nusa Tenggara Barat, Sulawesi, Java

Sumatra Agricultural Research (497-0263)

Date of Original Agreement: 9/29/77 (G)
4/12/78 (L)
Anticipated USAID Contribution: \$2,500,000 (G)
\$7,000,000 (L)
Government of Indonesia Contribution: \$7,500,000
Project Completion Date: 4/12/80
Contractors: The International Agricultural Development Service (IADS); The Transcentury Corp.

Project Objectives and Principal Components

The project, along with the Applied Agricultural Research project, is part of AID's continuing long-term commitment to agricultural research in Indonesia. This project is designed to expand and improve agricultural research facilities that address food production constraints characteristic of agro-climatic factors peculiar to Sumatra. The objectives of the project will be accomplished through the construction and renovation of facilities at 8 research centers in Sumatra, the provision of equipment, the academic and short-term training of project staff and the provision of technical assistance. The project is expected to increase agricultural production, rural employment and incomes.

Regional focus: Aceh, North Sumatra, West Sumatra, South Sumatra, Lampung

Provincial Area Development Program I (497-0264)

Date of Original Agreement: 9/29/77 (G)
4/12/78 (L)
Anticipated USAID Contribution: \$ 5,100,000 (G)
\$12,500,000 (L)
Government of Indonesia Contribution: \$22,000,000
Project Completion Date: 4/12/88
Contractor: Development Alternative, Inc.

Provincial Area Development Program II (497-0276)

Date of Original Agreement: 6/1/79 (G)
5/23/79 (L)
Anticipated USAID Contribution: \$10,000,000 (G)
\$31,500,000 (L)
Government of Indonesia Contribution: \$32,000,000
Project Completion Date: 12/1/89
Contractors: Pacific Architects and Engineering, Inc.; Resources
Management International, Inc.

Project Objectives and Principal Components

PDP I and II are designed to assist the GOI in decentralizing authority and funding for development planning and implementation within the Ministry of Home Affairs. Through these projects selected provincial governments receive annual allocations and authority to identify and plan rural development programs that seek to increase the incomes of rural poor. The main project components are technical assistance, training, and support for a portion of the costs of individual sub-projects. The expected outputs are completed plans and implemented sub-projects that benefit rural people, stronger local government institutions, and more effective support from the central government for decentralized planning and implementation. By 1985, these projects have directly benefitted 1.5 million rural poor as well as over 2000 local government officials responsible for the design and implementation of projects.

Regional focus for PDP I: Central Java, Aceh

Regional focus for PDP II: Bengkulu, East Java, West Java, South Kalimantan, East Nusa Tenggara and West Nusa Tenggara

Citanduy II (497-0281)

Date of Original Agreement: 9/29/80 (G & L)
Anticipated USAID Contribution: \$ 4,250,000 (G)
\$14,600,000 (L)
Government of Indonesia Contribution: \$21,070,000
Project Completion Date: 9/30/86
Contractors: Resources Management International, Inc. (Subcontract:
PRC/ECI); 6 Personal Services Contracts

Project Objectives and Principal Components

The project is designed to establish local and national capacity to plan and implement a comprehensive watershed management program in the Citanduy Basin. The main components of the project are upper watershed agricultural activities, research, training, credit, equipment, local initiative projects, inputs for lowland agricultural operations, irrigation systems rehabilitation, and contract services. The expected outputs will be a fully staffed Watershed Management Development Center, 675 trained officials, 50 demonstration plots (model farms), 5 sub-basin central nurseries, credit available to upland farmers, 5,000 ha of upland agricultural land utilizing appropriate soil conservation techniques, 300 km of access roads to pilot watershed areas, and the rehabilitation of 10 irrigation systems serving 4,900 ha.

Regional focus: West and Central Java

Small Scale Fisheries Development (497-0286)

Date of Original Agreement: 8/26/80
Anticipated USAID Contribution: \$3,000,000 (G)
Government of Indonesia Contribution: \$1,404,000
Project Completion Date: 9/30/86
Contractor: PASA/National Marine Fisheries Service; 2 Personal Services
Contracts; 1 local contractor

Project Objectives and Principal Components

The project is designed to introduce new technology and create a new information base in the fisheries sub-sector. Expected outputs are: (1) a pilot flake ice plant; (2) a functional artisanal fishery management system as well as design data for artisanal fishing boats and fishing gear upgrading; (3) floating demonstration fish cages including marketing; (4) fresh water shrimp production demonstrated and extended to fish farmers in Java; (5) two fish hatcheries upgraded and producing 9,000,000 carp fry per year; (6) an upgraded extension service serving 8,000 brackish water pond operators in Java and South Sulawesi. The major components are: technical assistance, participant training and commodities. These efforts are expected to enhance GOI efforts to increase fish production.

Regional focus: Central Java, North Sumatra, Jambi, Lampung and Yogyakarta

Applied Agricultural Research (497-0302)

Date of Original Agreement: 12/15/80 (G)
9/29/80 (L)
Anticipated USAID Contribution: \$ 14,100,000 (G)
\$ 18,900,000 (L)
Government of Indonesia Contribution: \$22,800,000
Project Completion Date: 9/30/92
Contractors: Resources Management International, Inc. and Connell
Brothers Co. Ltd. (for Phase 1); contractors to be selected for Phase 2

Project Objectives and Principal Components

This project is designed to improve agricultural research capabilities on Kalimantan, Sulawesi, Maluku, Nusa Tenggara Timur, Bali and West Java. The first phase of the project concentrated on renovation/construction, development of experimental farms, equipment, training, technical assistance, and collaborative research on food crops, livestock, fisheries, industrial crops and forestry. The second phase, which begins in 1986, will support research administration and management to ensure efficient use of the expanded facilities and manpower and to support the Government's increased emphasis on secondary crops research.

The project has, together with prior AID assistance in agricultural research, had impressive results. These include: assisting the GOI to overcome major outbreaks of rice tungro disease and other major pests; steadily increasing rice production to near self-sufficiency levels; introducing seven new maize varieties with medium to high yield potential, short maturity and downy mildew resistance; and introducing new rice and secondary crop management practices which show promise for further production increases.

Regional focus: Kalimantan, South Sulawesi, North Sulawesi, Maluku, East Nusa Tenggara, Bali and West Java

Secondary Food Crops Development (497-0304)

Date of Original Agreement: 8/29/85 (G)
5/23/83 (L)
Anticipated USAID Contribution: \$1,000,000 (G)
\$6,400,000 (L)
Government of Indonesia Contribution: \$6,291,000
Project Completion Date: 4/15/88
Contractors: 4 Personal Services Contracts

Project Objectives and Principal Components

The project is designed to assist the Ministry of Agriculture in increasing the production and marketing of selected secondary food crops - maize, grain legumes, and cassava. Specific objectives are to: 1) conduct studies for planning expansion of secondary crops and for formulating appropriate policies regarding market development; 2) improve pre- and post-harvest technology; 3) promote rapid expansion of the new technologies; and 4) maximize the contribution of these crops toward improved nutrition. The major components are technical assistance, training - overseas and in-country, trials and studies, commodities, and technical assistance. The goal of the project is to increase consumption, employment and income.

Regional focus: East Java, Lampung, South Sulawesi

Local Government Training II (497-0308)

Date of Original Agreement: 8/29/80 (G)
8/30/80 (L)
Anticipated USAID Contribution: \$2,500,000 (G)
\$7,000,000 (L)
Government of Indonesia Contribution: \$6,740,000
Project Completion Date: 3/31/86
Contractor: Planning and Development Collaborative International (PADCO); PASA/USDA

Project Objectives and Principal Components

This project is designed to improve the performance of BAPPEDAs in development planning and management through training in regional planning and related subjects. Project objectives will be accomplished by developing the capability of Badan Diklat; providing nationwide leadership training to BAPPEDA and other planning and technical staffs mainly at the sub-provincial level; developing training programs and training materials; and training of trainers. A team of long-term advisors will complete their assignments in-country before the end of 1985. At least 2 groups of 15 officials each will have undergone special training in the U.S. The expected outputs will be strengthened training capacities; a functioning training program; three staffed and operating regional training centers; a training-support capability; and participation and support of resources external to the Ministry of Home Affairs.

Regional focus: North Sumatra, West Sumatra, Jogjakarta, South Sulawesi

Upland Agriculture and Conservation (497-0311)

Date of Original Agreement: 7/31/84 (G)
7/30/84 (L)
Anticipated USAID Contribution: \$ 5,000,000 (G)
\$13,900,000 (L)
Government of Indonesia Contribution: \$20,036,000
IBRD Contribution: \$11,300,000
Project Completion Date: 6/30/91
Contractor: PASA/USDA and SCS; International Agricultural Research
Centers; additional contractors to be selected

Project Objectives and Principal Components

The project is to expand and improve institutional capacities, primarily at provincial, district and farm levels, to experiment with and apply alternative approaches to upland farming. The project, a joint effort of USAID, the IBRD and the Government of Indonesia, consists of five components formulated to strengthen institutional capacity and to test possible approaches to improve farming systems, technologies and management: 1) applied research, 2) sustainable upland farming systems pilot projects, 3) human resources development, 4) access roads, and 5) a project innovation fund. The expected outcomes of the project are increased farm production and incomes, with minimal soil erosion, in densely populated upland areas of Java.

Regional focus: Central Java and East Java

Agricultural Planning (497-0342)

Date of Original Agreement: 4/30/84

Anticipated USAID Contribution: \$3,000,000 (G)
\$6,000,000 (L)

Government of Indonesia Contribution: \$3,900,000

Project Completion Date: 6/30/89

Contractors: 1 Personal Services Contract; additional contractors to be selected

Project Objectives and Principal Components

The project will assist in developing an improved capacity within the Ministry of Agriculture, including selected provincial and other government offices, to carry out agricultural policy analysis and to use that analysis in the formulation of policy, programs and projects at both national and provincial levels. Project support will be provided for special studies; planning and analysis training; data processing and management; and technical assistance. The ultimate goal of the project is increased productivity and employment, and improved efficiency in the allocation of resources in the agricultural sector. Project support will, among other things, assist GOI efforts to identify the impact that rice self-sufficiency and declining input subsidies will have on rice production, employment and consumption; to monitor changes in farm level income and welfare; and to determine the effectiveness of organizational changes to improve the coordination and performance of provincial-level MOA agencies.

Regional focus: Nationwide, with specific activities in Jakarta, Central Java and South Sulawesi

Small Scale Irrigation Management (497-0347)

Date of Original Agreement: 8/31/85 (G)
8/28/85 (L)
Anticipated USAID Contribution: \$ 7,000,000 (G)
\$43,000,000 (L)
Government of Indonesia Contribution: \$39,686,000
Project Completion Date: 9/30/93
Contractor: to be selected

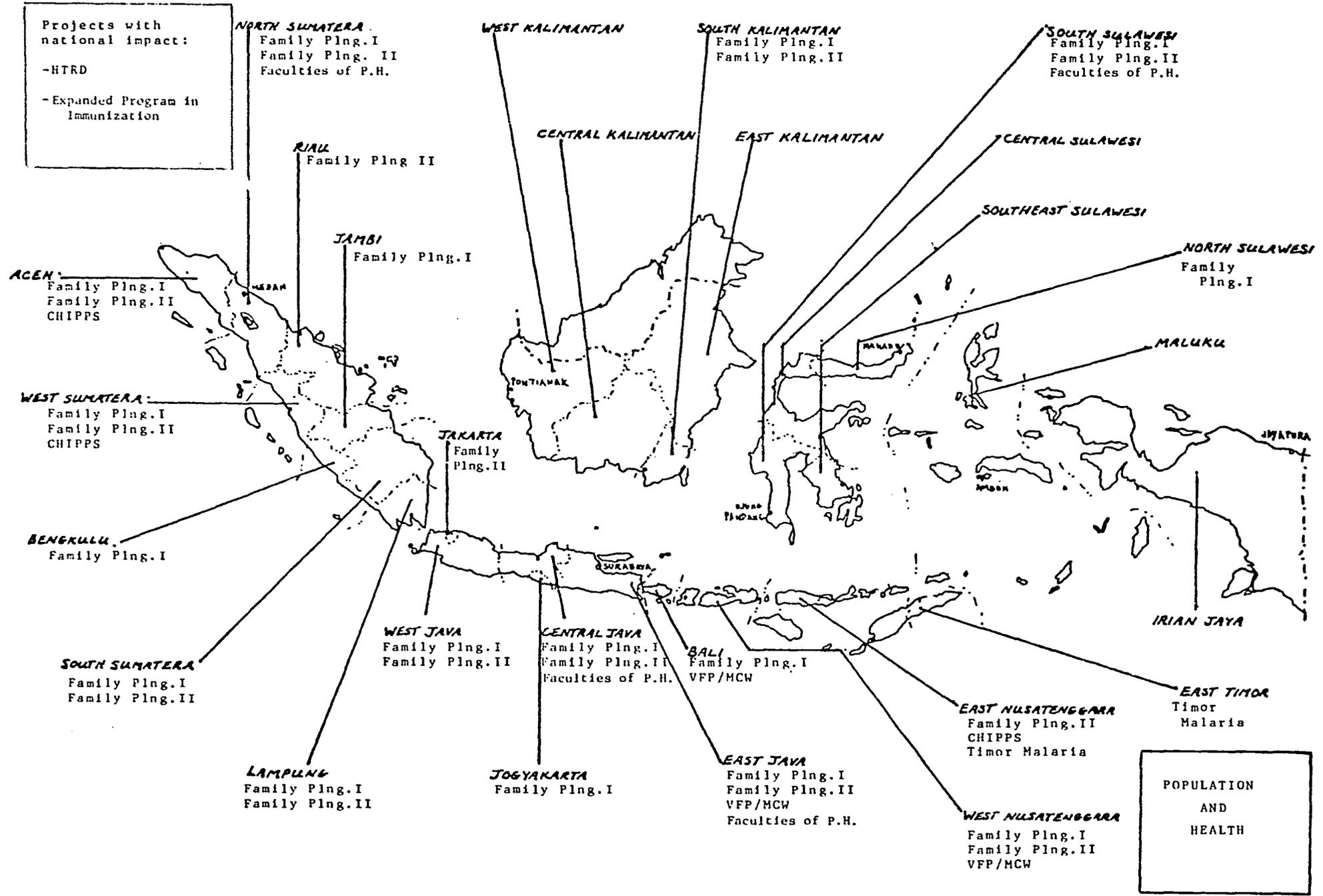
Project Objectives and Principal Components

The project is designed: a) to support the construction of surface irrigation systems in South Sulawesi and Nusa Tenggara Barat provinces to service an estimated 19,000 hectares of rice and secondary crops; b) to support the further exploration, development, and expansion of small-scale groundwater projects in South Sulawesi, Nusa Tenggara Barat and Nusa Tenggara Timur to service an estimated 5,200 hectares of rice and secondary crops; c) to strengthen the capacity of the provincial public works staff within the three eastern provinces to utilize new or improved irrigation technologies and management systems appropriate to the needs of the farmers in that agro-climatic zone; and d) to assist in the examination of relevant program issues, and the testing of innovative technologies through collaborative studies and research efforts with the Directorate General of Water Resources Development. Project support will include improvement in irrigation technology, strengthening of provincial public works management, training, special studies and pilot activities. Efforts will be made to increase the participation of beneficiaries in the site selection process, site profile, and review of technical design, construction and maintenance.

Regional focus: South Sulawesi, Nusa Tenggara Barat, Nusa Tenggara Timur

POPULATION AND HEALTH

Projects with national impact:
 -HTRD
 -Expanded Program in Immunization



POPULATION AND HEALTH

Family Planning Development and Services I (497-0270)

Date of Original Agreement: 4/7/78 (G)
4/24/82 (L)
Anticipated USAID Contribution: \$25,920,000 (G)
\$ 2,000,000 (L)
Government of Indonesia Contribution: \$33,000,000
Project Completion Date: 12/31/86
Contractors: 3 Personal Services Contracts

Project Objectives and Principal Components

This project is designed to help decrease the crude birth rate by 50%, to 22 births per 1,000 population by 1991 and to promote greater participation of local governments in the planning, implementation, and funding of population activities. The main components of the project are expansion of village family planning services, in-country training, and operations research; U.S. training to Master's or Ph.D. level for 65 persons and short-term courses for 75 persons; commodities; technical assistance in manpower development, planning, management systems, budgeting, operations research, training, and contraceptive marketing. The expected outputs will be full contraceptive services available through hospitals, clinics, and village and sub-village family planning posts throughout Indonesia; a series of policy and program-related studies completed; and a more highly trained GOI staff. The BKKBN is modifying its strategy to concentrate on the 10-12 key provinces that will have the most impact on fertility reduction. Over the next few years, family planning services in remaining provinces will focus on the more populous, easily accessible areas. A recent evaluation of this project estimated that nearly \$1 billion was saved in government expenditures in 1985 as a result of the impact of the family planning program.

Regional focus: National, with specific activities in North Sumatra, Jambi, Aceh, West Sumatra, Bengkulu, South Sumatra, Lampung, Java, Bali, West Nusa Tenggara, North Sulawesi, South Sulawesi, South Kalimantan

Health Training, Research & Development (497-0273)

Date of Original Agreement: 9/1/78 (G)

8/12/83 (L)

Anticipated USAID Contribution: \$9,450,000 (G)

\$1,450,000 (L)

Government of Indonesia Contribution: \$4,200,000

Project Completion Date: 9/30/89

Contractors: PASA/Center for Disease Control; Management Sciences for Health; Academy for Educational Development; and 3 Personal Services Contracts

Project Purpose and Principal Components

The project is designed to strengthen the capabilities of the Ministry of Health to more effectively manage its responsibilities in the fields of manpower development, applied research, management information systems for services and personnel; and diarrneal disease intervention programs. Principal components include: technical assistance, both long and short-term; training, overseas and in-country; and operations research.

Regional focus: National

Village Family Planning/Mother-Child Welfare (497-0305)

Date of Original Agreement: 6/6/80

Anticipated USAID Contribution: \$10,000,000 (G)

Government of Indonesia Contribution: \$ 8,000,000

Project Completion Date: 9/30/86

Contractor: 2 Personal Services Contracts; Community Systems Foundation

Project Objectives and Principal Components

This project integrates simple health, nutrition, and income-generating activities with the well-established village family planning network. The project aims to decrease the prevalence of malnutrition and complications of diarrneal disease among children under five, immunize more children and reproductive age women, increase contraceptive use and stimulate community initiative in identifying and meeting nutritional needs. Main components of the project are Village Nutrition Services and project development and evaluation costs. Expected outputs are a village-based program that delivers basic health and nutrition information and services; a series of sub-projects to promote community management of nutrition activities; and evaluation studies to assist the BKKBN/GOI in designing and implementing village health and nutrition services.

Regional focus: East Java, Bali, West Nusa Tenggara

Comprehensive Health Improvement Program--Province Specific
(497-0325)

Date of Original Agreement: 8/27/82 (G)
9/30/81 (L)
Anticipated USAID Contribution: \$5,000,000 (G)
\$6,000,000 (L)
Government of Indonesia Contribution: \$9,000,000
Project Completion Date: 9/30/89
Contractors: Yayasan Indonesia Sejahtera; 4 Personal Services Contracts

Project Objectives and Principal Components

The project is designed to strengthen provincial capabilities to upgrade health services in the provinces of D.I. Acen, Sumatra Barat and Nusa Tenggara Timur by increasing the number of paramedical personnel and by improving the capabilities of provincial officials to target, manage and evaluate their health/nutrition activities. The major inputs will be: short and long-term technical assistance; manpower development of paramedical personnel, TBAs, village volunteers, and provincial health officials; health sector studies, field intervention trials and evaluations; and assistance in developing community medicine programs at medical schools in West Sumatra and Aceh.

Regional focus: Aceh, West Sumatra, East Nusa Tenggara

Timor Malaria Control (497-0326)

Date of Original Agreement: 9/29/80
Anticipated USAID Contribution: \$3,600,000 (L)
Project Completion Date: 12/31/87
Government of Indonesia Contribution: \$1,946,000
Contrator: 1 long-term Indonesian contractor

Project Objectives and Principal Components

This project is designed to develop a self-sustaining Malaria Control Program on Timor Island that will lower the prevalence of malaria to less than 2% in 40% of the East Timor population and 30% of the West Timor population. The expected outputs involved in the planning and implementation of a malaria control program include: malaria studies and control measures selected, personnel trained, houses sprayed and other preventive measures taken, persons treated with anti-malaria drugs, a functioning system for logistical support in place, an effective system of program management, a functioning surveillance system to monitor the incidence of malaria, and laboratory technicians trained to recognize the malaria parasites. The principal inputs of the project are: technical assistance, cost of local labor, commodities, equipment, and training.

Regional focus: East Timor, West Timor

Family Planning Development and Services II (497-0327)

Date of Original Agreement: 6/16/83 (G)
6/17/83 (L)
Anticipated USAID Contribution: \$ 7,500,000 (G)
\$15,900,000 (L)
Government of Indonesia Contribution: \$66,866,000
Project Completion Date: 12/31/89
Contractor: 3 Personal Services Contracts

Project Objectives and Principal Components

This project is designed to help decrease the crude birth rate by 50%, by increasing the prevalence of contraceptive use to 58% of all married women of reproductive age by 1987. Present indications are that this level has already been reached in 1984, however, AID assistance will continue to work for more even distribution of services. The six components of the project are expansion of village family planning services in 13 priority provinces, development of urban family planning programs with special emphasis on utilization of the private sector and cost recovery programs, extension of voluntary sterilization services in 12 priority provinces, training, the introduction of modern management technologies, and research and development support to measure program progress.

Regional focus: National, with specific activities in North Sumatra, Riau, Aceh, West Sumatra, South Sumatra, Lampung, Java, West Nusa Tenggara, East Nusa Tenggara, South Sulawesi and South Kalimantan

Faculties of Public Health (497-0348)

Date of Original Agreement: 8/27/85 (G)
7/26/85 (L)
Anticipated USAID Contribution: \$ 4,000,000 (G)
\$ 5,000,000 (L)
Government of Indonesia Contribution: \$ 5,750,000
Project Completion Date: 6/30/92
Contractor: To be selected

Project Objectives and Principal Components

This project is designed to assist the Government of Indonesia to expand and regionalize public health education and research by strengthening public health training programs at Airlangga University in Surabaya, Diponegoro University in Semarang, University of North Sumatera in Medan, Hasanuddin University in Ujung Pandang and developing the Faculty of Public Health at the University of Indonesia as a National Resource Center in this field.

The project will provide technical assistance, long- and short-term training, equipment for improving academic quality and research capacities, and faculty administration funds for research and project coordination.

At the completion of the project it is expected that each faculty will have a minimum of 30 full-time faculty members, consolidated two-year and four-year S1-degree programs in Public Health producing 60 S1-graduates annually, comprehensive research and public service programs, and expanded library and information resources. Airlangga University is also expected to have an S2 program producing 10 graduates annually.

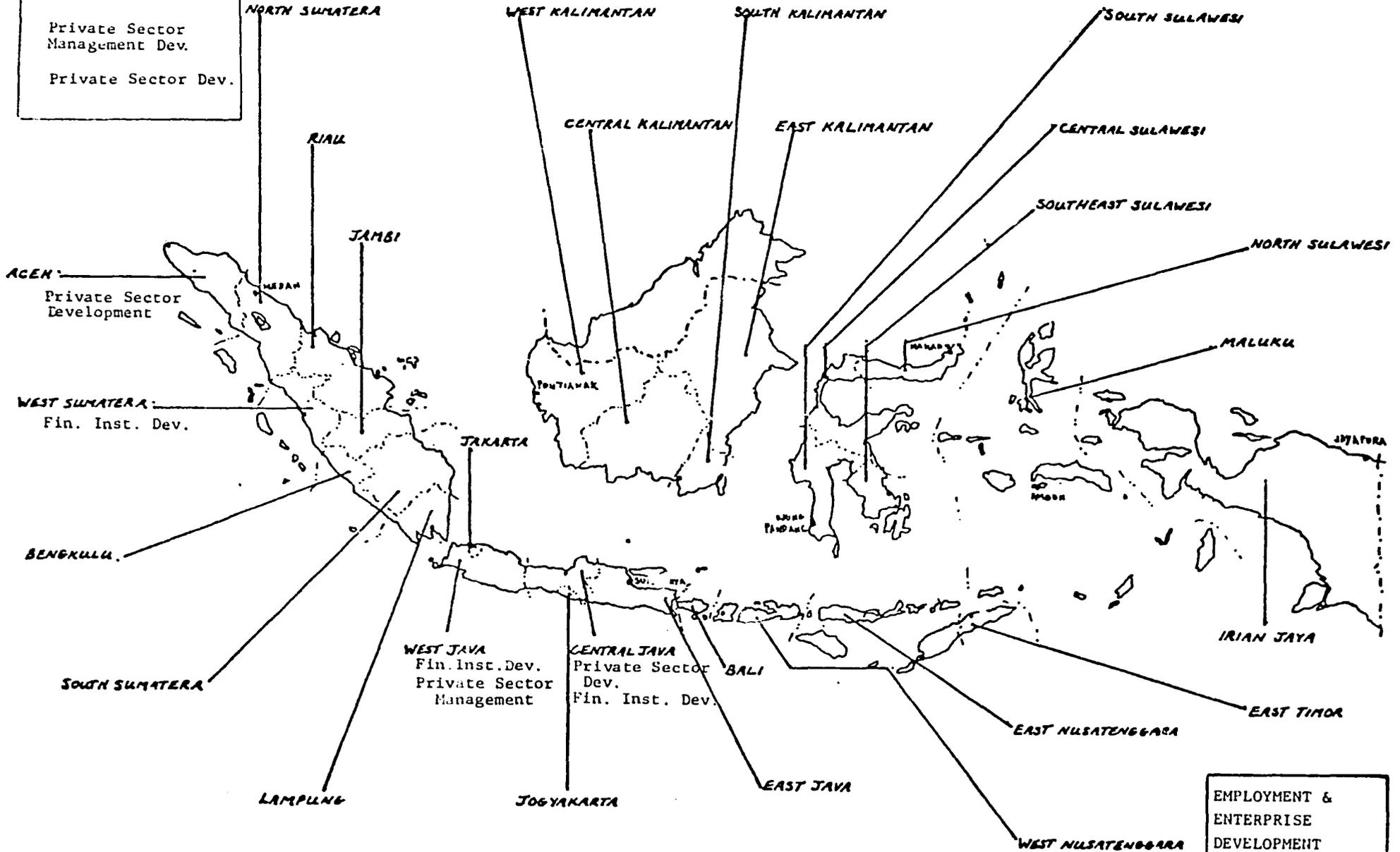
Regional focus: Central Java, East Java, North Sumatra, South Sulawesi

EMPLOYMENT AND ENTERPRISE DEVELOPMENT

Projects with national impact:

Private Sector Management Dev.

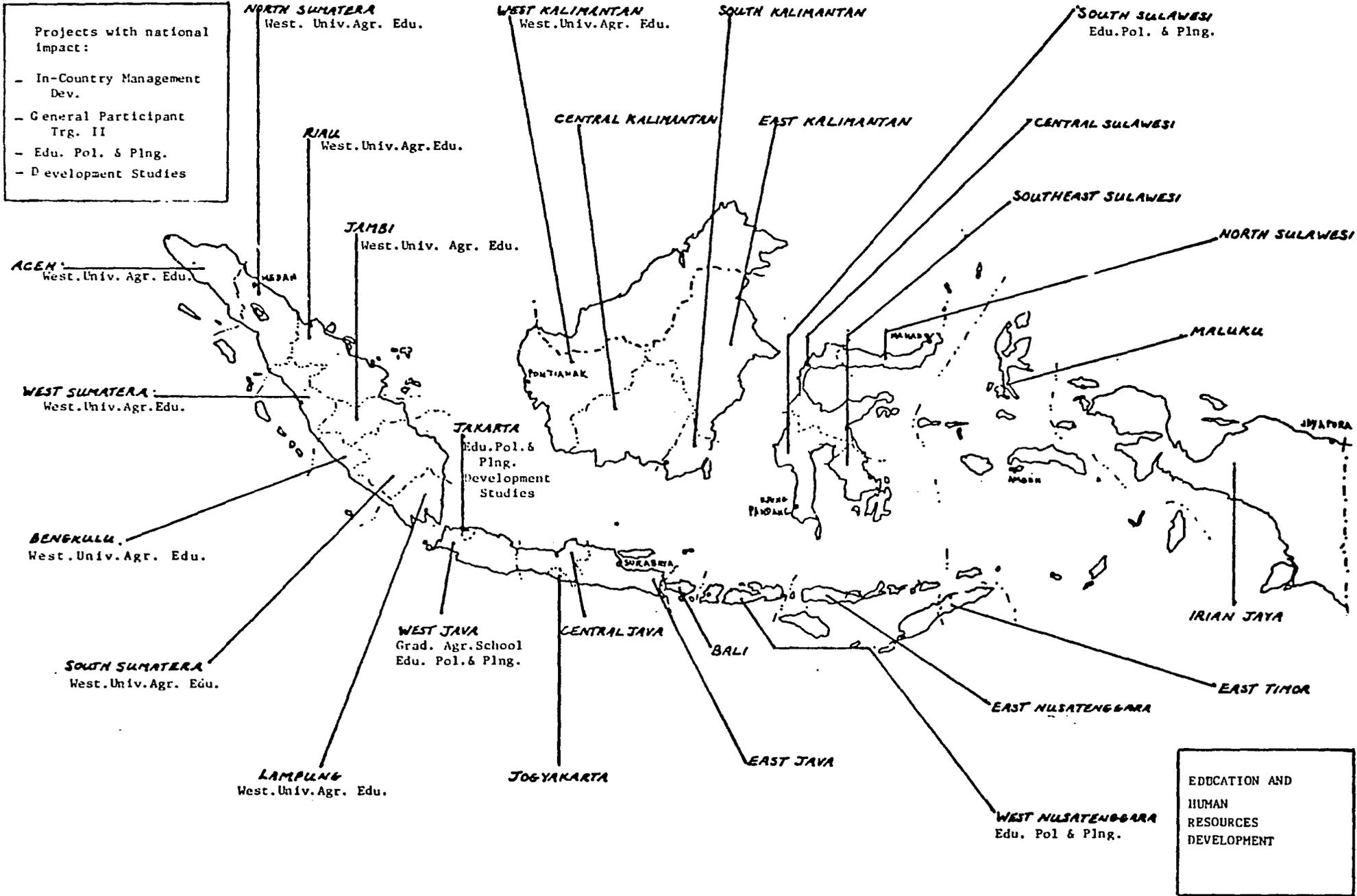
Private Sector Dev.



EMPLOYMENT & ENTERPRISE DEVELOPMENT

EDUCATION AND HUMAN RESOURCE DEVELOPMENT

- Projects with national impact:
- In-Country Management Dev.
 - General Participant Trg. II
 - Edu. Pol. & Plng.
 - Development Studies



EDUCATION AND HUMAN RESOURCES DEVELOPMENT

Western Universities Agricultural Education (497-0297)

Date of Original Agreement: 5/22/81 (G)
5/20/81 (L)
Anticipated USAID Contribution: \$ 9,400,000 (G)
\$12,450,000 (L)
Government of Indonesia Contribution: \$18,713,000
Project Completion Date: 8/31/90
Contractor: University of Kentucky

Project Objectives and Principal Components

This project will strengthen the capabilities of the faculties of agriculture and related disciplines of the 11 member institutions of the Association of Western Universities (BKS-B). Objectives will be met by providing advanced degree training in the U.S. and in-country; equipment and materials for libraries, laboratories, and experimental farms; technical assistance through a Title XII contract with the University of Kentucky; and by creating inter-university (BKS-B) networks of specialists to solve problems of common interest. The second phase of the project, which began in late 1985, will continue with similar types of activities but will in addition focus most of its technical assistance resources on the Universities of Syiah Kuala, Lampung, and Riau. Expected outputs are 216 faculty trained to the Masters and Ph.D. levels (in-country and overseas), a minimum of 20 networks formed and operating, improved quality of instruction and research, and improved university administration.

Regional focus: Aceh, North Sumatra, West Sumatra, South Sumatra, Jambi, Riau, Lampung, West Kalimantan, Bengkulu

In-Country Management Development (497-0317)

Date of Original Agreement: 8/24/82
Anticipated USAID Contribution: \$3,190,000 (L)
Government of Indonesia Contribution: \$5,625,000
Project Completion Date: 9/01/86
Contractors: Personal Services Contract

Project Objectives and Principal Components

The project is designed to improve the management capabilities in the Ministries of Public Works, Manpower and Transmigration. This will be accomplished through management training programs for mid-level managers and function-specific management training for project, financial and data managers in each ministry. The principal components of the project are long- and short-term technical assistance, short-term participant training, in-country training, and training equipment.

Regional focus: National

General Participant Training II (497-0328)

Date of Original Agreement: 6/21/83 (G)
5/23/83 (L)
Anticipated USAID Contribution: \$ 1,500,000 (G)
\$16,620,000 (L)
Government of Indonesia Contribution: \$6,040,000
Project Completion Date: 4/30/90
Contractor: Midwest Universities Consortium for International
Activities, Inc.; Harvard Institute for International Development

Project Objectives and Principal Components

The project is designed to expand public and private sector manpower capabilities through a program of specialized overseas training. Candidates from all development organizations of the GOI are eligible, as are university lecturers from public and private universities and personnel from PVOs. The project also provides funds for training-related research and participant follow-up activities. It is anticipated that about 70 percent of the individuals trained under this project will be GOI employees. The remaining 30 percent will be employees of private organizations. Special efforts will be made to attract female candidates for training. A unique aspect of this project is the Overseas Training Unit that is being created within the GOI to assume the management of AID-funded participant training.

Regional focus: National

Development Studies (497-0340)

Date of Original Agreement: 6/29/83
Anticipated USAID Contribution: \$4,000,000 (G)
Government of Indonesia Contribution: \$1,350,000
Project Completion Date: 6/30/88
Contractor: None

Project Objectives and Principal Components

This project is supporting the Government of Indonesia (GOI), Indonesian foundations and other private institutions to strengthen research and analysis of selected issues related to overall Indonesian development. Technical and financial support will be given to those organizations concerned with policy studies that can be translated into specific policy recommendations and thus assist the Government's decision making process. The project will also support small experiments, publications, short-term training and conferences related to selected policy issues. Sub-projects being funded include support to the Open University, the testing of small-scale gasification systems, and the development of nutrition assessment and monitoring systems.

Regional focus: National

Educational Policy and Planning:
An Integrated Information System (497-0344)

Date of Original Agreement: 2/14/85 (G)
6/29/84 (L)
Anticipated USAID Contribution: \$1,510,000 (G)
\$4,990,000 (L)
Government of Indonesia Contribution: \$3,000,000
Project Completion Date: 9/30/90
Contractor: Consortium of SUNY, Albany, Florida State University,
Institute for International Research and Oward University.

Project Objectives and Principal Components

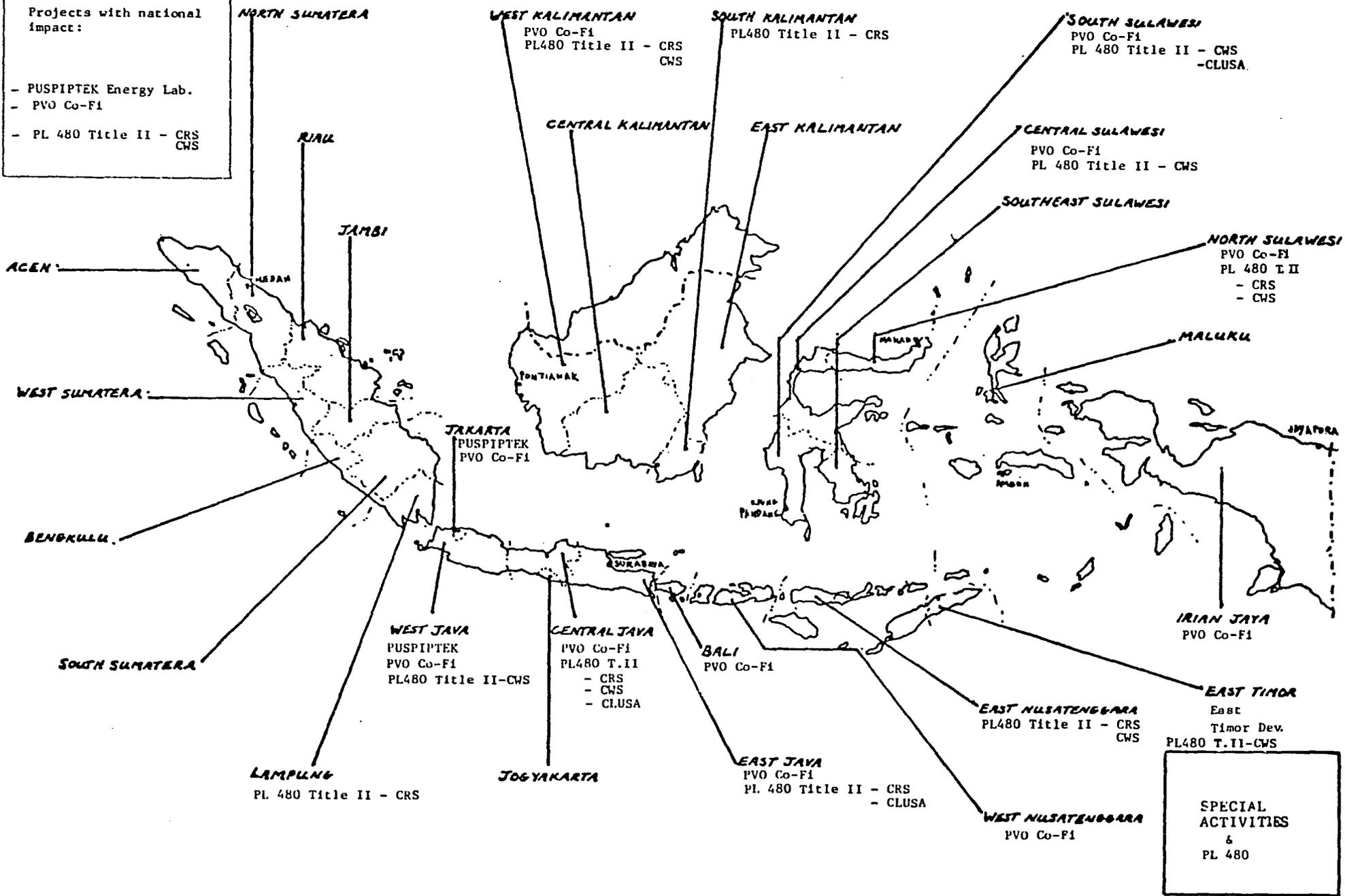
The overall goal of the project is to improve the quality of education in Indonesia through the formulation of better policies and long-term plans based on more complete and accurate information and better analysis of that information. To achieve this, USAID will support the Department of Education and Culture to undertake a five part program: 1) to increase staff capacity for policy research and analysis; 2) to improve the internal management of the Agency for Educational and Cultural Research and Development (Balitbang Dikbud); 3) to complete studies of key policy issues; 4) to assist the Center for Information Systems (Pusat Informatika) in establishing an information system relevant to policy and planning needs; and 5) to support improved planning and information systems at the provincial level. The major components of the project are technical assistance, in-country and overseas training, the provision of data management equipment and funds for special studies, evaluations, and other supplementary costs.

Regional focus: National, with provincial pilot efforts in West Java, South Sulawesi, West Nusa Tenggara

SPECIAL ACTIVITIES & PL 480

Projects with national impact:

- PUSPIPTEK Energy Lab.
- PVO Co-F1
- PL 480 Title II - CRS
CWS



**SPECIAL
ACTIVITIES
&
PL 480**

East Timor Agricultural Development Program (497-0330)

Date of Original Agreement: 9/24/81
Anticipated USAID Contribution: \$5,000,000 (G)
Government of Indonesia Contribution: \$3,000,000
Project Completion Date: 12/31/85
Contractor/Grantee: Catholic Relief Services

Project Objectives and Principal Components

The purpose of the project is to improve the social and economic conditions of approximately one sixth of the East Timor population. The objectives of the project will be met by providing the subsistence farmers living in the Loes river basin with the means and knowledge to increase their agricultural production. The main components of the project are the provision of agricultural equipment and livestock, vehicles, and technical assistance. The expected outputs of the project will be approximately 20,000 East Timorese farmers utilizing improved agricultural techniques that will increase total agricultural production in a manner that preserves and protects the area's fragile ecology.

Regional focus: East Timor

PUSPIPTK Energy Research Laboratory (PERL)
(497-0333)

Date of Original Agreement: 8/30/82 (G)
8/27/82 (L)
Anticipated USAID Contribution: \$ 500,000 (G)
\$11,750,000 (L)
Government of Indonesia Contribution: \$4,295,000
Project Completion Date: 09/30/89
Contractor: 1 Personal Services Contract; Olympic Associates
Corporation; Sur-Lite Corporation; Bechtel Inc.; Battelle Memorial
Institute; National Academy of Sciences

Project Objectives and Principal Components

The purpose of this project is to establish an energy research and development laboratory. The laboratory has three objectives: 1) conduct applied research and technology development; 2) provide support to energy-related industries; and 3) to undertake technical and economic feasibility analysis on energy programs. There are two main components: 1) institutional development that finances training in the U.S. and a third country for 16 PERL staff members, provides long-term advisory service to PERL and establishes a national energy research grant program; and 2) technology development that will finance the development of a national energy lab for applied research development.

Regional focus: National, with project activities in West Java

PVO Co-Financing II (497-0336)

Date of Original Agreement: 4/01/82
Anticipated USAID Contribution: \$11,250,000 (G)
Project Completion Date: 9/30/88
Counterpart Contribution: \$5,000,000
Contractor/Grantee: U.S. and Local PVOs

Project Objectives and Principal Components

The purpose of the Private Voluntary Organization Co-Financing Project is to multiply and improve local development efforts in Indonesia within the priority sectors of AID assistance: Food and Nutrition, Health and Population, Education and Human Resources Development, and Selected Development Activities. AID contributes financial support to projects planned and implemented by U.S. and Indonesian Private Voluntary Organizations (PVOs).

Regional focus: National

PL 480
TITLE I and TITLE II

TITLE I

FY 84 Program: \$40,000,000
FY 85 Program: \$40,000,000

The PL 480 Title I program requires a yearly negotiation. The nature and volume of food assistance is based on availability of food commodities within the U.S. and the needs of the Indonesian government for those commodities. The Title I program in FY 84 provided 152,000 MT of wheat and 45,000 MT of rice for a total value of \$40 million; the FY 85 program provided 250,000 MT of wheat valued at \$40 million.

In FY 84 these funds were used to: 1) cover the costs of 14 generating units in three rural electrification cooperatives, 2) increase the role of women through district level training, farmer level short courses and farm demonstrations, 3) rehabilitate existing canals in Central and East Java, 4) cover selected costs in maintaining road and bridge construction in Luwu, and 5) construct cooperative warehouses and kiosks in West Java.

FY 85 funds were used to support: 1) rural infrastructure development and rural works training centers, 2) construction and farm development at 33 agricultural research locations, 3) university staff development in the outer islands, 4) research and staff development in the field of science and technology, 5) intensification and expansion of pilot efforts in cooperatives, 6) rural electrification cooperatives, and 7) the Kuliah Kerja Nyata (KKN) project for university students.

Regional focus: National

TITLE II: CLUSA - Cooperative Development, Klaten

Date of Original Agreement: a) 7/27/81 (Title II)
b) 8/31/82 (PVO Co-Fi II)
c) 09/85 (Title II)

USAID Contribution: a) \$1,444,053 (Title II)
b) \$ 876,958 (Co-Fi funds)
c) \$2,692,000 (Title II)

Government of Indonesia Contribution: NA

Project Completion Date: 12/31/85 for (a) & (b)
09/90 for (c)

Contractor/Grantee: Cooperative League of the USA

Project Objectives and Principal Components

a & b) The purpose of the project is to establish a model cooperative program at Klaten, Central Java. This model is expected to demonstrate economic self-sufficiency for involved cooperatives. Local level agri-business enterprises are the principal project outputs. These will include feed production for dairy farmers, milk processing, sugar production, livestock and poultry production, and fertilizer distribution. The project is being implemented by the Cooperative League of the United States of America (CLUSA) with AID resources provided from the sale of PL 480 Title II wheat, (\$1,444,053) and a grant of \$876,958. The former supports the provision of inputs for the project, credit funds, equipment and salary subsidies for counterpart personnel, while the latter resources were granted to support CLUSA resident technical staff.

Regional focus: Central Java (Klaten)

c) The purpose of the second phase of the project is, through replication and intensification of the first phase of the project, to develop the capacity within the cooperative system to plan, organize, and implement programs in Central and East Java and South Sulawesi which will provide comprehensive production and marketing services for food crops, livestock, and fishery production to small farmers who have potential for increasing their production. Project activities are planned for five years. The project will be implemented by CLUSA with AID resources provided from the sale of PL 480 Title II wheat. These funds will be used for equipment, vehicles, building construction, salaries, travel, and credit.

Regional focus: Central Java (Klaten and Boyolali); East Java (Malang); South Sulawesi (Luwu)

TITLE II: Catholic Relief Services

USAID Contribution in FY 84: \$3,732,000
Anticipated USAID Contribution in FY 85: \$3,561,000
Contractor/Grantee: Catholic Relief Services

Project Objectives and Principal Components

This project, administered by Catholic Relief Services, has two components. The Food and Nutrition Program is designed to maximize community participation in nutrition and income generating activities; increase beneficiary knowledge and application of specific nutritional information; and to develop a system for generating funds locally for the dual purpose of increasing family income and independently financing village nutrition activities. Title II food commodities (bulgur, non-fat dry milk and wheat flour) are used in the nutrition program for mothers and children under five.

The second component, the Food for Work program, aims to provide simple infrastructure identified by villagers as being of high development priority, and to provide work with payment in-kind to under-employed and unemployed villagers during periods of limited employment opportunities. In-kind payment is through the provision of Title II commodities such as bulgur, non-fat dry milk and rice.

Regional focus: Central and East Java, Lampung, South and West Kalimantan, East Nusa Tenggara and North Sulawesi

TITLE II: Church World Service

USAID Contribution in FY 84: \$171,000
Anticipated USAID Contribution in FY 85: \$180,500
Contractor/Grantee: Church World Service

Project Objectives and Principal Components

This Title II program, administered by Church World Service consists of a Mother/Child Health and Food for Work program. The Mother/Child Health program is aimed at decreasing malnutrition among pregnant and nursing mothers and children age five and below through nutrition education and distribution of Title II commodities (non-fat dry milk and corn soya blend). The Food for Work program seeks to give low-income villages the opportunity to undertake projects to fulfill the primary development needs of their community. Through the provision of Title II commodities (bulgur, corn and rice), villagers are able to afford the time to carry out these development activities.

Regional focus: North, Central and South Sulawesi, East Nusa Tenggara, West and Central Java, West Kalimantan and East Timor

REGIONALLY AND CENTRALLY FUNDED PROJECTS

REGIONALLY AND CENTRALLY FUNDED PROJECTS

The majority of the assistance provided under the USAID program is done on a bilateral basis to meet problems that are specific to Indonesia. There are, however, a variety of problems which are similar worldwide or which are peculiar to Asia. Because of the global nature of these problems, projects have been initiated to assist on a worldwide, rather than country specific basis. These activities include basic and applied research, development and testing of appropriate technology, private enterprise activities, private voluntary organizations and international disaster assistance. In 1984, 47 centrally and regionally financed activities were being implemented in Indonesia.

In more specific terms these projects:

1. supply technical expertise to assist in specialized fields such as agricultural production and rural development, population planning, nutrition, renewable and conventional energy, disaster preparedness, environmental activities and the utilization of private enterprise to achieve development objectives.

Within Indonesia consultative services have been provided in: primary health care, nutrition, breastfeeding, educational sector assessments, soils management, small ruminants, potato production, developing hybrid rice seed, improving pond culture systems, small scale irrigation, non-farm private enterprise, water and sanitation, cooperatives, disaster preparedness, determining urban contraceptive prevalence, and strengthening of labor unions.

2. seek new solutions to development problems by financing experimental or pilot projects, developing and exploring new applications of science and technology and private enterprise, and evaluating the success of past initiatives.

Within Indonesia the following types of activities have occurred:

- Adaptation of small scale rice production equipment;
- Demonstrations/testing of satellite telecommunication technologies in support of university development and rural development activities;
- Testing of interactive video systems in education;
- Promotion of Indonesia's capital market to contribute to broad-based economic development;
- Promotion of appropriate technology;
- Researching infant feeding patterns in urban areas;
- Biomedical research in fertility;
- Demonstrations of U.S. meat processing technologies.

3. support non-governmental development activities through assistance to private voluntary organizations and other development and population intermediaries.

Support has been provided to:

- International Project Association for Voluntary Sterilization (IPAVS) to support voluntary sterilization activities in Jakarta, Bali, East Java, North Sumatra, West Java and Jogjakarta;
- Family Planning International Assistance (FPIA) to support education and family planning services in health units and family planning clinics, in training for voluntary sterilization;
- Pathfinder to support voluntary sterilization programs, family planning clinics, village based contraceptive distribution and population education programs;
- Foster Parents' Plan to provide primary health care programs;
- Save the Children/Community Dev. Foundation to expand, refine, and implement its community integrated rural development approach;
- World Vision Relief Organization to expand, and test its methods of training community leaders and workers in community development;
- National Rural Electric Corporation Association to assist in providing electric power to rural areas;
- International Executive Service Corps to support its capacity to place executive volunteers providing managerial or technical assistance to indigenous enterprises, organizations, and government agencies;
- Participating Agencies Collaborating Together (PACT) to support private voluntary organizations on a collective basis;
- Cooperation League of the USA (CLUSA) to provide technical assistance to cooperation organizations and to governments;
- Asian American Free Labor Institute (AFFLI) to provide general support for a program in strengthening free labor unions;

4. provide assistance for human capital development, particularly through participant training programs.

Within Indonesia assistance has been provided to:

- train hospital administrators;
- train local scout leaders;
- train women in international marketing.