

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

WASHINGTON, D.C. 20523

PROJECT PAPER
AMENDMENT #2

INDONESIA: Family Planning Development
and Services II (497-0327)

June 1, 1987

UNCLASSIFIED

PD-AAV-964

FAMILY PLANNING DEVELOPMENT AND SERVICES II

PROJECT 497-0327

PROJECT AMENDMENT II

USAID/INDONESIA

OFFICE OF POPULATION AND HEALTH

MAY 1987

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET			1. TRANSACTION CODE <input checked="" type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete		Amendment Number 2	DOCUMENT CODE 3
2. COUNTRY/ENTITY Indonesia			3. PROJECT NUMBER 497-0327		5. PROJECT TITLE (maximum 40 characters) Family Planning Development & Services - II	
4. BUREAU/OFFICE AID/ANE			6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 1 2 3 1 9 2		7. ESTIMATED DATE OF OBLIGATION (Under "B." below, enter 1, 2, 3, or 4) A. Initial FY 8 3 B. Quarter 4 C. Final FY 8 8	

8. COSTS (\$000 OR EQUIVALENT SI =)						
A. FUNDING SOURCE	FIRST FY 83			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	4,517	7,883	12,400	10,044	19,356	29,400
(Grant)	(1,137)	(1,863)	(9,000)	(5,249)	(6,251)	(11,500)
(Loan)	(3,380)	(6,020)	(9,400)	(4,795)	(13,105)	(17,900)
Other U.S.						
1.						
2.						
Host Country	NA	NA	20,905	NA	NA	76,866
Other Donor(s)	NA	NA	7,500	NA	NA	30,000
TOTALS	4,517	7,883	40,805	10,044	19,356	136,266

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) PN	400B	430	430	7,500	13,400	4,000	2,000	11,500	15,400
(2) HF	400B		510		2,500				2,500
(3)									
(4)									
TOTALS				7,500	15,900	4,000	2,000	11,500	17,900

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)						11. SECONDARY PURPOSE CODE			
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)									
A. Code									
B. Amount									

13. PROJECT PURPOSE (maximum 480 characters)

To increase the use in Indonesia of all legal types of contraceptive methods from 43% of all married couples of reproductive age in December 1982 to 69% in December 1992.

14. SCHEDULED EVALUATIONS					15. SOURCE/ORIGIN OF GOODS AND SERVICES				
Interim	MM	YY	MM	YY	Final	MM	YY	MM	YY
	0	3	8	7		0	3	8	8
						0	6	9	0
					<input type="checkbox"/> 000 <input checked="" type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify)				

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

The purpose of this amendment is to document the use of additional AID funding needed to strengthen further and expand Indonesia's population and family planning program.

17. APPROVED BY Signature: <i>William P. Fuller</i> Title: Director			18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION Date Signed: MM DD YY 0 6 1 0 8 7		
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GLOSSARY

ADB	Asiau Development Bank
AED	Academy for Educational Development
AID	Agency for International Development
AVSC	Association for Voluntary Surgical Contraception
BKKBN	National Family Planning Coordinating Board
CA	Cooperative Agreement
CSM	Contraceptive Social Marketing
CY	Calendar Year
DEPNAKER	Ministry of Labor
DHS	Demographic and Health Survey
ELCO	Eligible Couple
FP	Family Planning
FPIA	Family Planning International Assistance
FY	Fiscal Year
GOI	Government of Indonesia
IBI	Indonesian Midwives Association
IEC	Information, Education, Communication
IKB-Somark	Indonesian Family Planning - Social Marketing
ISFI	Indonesian Pharmaceutical Association
ISTI	International for Science and Technology
IUD	Intra-Uterine Device
JH/PCS	Johns Hopkins Population Communication Services
JHPIEGO	John Hopkins Program for International Education in Gynecology and Obstetrics
KADER	Family Planning Volunteer
KB MANDIRI.	Self Reliant Family Planning
MWRA	Married Woman of Reproductive Age
MOH	Ministry of Health
NGO	Non-Government Organization
N.A.	Not Available
OPH	Office of Population and Health

PACD	Project Activities Completion Date
PERDHAKI	Association of Voluntary Health Services of Indonesia
PGI	Indonesian Council of Churches
PIL	Project Implementation Letter
PKMI	Indonesian Association for Secure Contraception
P.T. SRI	Survey Research Indonesia
POSYANDU	Integrated Health Service Post
PUSDIKLAT	Center for Education and Training
PUSKESMAS	Community Health Center
RAM	Repair and Maintenance
S ₁	Indonesian Bachelor's degree
S ₂	Indonesian Master's degree
SOMARC	Social Marketing for Change
ST/POP	Bureau for Science & Technology/Office of Population
SUPAS	Indonesian Intercensal Survey
TA	Technical Assistance
TIPPS	Technical Information in Population for the Private Sector
UNFPA	United Nations Fund for Population Activities
URC	University Research Corporation
USAID	United States Agency for International Development
VFP	Village Family Planning
VS	Voluntary Sterilization
YKB	Yayasan Kusuma Buana

PROJECT AUTHORIZATION AMENDMENT NO. 2

INDONESIA

FAMILY PLANNING DEVELOPMENT & SERVICES
PROJECT NO.497-0327

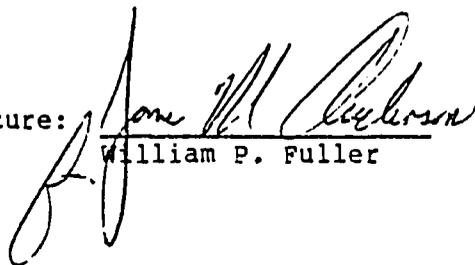
I. Pursuant to Section 104(b) of the Foreign Assistance Act of 1961, as amended, the Family Planning Development and Services Project II for Indonesia was authorized on June 8, 1983 and later amended on July 24, 1983. That authorization is hereby further amended as follows:

"Paragraph 1 is amended to authorize planned obligations of not to exceed \$17,900,000 in loan funds and \$11,500,000 in grant funds. The additional funding herein is authorized for obligation through September 30, 1988, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process. The Project Assistance Completion Date is extended to December 31, 1992.

II. The amended authorization cited above remains in force except as hereby amended.

III. Prior to the execution of the Project Agreement Amendments the Congressional Notification waiting period shall have expired without objection and USAID/Jakarta shall have received a cable notification that funds have been allotted.

Signature:



William P. Fuller

Clearances:

PH:EVoulgaropoulos (in draft)

PPS:MBonner (in draft)

FIN:RMcClure (in draft)

DD:JAnderson (in draft)

Drafted:L/A:GBisson

11010 UNITED STATES GOVERNMENT
memorandum

DATE: June 1, 1987

REPLY TO
ATTN OF:

David Denman
David C. Denman, O/PH

SUBJECT:

Project Amendment II Family Planning Development and Services II
Project 497-0327

TO:

Mr. William P. Fuller, DIR

Thru:

Mr. James Anderson, DD

Dr. E. Voulgaropoulos, Chief, O/PH

Ref.: State 08951

The subject amendment is submitted for your review and approval.
The Executive Committee has cleared the draft copy attached with
all changes after committee review highlighted.

Clearances Executive Committee:

1. DD:JAnderson

2. PPS:MBonner

3. FIN:RMcClure

4. LA:GBisson

5. PH:EVoulgaropoulos

[Handwritten signatures and initials over the list]

*PRCAG
Amendment
to (7)
subject to receipt of Request for
circulation of competition application
1. E.E. (3) *[initials]*
of Fund *[initials]**

*Environmental Action Recommended. Agree *[initials]*.*

memorandum

DATE: May 19, 1987

REPLY TO
ATTN OF: Dr. E. Voulgaropoulos, Chief, O/PH

SUBJECT: Minutes of the USAID Executive Committee Meeting: Family Planning
Development and Services II - PPA

TO: James Anderson, DD

Attached for your approval and the official record are the minutes of the USAID Executive Committee Meeting concerning the proposed \$6 million amendment to the Family Planning Development and Services II project. These minutes have been cleared by all members present.

Clearances: PH:CCarpenter-Yaman (in draft) *W*

PH:DCDenman (in draft)

PPS:RRedman *RR*

PPS:MBonner *MB (with some changes)*

FIN:TDiedrich *AS/20*

MINUTES
USAID EXECUTIVE COMMITTEE MEETING

FAMILY PLANNING DEVELOPMENT & SERVICES II
PROJECT PAPER AMENDMENT

Date : May 15, 1987

Attendance: J. Anderson, DD, Chairperson
M. Bonner, Chief, PPS
E. Voulgaropoulos, Chief, O/PH
R. Redman, PPS
T. Diedrich, O/FIN
D. Denman, O/PH
C. Carpenter-Yaman, O/PH

Minutes prepared by: C. Carpenter-Yaman, O/PH

I. Opening Remarks

1. D. Denman described PPA drafting process, including contribution of C. Johnson, Chief, ANE/TR/HPN and S. Moeljodihardjo, Deputy, Planning, BKKBN.
2. J. Anderson established from those present that there were no other family planning issues or policy directives from AID/W since PID response cable, and that there were no other directives or opinions from W. Fuller since his PID cable approval.
3. E. Voulgaropoulos stated C. Johnson indicated there may be additional funds available, but we should proceed with this obligation ASAP.
4. M. Bonner stated CN has been prepared. If no major changes recommended, PPS would forward it to AID/W.
5. D. Denman stated Borrower's Request for Assistance has been prepared. PPS should forward it to BAPPENAS.
6. J. Anderson confirmed from R. Redman that the PPA is OK from BS 94 perspective.

II. Overall Review

1. J. Anderson stated his concern about the quality of data and the discrepancy in prevalence rates from BKKBN and Bureau of Statistics sources. O/PH assured the committee that even if other data were used, the trends would be the same and we would reach the same conclusion. J. Anderson recommended a statement concerning this near the beginning of the PPA.

2. M. Bonner recommended to relate statistics on bottom of p. 3 to objectives on top of p.3. Table 1 will be put into program phases. ✓
3. Page 6: The number 13, 434 midwives is correct. The bottom table is missing a footnote re. \$150,000 shifted to training loan (needs correction on page 12, also). ✓
4. In addition to objectives for Research and Development listed on p.15, an objective re. the institutionalization of research capacity should be added as objective 4, and achievements to date added on p.18. ✓
5. Rewrite description of VS services on p. 20 to give a clearer statement on status. Also strengthen statement about the recent important achievement of establishing a reanastemosis center. —
6. Correct 3.1.3 to read "Overall Strategy". ✓
7. The general topic "when is enough, enough" in USAID support to the Indonesian family planning program was discussed at length. After reviewing BKKBN and our concerns re. the demographic bulge, shift to more cost effective, long term methods, and privatization, the committee recommended including in the strategy section a discussion on where we have been, where we are going and how this project's activities are contributing (or bridging) to that goal. M. Bonner suggested stating that our strategy is to reach a certain level of prevalence in a certain time period, with a variety of contraceptive methods available while we shift service provision to the private sector.
8. No comments on Urban Section.
9. D. Denman reviewed VS proposed activities. J. Anderson clarified W. Fuller's decision that based on the Needs Assessment to be conducted in areas missed in the priority 13 provinces and in the 14 low priority provinces, contingency funds could be used to meet priority requirements for equipment, supplies and medical training in the 13 priority provinces, but only medical training in the 14 other provinces. The proposed medical supervision and surveillance expansion to all provinces was approved. It was stated that the Needs Assessment findings could assist BKKBN or other donors to fund priority needs for equipment and supplies to the other 14 provinces. J. Anderson requested statement on p. 32 para 5 be rewritten and submitted to W. Fuller for review.
10. The end of project statement re. medical supervision and surveillance should be edited to state the system will be established and operating effectively in all provinces. J. Anderson questioned how "operating effectively" could be operationally defined to assist evaluators.

11. D. Denman stated to be sure to check whether language on informed consent is included in grant agreement.
12. Re. PID Cable query on PACD, M. Bonner recommended that a statement be included that the project will be authorized through December 1992 but that most if not all of the activities will be completed by 1991. She stated the loan and grant agreements should indicate September 30, 1991 as the PACD. ✓
13. On page 34, it should indicate that existing funds can be used for short term training. ✓
14. BKKBN will provide airplane fares. ✓
15. On page 35, medical staff should be changed to midwives (or vice versa) to be consistent with page 37. ✓
16. A section should be added on p. 36 describing technical assistance in the training component. ✓
17. Village Family Planning component will be reduced because there are not as much funds as anticipated. Expansion to four new provinces will be dropped. On page 38 a statement will be added that USAID will support on a contract basis 1000 midwives for a one year period, based on a guarantee that BKKBN will pick up their salaries in the subsequent years.
18. M. Bonner asked where the audit and evaluation funds were in the budget on p. 41. D. Denman stated these funds are already included in the budgets of the components. Individual sub-projects have budgets for audit. ✓
19. M. Bonner questioned the GOI contribution of \$20 million on page 41. As it is more than sufficient, she suggested using \$10 million in the loan and grant agreements. This will also be the amount shown in the PP amendment. ✓
20. M. Bonner queried whether the disbursement schedule would be met, given our pipeline problems and the proposed new F.P. Project in FY 89. O/PH assured it would be met or exceeded. ✓
21. The conditions precedent related to production of Annual Plans for the various components will be changed to covenants.
22. M. Bonner requested a section be added to address the concerns of the incoming PID approval cable. Either each concern can be addressed there in textual form or the reader can be referred to the appropriate section of the text. If a concern does not make sense, this should be stated and why. ✓

23. According to the training evaluation, placement of returned participants is often a problem. O/PH stated that this is a valid concern but very difficult to deal with as internal personnel issues are always sticky. (Note, in addition to BKKBN, many other implementing units are involved, so much is out of BKKBN's control.) M. Bonner suggested adding a covenant that BKKBN prepare a placement plan at least six months prior to the return of each trainee.

III. Concluding Remarks

1. J. Anderson stated that the PPA is basically approved. The corrections should be incorporated into the PPA and highlighted for the Executive Committee review. He requested R. McClure, OFIN, and G. Bisson, RLA to prepare a written statement of their approval of the PPA and any comments/corrections they may have.

III. Project Rationale and Description

3.1. Background

In 1983 AID approved a three year \$23.4 million family planning project to assist the Government of Indonesia in achieving its demographic and family planning goals. USAID and the National Family Planning Coordinating Board (BKKBN) identified six program components for the bilateral AID assistance:

1. Expansion of village family planning services in 13 priority provinces;
2. Development of urban family planning programs in the 10 largest cities, with special emphasis on utilization of the private sector and cost-recovery activities;
3. Extension of voluntary sterilization services in 13 priority provinces;
4. Management and institutional improvement through training;
5. Management and institutional improvement through the introduction of modern management technologies; and
6. Research and Development support to measure program progress, test new ways of delivering information and services, and strengthen monitoring and supervision of program operation.

AID assistance included \$15.9 million in loan funds and \$7.5 million in grant funds.

Economic conditions in Indonesia have changed significantly since 1983. The severe decline in world oil prices is reflected in reduced GOI revenues and budget cuts. The BKKBN has fared better than most ministries, although it faces a 16% development budget cut in the 1987-88 fiscal year.

As the family planning program has matured, there is increasing awareness of the need to give more attention to improving the quality of services, particularly for those clients who are prepared to pay for family planning services. Spurred by a declining government budget, the national family planning program is undergoing an extensive review to identify ways to attract those clients who can afford to pay and are willing to do so.

This proposed amendment to Project 0327 can be considered a bridge in AID assistance. It will provide additional funding for three of the original six components and will help the BKKBN to determine the potential for private sector involvement in family planning. USAID plans

to develop and seek approval in FY 1989 for a new private sector family planning project. Some of the proposed assistance of this project will guide USAID and BKKBN in determining the content of the new project.

The Indonesian family planning program has attracted worldwide attention as a model of success. Contraceptive prevalence has increased dramatically and the birth rate appears to be in a steady descent dropping from 35 to 32 per 1000 population between 1980 and 1984. The death rate dropped from 13 to 12 per 1000 population during the same period. As is documented in the 1985 intercensal survey, the net effect is a continuing high population growth rate of 2.1%. There are now about 26 million married women of reproductive age of whom 15 million are using modern contraceptives. Because of the age structure of the population, the pool of married women of reproductive age is increasing rapidly and will total 28 million by the year 1990. The family planning program must expand substantially just to maintain the current levels of contraceptive use.

Overall, implementation of the current project has moved unevenly. Village family planning and training have proceeded according to plan. Other components have moved more slowly, largely because they each represent a new direction for the BKKBN. Accomplishments for each of the six components are described in the following section. Although there is a variation in reported contraceptive users and those determined in the 185 SUPAS fertility survey, the overall trend shows a steadily increasing level.

3.1.1. Accomplishments

3.1.1.1. Village Family Planning

Planned Activities

1. Increase the number of family planning service points, concentrating on villages with lower contraceptive prevalence, especially sub-districts in:

Phase	I (0-14% prevalence)	- 341 sub-districts
Phase	II (15-34% prevalence)	- 614 sub-districts
Phase	III (35-54% prevalence)	- 718 sub-districts

2. Increase contraceptive prevalence in 13 priority provinces.
3. Improve the quality of information and services provided.

15

Actual Achievements to Date

1. The number of services points in the 13 Priority Provinces has increased as follows:

		<u>1982</u>	<u>1986</u>
a. Hospitals	- from	298 to	474
b. Clinics	- from	5,138 to	8,073
c. PPKBD	- from	47,967 to	64,466
d. Sub-PPKBD	- from	108,577 to	158,836

2. Contraceptive prevalence has increased substantially throughout the 13 target provinces as indicated in Table 1.

Table 1

Achievement of Village Family Planning Program
from 1982 to December 1986

Province	TABLE A Project Paper (Dec. 1982)		BKKBN Monthly Report (Dec. 1986)	
	Current Users: % of MWRA*	Current Contraceptive Users (000)	Current Users: % of MWRA*	Current Contraceptive Users (000)
	West Java	37%	1,608	62%
Central Java	50%	1,995	66%	2,918
East Java	65%	2,967	65%	3,515
North Sumatra	33%	453	59%	813
West Sumatra	31%	169	47%	258
South Sumatra	28%	206	63%	500
Lampung	30%	244	58%	518
South Sulawesi	43%	416	59%	554
N.T.B.	42%	181	57%	251
N.T.T.	8%	30	29%	117
Aceh	22%	94	62%	279
Riau	11%	37	39%	147
W. Kalimantan	30%	117	52%	229

*MWRA = Married Women of Reproductive Age (Ages 15-44)

3. The Project Paper did not establish objective standards to measure improvements in the quality of information and services. The rapid increase in contraceptive use may be one measure of at least minimal satisfaction with the services provided and also an indicator that information about family planning has become more widespread.

The financial status of the village family planning component as of December 31, 1986 is as follows:

	(\$ 000)				
	<u>Authorized</u>	<u>Obligated</u>	<u>Committed</u>	<u>Expended</u>	<u>Uncommitted</u>
Grant	899	299*	0	0	299
Loan	5,155	5,755*	4,877	3,198	878

*Note: \$600,000 grant funds transferred to Urban and \$600,000 Urban loan funds transferred to VFP.

3.1.1.2. Urban Family Planning

Planned Activities

1. Expanded family planning services in hospitals and clinics in ten urban areas in eight provinces with a current contraceptive prevalence rate of 37%.

2. Expanded family planning services and information through the private sector by utilizing private clinics, referral centers and networks of private physicians and midwives who can provide quality services to couples who are willing to pay.

Actual Achievements to Date

1. Contraceptive prevalence in the eleven urban (Malang was added at BKKBN request) areas has risen from 37% to 59%. The number of government and private family planning services outlets in the eleven urban areas increased as follows:

		<u>1982</u>	<u>1986</u>
<u>Public</u>			
a.	Hospitals	- from 29 to	102
b.	Clinics	- from 665 to	867
c.	Armed Forces Clinics	- from 121 to	196
d.	Service Providers	- from 675 to	1690
		<u>1982</u>	<u>1986</u>
<u>Semi Commercial</u>			
a.	Doctors	- from 772 to	1600
b.	Midwives	- from 1068 to	13434
c.	Private Clinics & Hospitals	- from 149 to	327

<u>Commercial</u>		<u>1982</u>	<u>1986</u>
a. Pharmacies	- from	N.A. to	1067
b. Factory Clinics	- from	N.A. to	106
c. Doctors	- from	N.A. to	1076
d. Midwives	- from	N.A. to	5597

2. The Urban Project has developed marketing studies, review of commercial services and an urban IEC strategy for launching a major advertizing campaign to promote private sector FP services, a major operations research project developed for three cities to test a modified public sector fee for service community distribution activity, and the urban block grants to BKKBN Provincial authorities for training and equipping private sector doctors, midwives and pharmacists to sell contraceptive services. A parallel activity funded by the AID/W SOMARC project launched a commercial retail sales campaign to market condoms.

The financial status of the urban family planning component as of December 31, 1986 is as follows:

	(\$ 000)				
	<u>Authorized</u>	<u>Obligated</u>	<u>Committed</u>	<u>Expended</u>	<u>Uncommitted</u>
Grant	0	600*	0	0	600
Loan	4,000	3,250*	1,487	624	1,763

*Note: See 3.1.1.1. and 3.1.1.4.

3.1.1.3. Voluntary Sterilization

Planned Activities

1. Renovate, furnish and equip the following facilities for voluntary sterilization (VS) services in 13 provinces:

- a. 153 provincial and regency hospitals;
- b. 306 sub-district health centers;
- c. 20 implementing unit hospitals;
- d. 40 implementing unit health centers.

2. Purchase 1,000 minilap kits, 500 vasectomy kits, and 400,000 falope rings.

3. Contract with the Indonesian Association of Secure Contraception (PKMI) to operate an equipment repair and maintenance (RAM) center.

4. Contract with PKMI for training, certification, reporting and technical assistance.

Actual Achievements to Date

1. PKMI conducted a needs assessment which identified 201 type C kabupaten hospitals to be upgraded for both male and female voluntary sterilization services and 276 health centers to be upgraded to provide vasectomy services. Some of the sites had received partial assistance in the past, but still lack appropriate clinical facilities, trained staff or medical equipment. Thus far, medical and non medical equipment has been ordered, about half of the renovations contracted, one third of the medical teams trained and a technical review and assistance agreement is underway with PKMI. The 477 new centers will be opened in phases over the next three years. Each VS center will also offer a full array of temporary methods to help assure the clientele of an informed choice.

2. All minilap and vasectomy kits and the falope rings have been ordered, shipped and received. Some have been provided to operational centers; the remainder will be distributed as additional centers are opened.

3. PKMI successfully operates a repair and maintenance center and has opened a pilot national mini surgery center for selected reversal operations. This reanastomosis center should provide some stronger arguments for better acceptance of voluntary sterilization by all population sectors.

4. Under contract with BKKBN, PKMI has completed training 160 medical personnel at its regional training centers. An additional 840 medical personnel in the 13 provinces require training. Also, PKMI has prepared a set of national technical manuals on VS endorsed by BKKBN and DepKes for distribution to all hospitals and health centers throughout the country.

5. A national steering committee for implementation of voluntary sterilization services has been established and includes members from BKKBN, Ministry of Health, PKMI, and Armed Forces medical units.

In addition to requesting USAID bilateral support, the Government of Indonesia has demonstrated increased support for voluntary sterilization. The MOH signed an ADB loan to upgrade facilities at 40 hospitals and the BKKBN received a World Bank loan for the purchase of VS equipment. In 1984, the BKKBN started to reimburse hospitals for the cost of medical supplies for male and female VS surgery. The BKKBN and MOH also began to issue informational materials for providers. The increase in VS services during the past 12 years is reflected in service statistics shown in the table below:

Table 2
Number of Voluntary
Tubectomy and Vasectomy Acceptors

No.	GOI-FY	Tubectomy Acceptors	Vasectomy Acceptors	Total:
1.	1974/1975	7,724	1,959	9,683
2.	1975/1976	12,619	2,115	14,734
3.	1976/1977	19,020	3,487	22,507
4.	1977/1978	25,462	9,556	35,018
5.	1978/1979	32,425	7,444	39,869
6.	1979/1980	40,635	6,045	46,680
7.	1980/1981	49,839	5,306	55,145
8.	1981/1982	57,015	6,446	63,461
9.	1982/1983	70,595	18,861	89,456
10.	1983/1984	93,351	16,602	109,953
11.	1984/1985	83,961	7,054	90,970
12.	1985/1986	93,287	11,996	105,283
13.	1986/1987*Dec.86	64,163	5,768	69,931
Grand Total:		650,051	102,657	752,708

The financial status of the voluntary sterilization component as of December 31, 1986 is as follows:

	(\$ 000)				
	<u>Authorized</u>	<u>Obligated</u>	<u>Committed</u>	<u>Expended</u>	<u>Uncommitted</u>
Grant	3,582	3,582	3,536	1,391	46

3.1.1.4. Training

Planned Activities

1. 65 persons will complete Master's degree and 16 persons will complete Doctoral degree training in the United States.
2. 90 persons will complete Master's degree and 14 persons will complete Doctoral degree training in Indonesia.
3. At least four specialized in-service training programs and a special program in management development training will be developed or adapted.
4. Plans for new Schools of Public Health will be completed, including identification of faculty members requiring additional academic training and determining library and reference materials.
5. Technical assistance to help institutionalize the training system at BKKBN.

Actual Achievements to Date

1. Utilizing funds from this project, for long-term overseas academic training, 71 Master's degree candidates and 12 Doctoral degree candidates were sent in FYs 1984-5-6. An additional 21 Master's candidates are planned for FY 1987. Also, using the management system developed under this project, BKKBN will manage in FY 1987 the overseas training for 20 candidates funded by USAID's Faculties of Public Health Project (497-0348) and 20 trainees from the provincial training centers funded by the World Bank.
2. Due to a GOI policy change whereby Bachelor's (S₁) degrees would be needed for job retention and promotion, the BKKBN shifted its focus from Master's degree (S₂) to S₁ training in order to bring its staff up to the minimum level in which to advance in the BKKBN system. Therefore, for long-term academic training in Indonesia, 105 candidates were funded for S₁ degrees, 29 candidates for S₂, and 1 candidate for S₃ (Doctoral). An additional 60 S₁ candidates are planned for FY 1987. S₂ scholarships will be financed by the World Bank.
3. Between 1979-1984, BKKBN, with USAID assistance, sent numerous candidates abroad for short term skills and management training. Utilizing these previous attendees to form a nucleus group, similar training programs were to be developed in Indonesia in the Indonesian language. Developmental funds for four training programs were to be provided by USAID and the routine costs were to be provided by BKKBN. Because of the reduction in DIP budget in 1984, the BKKBN could no longer guarantee it could provide DIP funds to cover the routine costs. Thus, these funds were reprogrammed for a series of other programs including:

the development of distance learning packages for fieldworkers; long and short-term in-country academic training; computerization of the in-country training system; university feasibility study; and a manpower development activity to improve BKKBN's personnel system.

4. A long-term PSC advisor has assisted the GOI to develop plans for four new Schools of Public Health and improve the existing school. A plan for faculty training was developed. Twelve Master's candidates and 8 PhD candidates have been sent for U.S. training and 15 candidates have been sent to Indonesian universities for Master's degrees.

5. Two long-term PSC advisors and, commencing in August 1986, an advisor from the Academy for Education Development have assisted the BKKBN in the development and management of in-country training activities and have monitored implementation of BKKBN's overseas participant training system.

In addition, the training component has continued its noteworthy progress started under the Family Planning Development and Services I Project. (See Summary of Activities in Table 3.) The BKKBN has been able to manage its own overseas training program for both its staff and staff of the Faculties of Public Health, other implementing agencies, and Demographic Institutes. By assuming overall responsibility for overseas training and handling all aspects including recruitment, selection, and payments from Jakarta, BKKBN has been successful in greatly reducing its training costs and thereby enabling the BKKBN to send substantially more participants for training than in previous years. The recently completed comprehensive training assessment found that the training provided was, for the vast majority, relevant to the participant's job function. Short-term overseas training was not utilized mainly because of the new GOI requirement that short-term training must be a minimum of three months' duration for use of loan funds. A summary of the major findings and recommendations of this assessment is provided in Annex 9.5.

The financial status of the training component as of December 31, 1986 is as follows:

	(\$ 000)				
	<u>Authorized</u>	<u>Obligated</u>	<u>Committed</u>	<u>Expended</u>	<u>Uncommitted</u>
Grant	250	250	200	73	50
Loan	6,245	6,395	6,296	2,480	99

*Note: \$150,000 loan funds transferred from urban to training.

It is important to note that the training component will maintain a large pipeline until the end of the decade because of the long-term nature of the training.

Table 3
Planned vs Actual Utilization of USAID Long and Short Term Training
Positions by Year and Source of Funding during Period 1983-1987

Beneficiary	Activity	Degree Objective	1983			1984			1985			1986			1987		
			Planned	Actual	Source of Funding	Planned	Actual	Source of Funding	Planned	Actual	Source of Funding	Planned	Actual	Source of Funding	Planned	Actual	Source of Funding
I. BKKBN and Implementing Units	Long-term Overseas Trng	Masters	19	23a	L 069	19	26	L 069	0	7	L 069	-	-	-	-	-	-
		Ph.D.	0	2	L 069	0	0	-	22	25	L 082	21	26	L 082	21	b	L 082
BKKBN and Implementing Units	Long-term In-country Training at SPH-UI	S1	0	7	G 270 L 081	3	3	L 077	9	4	L 077	In 1986, all long-term in-country training was consolidated into the category listed below					
		S2	0	3	G 270 L 081	2	2	L 077	6	3	L 077						
BKKBN and Implementing Units	Long-term In-country Trng. (non SPH-UI until 1986)	S1	0	0	-	25	28	G 270	30	58	L 077	34	34	L 077	60	b	c
		S2	0	0	-	0	1	G 270	0	3	L 077	6	6	L 077	0	b	c
		S3	0	0	-	0	0	-	0	0	-	1	1	L 077	0	b	c
BKKBN and Implementing Units	Short-term Overseas Training and Short-term Training in Human Resource Dev.		12	6	L 069	12	2	L 069 L 082	15	0	L 069 L 082	2	b	L 069 L 082	14	b	L 082
II. Educational Inst.																	
1. Demographic Institute Faculty	Long-term Overseas Training	Masters	-	-	-	2	2	L 081	3	2	L 081	3	4	L 081	-	-	-
		Ph.D.	-	-	-	1	1	L 081	2	0	L 081	1	1	L 081	-	-	-
2. Faculty of Public Health	Long-term Overseas Training	Masters	-	-	-	3	3	L 081	10	3	L 081	9	6	L 081	-	-	-
		Ph.D.	-	-	-	2	2	L 081	4	5	L 081	2	1	L 081	-	-	-
Faculty of Public Health	Long-term In-country Training	S2	-	-	-	8	0	L 081	9	0	L 081	15	15	L 081	-	-	-
		S3	-	-	-	1	0	L 081	2	0	L 081	0	0	L 081	-	-	-

Notes: S1 = Bachelors Degree; S2 = Masters Degree; S3 = Doctoral Degree
a = One 1983 participant's degree funded under PIO/P system
b = number of actual participants still to determined
c = Funds to be obtained from reprogramming of existing funds and additional funds needed from project paper amendment
L069 = Loan under Project 497-0270
L081 = Loan under Project 497-0327: funds in a Letter of Commitment for Educational Institutions. Commencing in 1987, funds to be used for BKKBN and Implementing Units
L082 = Loan under Project 497-0327: funds in a Letter of Commitment for BKKBN and Implementing Units
L077 = Loan under Project 497-0327: funds are for in-country training costs of BKKBN and Implementing Units

3.1.1.5. Modern Management Technology

Planned Activities

Assist the BKKBN to develop computer and word processing capabilities in 16 provincial offices, in headquarters offices, and in selected training and research institutions by providing:

1. Computer hardware
2. Computer software
3. Supplies
4. Training for both professional and support staff
5. An equipment maintenance contract for the first year
6. Technical assistance through a long-term PSC specialist in management information systems and short-term specialists to help adapt computer and word processing technology to the needs of BKKBN and other institutions.

Actual Achievements to Date

1. The first 17 of 42 planned computers have been installed. SER/IRM has approved the purchase of an additional 25 computers which should be delivered by mid 1987.

2. With assistance of the technical experts, suitable software packages have been identified and purchased for the first 17 computers. Additional software will be purchased to coordinate with the installation of additional computers.

3. The first groups of 88 computers operators and middle level technicians have been trained.

4. Supplies and an equipment maintenance contract for the initial shipment of computers was purchased by BKKBN.

5. A long-term PSC specialist began work in April, 1986 for a three year period. To date, three short-term specialists have been contracted for three months.

The financial status of the modern management technology component as of December 31, 1986 is as follows:

	(\$ 000)				
	<u>Authorized</u>	<u>Obligated</u>	<u>Committed</u>	<u>Expended</u>	<u>Uncommitted</u>
Grant	869	869	582	128	287
Loan	500	500	329	160	171

3.1.1.6. Research and Development

Planned Activities

1. Support 25 bio-medical, operations, and social science research projects and the 1985 nationwide intercensal survey.
2. Support 12 seminars and workshops on special population research methodology-related topics and 12 conferences and meetings to disseminate research findings.
3. Provide short-term U.S. and local consultants to assist in research design, implementation and evaluation.
4. Support institutionalization of research capacity at BKKBN; increase of Indonesian research capabilities; and utilization of research findings.

Actual Achievements to Date

1. Twenty-two research studies have been funded as of February 1987. (See Table 4 for details of each study.) Instead of contributing funding to the 1985 Intercensal Survey, BKKBN decided to focus its efforts on a nationwide contraceptive prevalence survey. This will be implemented by the Central Bureau of Statistics in 1987 with technical assistance from Westinghouse through the AID/W-funded Demographic and Health Survey (DHS) project.

Table 4
Summary of Small and Mid-sized Research Funded
Under Research Component as of February 1987

Small Scale Research Studies (in Rupiah)

<u>Year</u>	<u>Amount</u>	<u>Title</u>	<u>Executing Agency</u>
1985	7,490,000	PosYandu Survey	Center for Policy Studies, BKKBN
1985	7,490,000	Evaluation of the Hybrid Coconut Plant Incentive for F.P.	Center for Policy Studies, BKKBN
1985-86	5,010,000	IUD Quality Study	Yayasan Kusuma Buana (YKB)
1985-86	4,828,900	Predictions of Continuation of Contraceptive Use	Yayasan Kusuma Buana (YKB)

Year	Amount	Title	Executing Agency
1987	5,000,000	Determinants of Family Planning Acceptance Among Rural Areas of Indonesia	Hasanuddin University, Ujung Pandang
1987	9,600,000	One year extension of Multi Load IUD Continuation Study	School of Medicine, University of Indonesia
1987	9,994,000	Ulama Study	Center for Policy Studies, BKKBN
1987	9,981,600	Transfer of Role/ Management (Alih Peran) Study	Center for Policy Studies, BKKBN
1987	2,197,995	Preliminary Research on the Role of Males in the FP Program.	P.T. Sarana Sabesha Lestari, Jakarta

Mid Sized Research Studies (in Rupiah)

1986	15,000,000	Evaluation of Safari Program	Center for Nat. F.P. Studies, BKKBN
1985	19,000,000	Study of Young Adults and F.P.: Focus Group Discussions	P.T. SRI
1986	18,230,000	Five Provincial Profiles of Family Planning/Fertility	Various Individual Outside Investigators
1986	9,000,000	Contraindicators to Pill Use	Center for Biomedical Studies, BKKBN
1986	9,000,000	Health Risk and Referral Procedures	Center for Biomedical Studies, BKKBN
1986	29,000,000	Methodological Study: Contraceptive Prevalence as Measured from Head of Household and Female Respondents	P.T. SRI

Year	Amount	Title	Executing Agency
1986-87	13,500,000	Continuation Rates Study	Provincial universities in conjunction with BKKBN
1986-87	19,900,000	Young Adult High School Survey	Faculty of Psychology University of Indonesia
1986-87	3,000,000 3,000,000 5,250,000	Young Adult Young Mothers Survey	University of Islam Nusantara, Bandung; University of Udayana, Bali. P.T. Inmar, Jakarta.
1986-87	18,380,000	Five Provincial Profiles	Various BKKBN Provincial Research Staff.
1987	162,450,000	1987 National Contraceptive Prevalence Survey	Central Bureau of Statistics
1987	27,000,000	SuSeNas Analysis	Central Bureau of Statistics
1987	16,165,000	Young Adult Survey of Dukuns and Midwives	Psychology Faculty University, Bandung.

2. As of February, 1987, fifteen workshops, conferences, and seminars have been conducted including two to disseminate research findings. In addition, new staff persons have received short-term in-service training at Gajah Mada University and three in the United States. Standard operating procedures to manage the research systems are being developed.

3. In addition to short-term international consultancies, a long-term PSC research advisor was contracted through Columbia University for two and one half years (1985-87) to assist BKKBN in establishing a research management system. Also part-time, local consultants have been hired to assist in each of the three research centers.

4. An annual plan system has been established in the Program Development Division to fund the Division's activities related to: institutional development (i.e., technical assistance, computerized management systems, research reference and administration, staff development including short-term incountry and overseas training); workshops and seminars; thesis and dissertation awards; research dissemination and utilization (i.e., seminars and presentations of research findings, reproduction of reports, abstracts of studies); research projects, outside proposal review; and BKKBN project

supervision. The number and types of activities carried out in all these areas have expanded greatly over the past three years. Moreover, procedures have been established to manage contracting of projects, including competitive and non-competitive procurement and unsolicited proposals. In addition to needed 'in house' research, USAID has successfully encouraged BKKBN to use outside research institutions to the greatest extent possible in order to increase Indonesian research capability and to improve BKKBN's skills in research management.

The financial status of the research and development component as of December 31, 1986 is as follows:

	<u>Authorized</u>	<u>Obligated</u>	(\$ 000) <u>Committed</u>	<u>Expended</u>	<u>Uncommitted</u>
Grant	1,900	1,900	1,065	385	835

3.1.2. Problems

There are several levels of problems which directly affect the implementation of this project. At the first level are general problems affecting the national family planning program as a whole. At the second level are problems affecting implementation of each of the six project components. At the third level are problems related to USAID procedures and requirements. Some of the major problems affecting the national family planning program include:

1. reduction in the BKKBN budget and concomitant staffing freeze which hinders significant program expansion and negatively impacts on the national program because the heavy reliance on temporary methods, such as the pill, requires an extensive logistics system, constant acceptor follow-up and regular supervision and monitoring. A tight budget tends to weaken these essential support services;
2. poor continuation rates among some acceptors;
3. rising numbers of complaints about the quality of family planning services, ranging from not enough variety in program contraceptives to lack of knowledge by family planning field workers of the methods they promote or provide to clients;
4. growing consumer demand for improved quality of services;
5. lack of adequate knowledge of contraceptives and consequent non-use or poor use of the methods;
6. limited effectiveness of family planning volunteers;

7. possible inaccuracies of the services statistics system which result in overestimates of current contraceptive users;
8. inadequate program monitoring and evaluation systems;
9. need for increased local responsibility for program operations;

Problems related to project components follow:

Urban Family Planning strategy has been emerging slowly as BKKBN develops the appropriate policies for increasing the involvement of the private commercial and professional medical agencies. This has slowed project implementation and required investments in appropriate operational and market research.

Voluntary Sterilization Services: The fact that BKKBN has not included voluntary sterilization as a method of family planning has retarded the implementation of the activities envisioned when the project paper was developed in 1982-83. However, over the past two years, the requirements for a substantial voluntary sterilization services network have been defined and implementation by BKKBN appears to be moving steadily.

Training: "Horizontal" planning has proven to be weak in the training program with insufficient attention to the needs of the BKKBN program requirements as seen by units other than Training. Recruitment for long term academic training opportunities could be improved with more lead time for notification of potential candidates and improved job placement on completion of training.

Modern Management Technology: Poor communications, lengthy approval processes and rapidly changing technology, all contributed to delay in obtaining AID/W's technical concurrence in the procurement of computer equipment with the resultant impact of slowing implementation of this project element.

Research and Development: Progress was initially slow in identifying and funding needed research. BKKBN had not clarified the research it considered to be high priority nor developed the requisite research management system. The BKKBN initially tended to have its staff conduct research studies rather than to use competitive procedures to contract research to other Indonesian research institutions. It is now developing a research management system and the number of studies being contracted is steadily increasing.

Some problems are related to USAID procedures and requirements. The conditions precedent for annual plans for research, voluntary sterilization and urban program have created too short a time frame for project development between BKKBN Annual Working Meeting and end of GOI fiscal year. These requirements need to be modified. USAID/O/PH had required that 60% of the 90 day fund advances be used before replenishment. Utilizing the umbrella PIL system, this was found to delay work in provinces which have done rapid

implementation because these provinces must await expenditure reports of provinces slower in implementation in order to replenish funds. USAID has recently modified the expenditure reporting procedures to rectify this problem.

On the BKKBN side, because of reduced GOI support for travel, USAID has had to provide funds for supervisory travel and training to a greater degree than originally contemplated. These requirements are expected to continue through the amendment. In some areas, due to shortage of mid-level staff at BKKBN central office, high level technicians had to be contracted as consultants to fill some professional staff roles in order to accomplish project tasks. This still leaves several significant project manager jobs vacant.

3.1.3. Overall Strategy

The strategy outlined in the original project paper is as follows:

"As Indonesia moves toward national implementation of a mature family planning program, project strategy is to resolve remaining persistent problems such as:

- increasing rates of contraceptive use in low-performing areas, particularly in urban areas, through the introduction of new contraceptive technologies and voluntary sterilization;
- increasing institutional capability through training and technical assistance for management, supervision, and administration; and accelerating decentralization of program planning, implementation, administration and evaluation;
- utilizing the private sector to provide family planning service on a fee-for-services basis to reduce government involvement and budget;
- enabling BKKBN to enter into new areas or approaches utilizing flexible funds for demonstration projects for first year costs, after which the budget is provided by BKKBN.

USAID's long experience with the Indonesia national family planning program, its qualified staff of technical experts, and the knowledge of personalities, procedures, and programs, in the family planning field give the U.S. Government a unique advantage with regard to assisting the Indonesia program. Building on this base, the project seeks to assist the BKKBN to overcome remaining program weaknesses and to extend family planning information and services throughout selected areas of the country. By continuing support, USAID has an opportunity to help Indonesia become the first large developing country to bring the birth rate down to the level in developed countries."

Short Term Strategy

During the period covered by this amendment, program strategy will follow that outlined above from the original project paper. However, conditions have changed since the project paper was approved in 1983. The ability of the BKKBN to carry out its program has been hampered by budget cuts and limitations on hiring of personnel. Current contraceptive users and prospective users in rural areas are becoming more knowledgeable and sophisticated consumers, raising discriminating questions regarding the availability of a broader range of contraceptives, better information, and the quality of services offered. Thus, new contraceptive technologies, private sector services, and personnel training must be instituted nationally, not just in selected areas. Also, if new approaches to service delivery, such as contraceptive social marketing, are to be adopted and soundly implemented, AID support will be necessary for a longer period than originally envisioned.

Long Term Strategy

The present CDSS strategy sought to achieve a contraceptive use rate of 58% by the year 1986. This use rate was premised on a primarily government supported program. Present economic circumstances, a rapidly growing number of fertile age couples and a more sophisticated clientele require a shift in strategy to maintain rates of contraceptive usage. The present long term strategy is to reach a 69% prevalence level by 1992, with a variety of contraceptive methods available to users and a shift in service provision to the private sector. While this amendment will begin to touch on these areas, the major Mission effort in this direction is the Private Sector Family Planning project scheduled for obligation in FY 89. This project will assist BKKBN to meet the rapidly growing number of fertile age couples by harnessing the private commercial and medical sectors to provide family planning services on a fee for service basis. It will encourage the expansion of private clinics providing more permanent methods and encourage all prepaid medical service plans to include family planning in their service schedule. If BKKBN can successfully increase coverage and enlist the private sector their requirements for donor assistance should decline in the mid 1990's and family planning in Indonesia can proceed at its own pace.

3.1.4. USAID response to AID/W questions on PID Cable

1. Why a three year PACD extension? USAID's main concern was completion of graduate degrees in Training area which should be completed by September 1991. The Project Agreement will only extend the PACD until September 1991 although the Authorization will allow a PACD of December 1992, should an extension be required.
2. Why funds required in light of pipeline? See Disbursement Schedule in Section V Table 6.
3. Relationship of Amendment to new project? Section 3.2.2.1. on Urban Family Planning is the principal bridging area between this project and the next one. The issue is how viable private sector alternatives are and this urban component is endeavoring to determine just how viable through operations research, technical assistance, training of private sector personnel, expansion of private medical and commercial contraceptive services. At present all doctors must work for the government, the shift to the private sector is going to take time and require much effort.

4. Evaluation mentioned was for FPD&S I Project 497-0270. As we have now evaluated two aspects of FPD&S II (See Annex 9.5 and 9.6) and have scheduled the rest, the USAID feels this up to date material on project components is more appropriate to follow up. This has been included in amendment.
5. Does BKKBN and the rest of GOI follow PD 3 for voluntary sterilization component. This is clearly the case and no performance targets have been set for Voluntary Sterilization activities at any level.
6. Small business and minority or women owned firms. See Section VI, 6.1.

3.2. Project Amendment Description

3.2.1. The original purpose of this project was to increase the use of all legal contraceptive methods from 43 percent of all married couples of reproductive age in December 1982 to 58 percent in March 1987. This objective was reached by March 1986, one year ahead of schedule, according to BKKBN service statistics. A national contraceptive prevalence survey in mid-1987 should help validate BKKBN service statistics.

Under this amendment, USAID will support BKKBN's efforts to increase contraceptive prevalence to 65 percent by March 1989 (in accordance with Indonesia's Fourth Five Year Development Plan) and to 69 percent by December 1992. The additional USAID financial assistance proposed by this amendment will concentrate on three of the original six project components: improving quality of voluntary sterilization services; expanding the urban contraceptive social marketing program; and continuing staff improvement of BKKBN and implementing agencies through training. Funds already obligated for village family planning, modern management technologies and research and development are sufficient to meet planned targets for each component during the next two years. In addition, the recent devaluation of the rupiah will allow original budgets to go further than planned. Some of these resources will be absorbed by rising prices, but the rest will be used as described in the following sections.

The amendment provides \$6 million, which will be allocated to each component as follows:

	<u>Grant</u>	<u>Loan</u>
Urban Family Planning	\$ 700,000	\$ 300,000
Voluntary Sterilization	\$ 3,000,000	\$ 300,000
Training	\$ 300,000	\$ 1,400,000
Total:	\$ 4,000,000	\$ 2,000,000

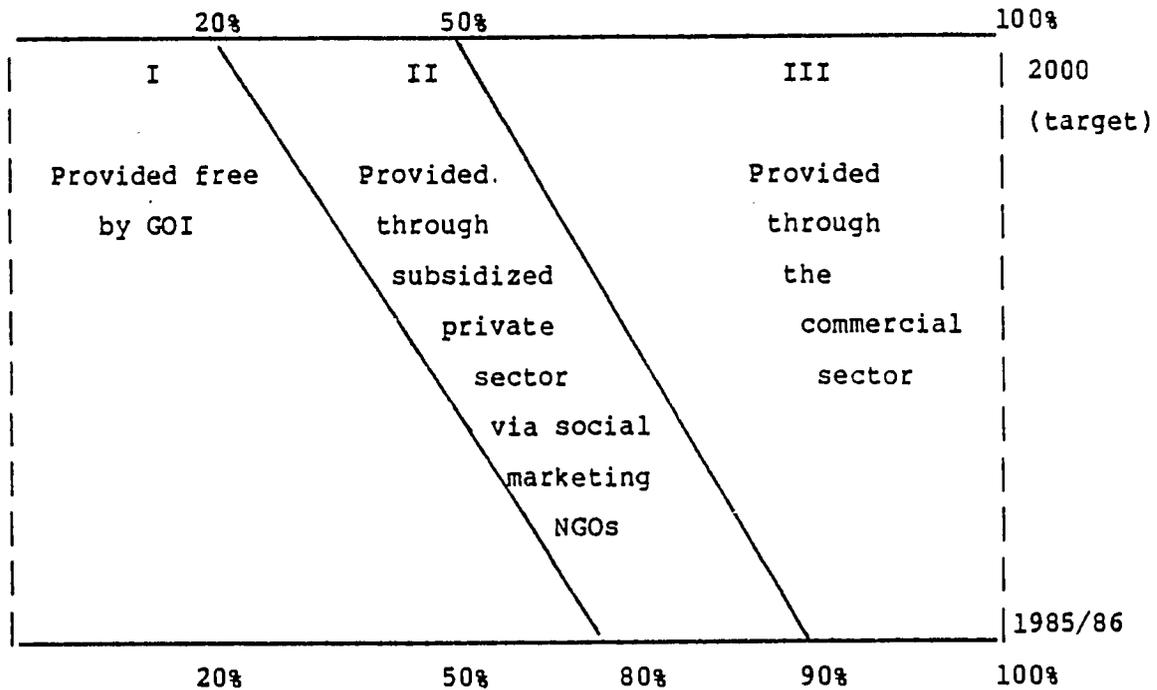
3.2.2. This project and the amendment will continue to assist the previously mentioned national trend toward long acting contraceptive methods by 1) capitalizing on the growing trend, particularly in urban centers, of

family planning services being provided by the private sector (3.2.2.1.);
 2) upgrading voluntary sterilization centers to meet the demands for those services by the end of 1992 (3.2.2.2.); and
 3) continuing to assist the improvement of the administration and performance of the family planning implementing units by providing both long-term academic and short-term technical training in Indonesia and long term abroad (3.2.2.3).

3.2.2.1. Strengthen and Expand Urban Family Planning

The BKKBN leadership has determined that the community, through non-governmental organizations and the commercial sector, must progressively assume greater responsibility for recruiting acceptors and delivering contraceptive services. Consumers will be expected to pay for the services they receive. This shift in policy will be tested first in the urban areas. The BKKBN's plans for the transition from the largely free contraceptive distribution policy at present are illustrated in the figure below.

Figure 6: Transition in Source of Contraceptives, 1985/86 to the Year 2000.



Proportion of contraceptive supplied by source.

This represents an extraordinary policy change and moves BKKBN into relatively uncharted territory. It will need assistance to formulate policies, devise strategies, and test and refine new approaches to service delivery. The transition is already underway in selected urban areas. USAID and AID/W-funded Cooperative Agencies are supporting BKKBN

efforts to develop a contraceptive social marketing program, an operations research project, a multi-media national campaign, and to stimulate innovative private sector projects through block grants in 11 major cities.

The BKKBN's urban and private sector family planning strategy is currently in the process of clarification and definition. While more emphasis will be placed on the private sector, the public sector cannot be abandoned since it will continue to provide the majority of family planning services well into the 1990's. However, given limited funds, USAID will concentrate its resources on efforts to promote greater private sector involvement in family planning. Specifically, USAID support will be directed to three activities.

1. Expansion of Urban Contraceptive Social Marketing Service

BKKBN and USAID previously estimated that the public sector provided 94 percent of all family planning services and the private sector only 6 percent. However, a recent survey in East Java (Surabaya) showed the private sector share to be about 25 percent. The 1987 contraceptive prevalence survey should help differentiate the current public-private sector split.

Cognizant of the need to broaden the base of service delivery outlets and the variety of contraceptives available to an increasingly sophisticated consumer market, the BKKBN has moved cautiously into contraceptive social marketing (CSM). Selling condoms through a social marketing framework began in mid-1986 with financial support from the AID/W-funded SOMARC project.

The CSM strategy was to begin with condoms and then move as quickly as conditions permitted to a "full product line" of contraceptives available through pharmacies and other outlets. Funds from SOMARC are available to add other contraceptives to the urban CSM project and nearly sufficient to provide project support through FY 1988. Some additional funds are required from this project for the CSM product expansion. Also, utilizing amendment funds, the CSM program approach will be expanded to wholesale contraceptives to such "semi-commercial" outlets as doctors, midwives, factory site clinics, private clinics, hospitals and maternity hospitals. Collaboration with the Indonesian Medical Association and the Indonesian Midwives Association will be an important element of this effort. The advertising segment of developing this approach can be expanded because of funds available as a result of rupiah devaluation.

2. Technical Assistance

Technical Assistance to the BKKBN forms an essential part of AID's contribution to the social marketing program. With the growing BKKBN emphasis on urban and private sector activities, two person years of long-term U.S. technical assistance are required to supplement the

two-year technical assistance contract to be initiated in mid-1987. The additional advisor will assist the BKKBN in 1) further developing its urban strategy, particularly by working with a larger group of cities to develop plans for the block grant activity including private sector NGO support; 2) expanding the BKKBN neighborhood contraceptive distribution activity to more cities and to private institutional networks; 3) working with the contraceptive social marketing project to extend its spread and effectiveness; 4) working with Johns Hopkins University/Population Communication Services and private firms in the IEC campaign; and 5) reviewing ways to include family planning in private insurance schemes. A key role in this period will be to assist BKKBN in evaluating the cost effectiveness of these several approaches toward shifting more of the family planning program to the private sector and fee-for-service emphasis.

Short-term U.S. and Indonesian technical specialists in organization and management, training and service provision, and evaluation will assist private sector institutions as they begin to provide family planning services.

3. Operations Research

BKKBN is considering ways to have family planning fieldworkers and neighborhood contraceptive distributors paid from sales of contraceptives as a means of stimulating promotion of family planning and getting consumers to pay for services. An operations research project to test the feasibility of such systems is just commencing and is funded with existing project funds. Funds from this project would support an expansion of the research to eleven cities. In addition, operations research studies are needed to examine the degree of community involvement in health centers (PusKesMas) and to examine the potential outreach services from fixed health facilities operated by NGO's such as PGI and PERDHAKI. These activities will be funded with existing project funds.

By the end of the project, it is expected that:

- o a full line of contraceptives (condoms, pills, IUDs, and injectables) will be available in 95 percent of the approximately 2,000 pharmacies (apotiks) in the country. The contraceptives will be available at subsidized prices for the general public;
- o the social marketing system will provide access to discount-priced contraceptives to approximately 5,000 private doctors, 8,000 private midwives, 130 factory clinics, and 350 private maternities and clinics; and
- o more than 20,000 patent medicine stores and other outlets will have condoms for sale.

The additional funds requested will serve as a bridge between this project and the new Private Sector Family Planning project scheduled for FY 1989 obligation. Some funds will be added to the SOMARC activity and some will support the new effort to encourage doctors, midwives and private facilities to promote family planning services. Specifically, the requested funds will be used for promotional activities, advertising, technical assistance and market research studies to guide implementation and evaluation of these new approaches as follows:

Promotional Activities: (a) short-term contracts for special detail personnel, \$80,000; b) informational materials, \$120,000; Advertising: (a) media campaign, \$190,000; (b) point of purchase materials, \$100,000; Market, media and evaluation research: (a) 3 market studies @ 20,000 = \$60,000; (b) media impact, \$10,000; (c) 2 sales audits @ 20,000 = \$40,000; Technical Assistance: (a) long term advisor for two years @ \$150,000 per year = \$300,000; (b) short-term local consultants: 50 person months @ \$2,000 = \$100,000. Total Cost of Components: 1) Contraceptive Social Marketing, \$600,000 and 2) Technical Assistance \$400,000, Total: \$1,000,000.

3.2.2.2. Improving Quality of Voluntary Sterilization Services

The strategy for FY 1987 and 1988 is to strengthen voluntary sterilization services in thirteen priority provinces, develop a comprehensive medical surveillance and supervision system, and support some program improvement based on needs assessment in the remaining fourteen provinces. The thirteen provinces identified in the original project included DKI Jakarta, East, Central and West Java and nine provinces in the Outer Islands I and II groupings.

During this two year period, safe, high quality voluntary sterilization services should be institutionalized in the thirteen provinces. With financial and technical support from AID/W-funded Cooperating Agencies, such as AVSC, FPIA and Pathfinder, PKMI will further refine and strengthen its voluntary sterilization services efforts with a special emphasis on medical supervision and surveillance and counselling training. PKMI is expected to continue providing technical assistance on voluntary sterilization to the GOI. PKMI will expand its branches, service delivery centers, training centers and counselling centers to some of the remaining fourteen provinces. USAID will support PKMI to conduct a hospital needs assessment in those provinces and review the medical facilities in the original 13 Provinces which did not respond to the first round of the needs assessment survey. GOI support includes a subsidy for medical supplies, information and education programs, and operating costs for laparoscopic equipment repair and maintenance centers. On the policy side, efforts will be made to establish a PKMI network of fee-for-service clinics providing voluntary sterilization services from among the private doctors already providing such services. This will allow the private sector to become part of the

medical supervision and surveillance system discussed below. USAID staff and consultant experts will assist BKKBN in developing policies which include voluntary sterilization services as part of the national family planning program.

Much of the funding to carry out the voluntary sterilization objectives established in the original project paper and the strategy described above is in place. However, those items requiring additional funding through this project amendment are described below.

1. Medical Team Training

Funds are required to train at least 100 additional teams, each consisting of a doctor and two midwives and 300 VS counselors, in order to complete staff training for the 477 voluntary sterilization centers planned under this project. Because of devaluation existing funds can cover 200 of the 300 teams to be trained at ten university centers by PKMI. Some of those funds will be used to replace medical and training equipment which was provided some years ago by other donors. In the past, only doctors were trained, but improved and efficient services required midwives to assist the doctors. Counselors are required to improve the informed choice of the acceptor. Additional funds for the medical teams are needed because some training has had to be transferred to other provinces to complete vasectomy training and the team approach is more expensive.

2. Continue to upgrade the Voluntary Sterilization centers and training centers in the original 13 Province Area.

The original project provided funds to upgrade 530 provincial hospital and health posts with furniture and medical equipment to provide voluntary sterilization services. Additional funds available from the devaluation are required to replace old medical equipment in service centers and training centers and to provide medical kits where required. Initially it was thought that medical kits purchased under Project 497-0270 and by AVSC would be adequate. This is not true, so additional equipment will be ordered.

3. Expanded medical supervision and surveillance.

A pilot supervision and monitoring system in four provinces is now supported by AID/W-funded Cooperating Agencies through agreements with PKMI. The system certifies each site providing voluntary sterilization services as meeting AID and GOI standards of quality, monitors the signing of informed consent forms by patients, and follows-up on the causes of morbidity and mortality. Funds are required to extend the supervision and surveillance system to all provinces through a BKKBN/MOH agreement with PKMI in phases over a three year period in a way that GOI can continue to fund the newly established system.

4. Technical Assistance

An additional two years of technical assistance by an AVSC consultant are required to support PKMI and BKKBN efforts to plan and monitor the improvement of voluntary sterilization services. PKMI will continue to provide development of IE&C materials, the micro surgery center and improvement of the professional organization as part of this assistance to the program. Some of these activities will be possible to continue because of funds available from the devaluation.

Voluntary sterilization remains a sensitive subject in Indonesia and USAID requires close collaboration with PKMI and BKKBN to assure that the substantial AID financial support meets the demanding Agency guidelines regarding informed consent. The consultant will provide technical assistance to the provincial hospital and health post renovation effort at 477 sites and assist in distributing imported and locally purchased equipment to the sites on schedule. Existing project funds provided support for the AVSC technical consultant from 1985 to 1987. Requested funds will extend the consultant's services to 1989.

5. Program upgradation of remaining provinces

Existing project funds will enable PKMI to undertake an assessment of existing services in the remaining fourteen provinces, as well as to review any major service sites missed in the first Needs Assessment. The assessment will be undertaken in the third quarter of FY 1987, and will identify requirements for medical training, medical equipment and clinic equipment to bring existing services up to AID and GOI standards. Funds are requested to support priority requirements that are likely to emerge from the assessment. These will include training, equipment, furniture and possibly renovation in the 13 original Provinces, but only training in the other 14 provinces.

By the end of the project it is expected that:

- o 477 provincial hospitals and health posts in thirteen provinces will have suitable clinical space, be equipped, have trained staff and will be performing voluntary sterilization in response to local demand;
- o a medical supervision and surveillance system will be established and operating effectively in all provinces;
- o counselors at each center will be trained to provide counselling on voluntary sterilization and temporary contraceptive methods;
- o improved voluntary sterilization services will be available in some of the remaining fourteen provinces;

The additional funds requested in this amendment for voluntary sterilization will be used for completion of the current 477 service sites in 13 provinces, development of a national supervision and surveillance system, upgradation of service units in the original 13 provinces and some units in the other 14 provinces based on anticipated recommendations of a new needs assessment, and technical assistance. The breakdown is as follows: Completion of 477 service sites: (a) local equipment and furniture, \$100,000; (b) medical equipment, \$100,000; (c) training of medical teams and VSC counselors, \$600,000; National Supervision and Surveillance System: \$1,200,000; Contingency for priority activities determined by new needs assessment: Including medical team training, medical and non-medical equipment in original 13 Provinces, but only medical training in the other 14. \$850,000; Technical Assistance: local, \$150,000; and international, \$300,000.

3.2.2.3. Management and Institutional Improvement through Training Strategy

USAID's strategy for the remainder of the 1980s is to continue support for BKKBN's efforts to improve staff quality through training, particularly long-term training in the U.S. and in Indonesia.

With the recent devaluation and use of contingency funds previously budgeted, about \$400,000 became available under in loan funds in this Project. Most of these funds will provide in-country long-term academic training for 60 S₁ candidates who will begin training in 1987 and finish in 1989. A study of training programs at Indonesian universities was completed in April 1987. The study results will assist BKKBN in making agreement with universities to enroll these students. The placement of these students will complete BKKBN's current plans for staff improvement through in-country S₁ degree training. The remainder of the reprogramming funds will be used to complete the development of distance learning modules. The content and size of the modules currently under development are greater than originally conceived, so additional funds are needed to produce 4,000 copies and for the trial field test in 150 kabupatens.

With USAID technical assistance and financial support, an overseas participant training management system has been established within the BKKBN. That system has successfully recruited, selected, trained in English, placed, and, since 1983, sent 142 participants to the United States, including 110 staff members from BKKBN and its implementing units. As the number of remaining staff with sufficient prior academic preparation and English skills is diminishing, USAID and BKKBN will reduce the number of BKKBN participants supported by USAID funds from an average of 28 per year in 1983-86 to 15 per year in 1988 and 1989. It is important to note that, utilizing the training management system, BKKBN will also manage the training of Schools of Public Health participants and trainees from BKKBN Training Centers who are funded from other USAID and World Bank projects.

Those items requiring additional funding through this Project Amendment are described below:

1. Overseas Training

Funds from this amendment will support 30 overseas Master's degree students; 15 will commence studies in 1988 and 15 in 1989. Their training should be completed by 1991, although an additional year is provided for the PACD to allow for some anticipated training extensions. As counterpart support, BKKBN will provide staff to manage the overseas training system, airplane fares, salary and family separation allowance for each participant, plus routine recurrent costs such as postage, telexing, telephoning, photocopying, and production of an orientation booklet for each participant.

USAID will encourage BKKBN to concentrate these limited training funds on modern management and administration as well as specialized training which will contribute to BKKBN's effort to improve urban family planning services and increase the participation of the private sector. Grant funds may be used for a limited number of invitational travel opportunities.

Previously provided funds for short term overseas training opportunities were not utilized because the GOI discourages the use of loan funds for training overseas of less than three months' duration. Therefore no new funds are included, as existing funds are still available for this use.

2. In-Country Training

Family Planning fieldworkers and paramedical personnel, such as MOH midwives, need training in modern methods of contraception. PusDikLat will design and coordinate the implementation of the following types of short-term courses. Funds from the amendment will be required for these training programs.

a. Contraceptive Training for 5,000 MOH Midwives Staff

In recent years, BKKBN has introduced new contraceptive technologies, such as advanced intrauterine devices, contraceptive implants and injectables. Training in the correct use of these contraceptives is essential for service delivery staff, especially Ministry of Health staff, in order to expand their use. The training will also help maintain an appropriate quality of service delivery.

This training will be planned and organized through the BKKBN PusDikLat, but implemented by the Bureau of Contraceptive Services of the Operations Divisions, since the Bureau is most closely connected with the actual service providers, the Ministry of Health and the medical profession.

In coordination with the MOH, medical teams of doctors and midwives from service delivery centers will be chosen for training courses. Selection will be based on service performance, provincial needs, and the current level of trained staff throughout the country. The Bureau of Contraceptive Services will carry out a simple assessment of training needs and draw up a training plan in collaboration with the PusDikLat. The PusDikLat staff will assist the Bureau of Contraceptive Services in designing the necessary courses; however, since this is technical training, the courses will be implemented by the Bureau of Contraceptive Services in cooperation with the Ministry of Health.

b. Special Orientation for 500 Village Family Planning Fieldworkers for Male Contraception and Male Responsibility in Family Planning:

BKKBN now provides assistance to the Ministry of Health in the delivery of male contraceptives. An important collaborative activity is upgrading community health centers in thirteen provinces to provide male voluntary sterilization services. More than 290 health centers are currently involved. To support this activity, BKKBN will assist the Ministry of Health to provide technical information to field staff about male family planning responsibility and male contraceptive methods, especially vasectomy. Male participation in family planning has not been covered thoroughly for most field staff.

Generally, one day orientation courses for field staff will provide information about male contraceptive methods, male family planning responsibilities and male voluntary sterilization services that will be available in their areas. Since this is technical training, the courses will be planned and organized under the direction of BKKBN's PusDikLat, but will be implemented by the Bureau of Contraceptive Services in cooperation with the Ministry of Health.

As currently envisaged, BKKBN staff will work with staff of PKMI in preparing the training curriculum and materials. The courses should be coordinated with the program to upgrade hospitals and health centers to provide voluntary sterilization services so that training is geared to the facility upgrading schedule. PKMI could facilitate this coordination effort and provide technical expertise at the provincial level through its branches.

3. Technical Assistance

An additional two years of technical assistance by a training consultant are required to support BKKBN's efforts in planning, managing and monitoring its in-country and overseas academic and technical training programs. The consultant will assist BKKBN to refine its overseas long term training management system so that it can handle multiple donor fund sources. The consultant will provide substantial assistance to the in-country training systems to ensure the management of long term academic training is strengthened and to provide assistance to the new innovative initiatives in the distance learning program for fieldworkers and the medical training programs described above.

The additional funds requested in this amendment for the training component will be used for the following purposes: Long Term Overseas Training: (a) language training in Indonesia: 30 persons x \$2,000, \$60,000; (b) Master's degree studies in U.S.: 30 persons x \$30,000, \$900,000; (c) Orientation and Language Training in the U.S.: 30 persons x \$3,000, \$90,000; (d) Contingency and banking charges: \$50,000; Sub total \$1,100,000 (Loan Funds);

In-Country Technical Training: (a) Contraceptive training for 5000 MOH midwives, \$250,000; (b) Special orientation for 500 Village Family Planning Fieldworkers for male contraception and male responsibility in Family Planning, \$50,000; Sub Total: \$300,000 (Loan Funds);

Technical Assistance and Invitational Travel: (a) Technical Assistance, \$240,000; (b) Invitational Travel, \$60,000; Sub Total: \$300,000 (Grant Funds);
Grand Total: \$1,700,000

Technical Assistance will be required in each of the three components and USAID would expect to continue to rely on AID/W agreements with the Association for Voluntary Surgical Contraception, SOMARC, Academy for Educational Development, and others to assist with project implementation. Requirements would include: Long-term technical assistance in the fields of Voluntary Sterilization (2 years), Training (2 years), and Urban Social Marketing (2 years). The majority of short-term technical assistance would be for local PVOs to provide assistance in implementing the voluntary sterilization activities and in training private medical and paramedical personnel.

3.2.3. Changes in other Project Activities

3.2.3.1. Expansion of Village Family Planning

The Village Family Planning project is currently active in 13 provinces and is one of the six components of the current USAID project assistance to BKKBN. It has been a part of the USAID assistance to BKKBN for over 18 years and has met with success. As part of this amendment, there are no plans to add additional funds to Project 327 for this activity. However, since there are funds that have not yet been committed under this component and some rupiah savings from devaluation, BKKBN will utilize these funds for supporting in the rural areas several new ideas that have been derived from the success of the Urban Family Planning Project or for other activities that lead towards improved performance and the private sector initiative planned for FY 89. This is in response to the recommendations of the recently completed evaluation (see Annex 9.6).

It is planned that certain provinces, even some that are not in the original village family planning project areas, may be ready to introduce in the rural areas several new innovations that would begin the private sector development process on a small scale or utilize other ideas that

have been shown to be acceptable in the urban areas, such as community-based contraceptive commodity distribution, door-to-door communication programs, professionally supported communication campaigns, and clinic management upgradation. This effort will be supported by host country long term and international technical assistance and short term technical training for BKKBN staff.

Placement of paramedics in the villages outside of health centers to provide FP services has been requested by BKKBN as an item for USAID support. USAID agrees to support these contract employees for one year, providing BKKBN has an indication that it can hire them as regular employees the following year. The main idea behind this approach is to identify provinces and/or districts that have rural areas with high contraceptive prevalence and the people are ready for new, innovative approaches and more private sector involvement. In this way BKKBN could introduce the private sector delivery approach and other new approaches to the people in several selected rural areas and begin to gauge the acceptance of these ideas in the rural areas. This activity could also act as a bridge between the current conventional projects in the rural areas and the more unconventional programs planned for the future. Additional innovations would be private sector development of leaflets and bulletin boards with specific method information for BKKBN and MOH field staff and service delivery points and the retraining for PosYandu and KB Mandiri of all BKKBN group leaders.

This component will be implemented by the Planning and Operations Divisions. These Divisions will identify rural areas which might have potential for this activity, and they will develop a project budget in cooperation with the rural areas under consideration. Project budgets and written proposals will be submitted to USAID for review and concurrence prior to project implementation.

3.2.3.2. Modern Management Technology

Utilizing available funds and some of the devaluation savings, BKKBN and USAID will develop a pilot computerization province which will tie simple computers at the Kabupaten offices to the BKKBN Provincial Office. The provincial office will need sufficient computers and qualified staff to assist in this effort.

3.2.3.3. Research and Development

Savings from the rupiah devaluation will partially fund an additional two years of international technical assistance.

IV. Administrative Analysis

BKKBN will continue to coordinate the major components of the project. However, a number of implementing units now have specific roles to play in some of the project components.

In the voluntary sterilization component, a steering committee has been established which includes the Ministry of Health, the Armed Forces Medical Units, BKKBN (Chairman) and PKMI (Secretary). This steering committee provides policy guidance to the various units implementing the activity. The steering committee will approve the plan for development of a national supervisory and monitoring system for voluntary sterilization service sites in the private and public sectors. This will eventually include some kind of licensing system. It will also assist in the selection of sites for improvement. The Secretariate of the committee, the Indonesian Association for Secure Contraception, PKMI, will provide technical assistance to the activity and implement the supervision and monitoring system.

The Urban activity will be heavily dependent on the BKKBN urban program committee, which includes the Bureau of Information and Education, the Bureau of Contraceptive Services, the Logistics Bureau and the Bureau of Integrated Services. It will eventually incorporate the policy committee of the IKB-SOMARK contraceptive social marketing activity. The latter will determine the relationship of AID inputs into the social marketing program with the ongoing operation. This committee includes BKKBN, The Futures Group, P.T. Mecosin pharmaceutical company and USAID (as an observer). It will assist in establishing the wholesale of contraceptives from the distributor and private sector family planning organizations.

The remainder of the administrative arrangements are as stated in the original project paper.

V. Cost Estimate and Financial Plan

5.1. USAID Costs

The FPD&S-II amendment adds \$6 million (\$4 million grant and \$2 million loan) funds and extends the PACD for 3 years up to December 31, 1992. This brings the total cost of the project to \$29.4 million in AID funding (Table 5). Project funds available as carryover for Project Disbursement Schedule during the period through the end of the project are estimated at \$12.280 million (Table 6).

Grant funds will mostly be used for the Voluntary Sterilization and Urban components and all technical assistance. Loan funds will be used for training and local costs of components.

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Table 5: Estimated Budget (US Dollars)

<u>Item</u>	<u>Existing Budget</u>	<u>Proposed Additional</u>	<u>Total:</u>
1. Village Family Planning	6,054,000	-	6,054,000
2. Urban Family Planning	3,850,000	1,000,000	4,850,000
3. Voluntary Sterilization	3,582,000	3,300,000	6,882,000
4. Training	6,495,000	1,700,000	8,195,000
5. Modern Management Technology	1,369,000	-	1,369,000
6. Research and Development	1,900,000	-	1,900,000
Total:	23,400,000*	6,000,000	29,400,000

*Note: Carry over consists of approximately \$12,280,000. Most project elements will be completed by 1990 with the long term training activity carrying over beyond that period.

5.2. GOI Costs

The GOI will continue to provide over \$10.00 million per year to subject activities. GOI funds pick up the operations (including staff, contraceptives and supervision) costs of the Village Family Planning, Urban Family Planning and Voluntary Sterilization activities. In the Training activity, the cost of international air fare, salaries and family allowances for participants and staff costs, telephoning, postage, photocopying, telexes and production of orientation handbook are provided by the GOI. In the Modern Management Technology component, the cost of computer maintenance and supplies and the Computer Center staff are financed by the GOI. Research facilities, staff and some study costs are covered by the GOI budget.

5.3. Audit Procedures

All assistance financed by AID is subject to audit. In order to minimize vulnerability, the Mission Controller will conduct periodic examination of records, and as part of its voucher examination program, will review GOI accounting procedures and documentation relating to their direct procurement financed under the project. Project funding is also available for audit of AID direct as well as host country contracts, should they be employed, following guidelines from the USAID Inspector General's Office. This audit coverage will be performed by auditors through local representatives of U.S. certified public accountant firms, the selection of which will be made by AID/Washington with assistance from the Regional Inspector General - Audit Division. These services will be procured by AID direct contract following direct contracting procurement procedures.

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Table 6: Disbursement Schedule (\$000)

<u>Item</u>	Unexpended Obligation 3/31	Amend- ment #2 Funds	Total Avail.	2nd Half*/ of		FY 88	FY 89	FY 90	FY 91
				FY 87	FY 88	FY 89	FY 90	FY 91	
1. Village Family Planning	2,161	-	2,161	1,661	900	-	-	-	
2. Urban Family Planning	3,132	1,000	4,132	732	2,500	900	-	-	
3. Voluntary Sterilization	1,783	3,300	5,083	2,137	1,400	800	746	-	
4. Training	3,199	1,700	4,899	1,629	2,040	515	515	200	
5. Modern Management Tech.	918	-	918	668	250	-	-	-	
6. Research and Development	1,095	-	1,095	560	350	185	-	-	
Total:	12,280	6,000	18,288	6,987	7,440	2,400	1,261	200	

*/Note: With funds from Project 497-0270 exhausted and implementation modes in place for these activities, the expenditures in this project during the first half year reached Dols. 5.1 million. USAID expects continued heavy expenditures with commodity arrivals and local costs during remainder of the year.

VI. Implementation Plan

6.1. Contracting for Technical Assistance, Local Cost Implementation, and Purchase of Commodities

Technical Assistance will be required in each of the three components and USAID would expect to extend current task orders under AID/W agreements with the Association of Voluntary Surgical Contraception, SOMARC, and the Academy for Education Development, to continue to assist with project implementation. If BKKBN or USAID are able to identify appropriate candidates for technical assistance, then Host Country contracts would also be used. Social marketing and private sector family planning services technical assistance are already being advertized and anticipate start-up in June 1987. In addition efforts will continue to involve Gray Amendment organizations, such as ISTI, in technical assistance in the maximum extent practicable.

In the case of local costs, USAID will continue to use the Project Implementation Letter (PIL) system described in the Project Paper. However, with the use of large umbrella PILs, the reimbursements for expenditures will be made monthly instead of quarterly. This will provide BKKBN and its units with a smoother flow of funds.

USAID has utilized purchasing agents in the U.S. as well as host government purchasing for commodities required under this project. These modes will continue to be used for the funds added in the amendment. Medical equipment will be ordered through AVSC and can be incorporated into their current shipping schedule which runs through 1988. Additional computer equipment would be purchased through GSA during 1987. If possible for the equipment included of a Grey Amendment PSA will be considered. In executing the Project Paper Amendment, the Mission Director certifies that the use of Grey Amendment entities to implement the Amendment has been considered to the maximum practicable extent.

6.2 Implementation Schedule

Most of the activities in this amendment and those in the original project will be completed in FY 88 and FY 89 well within the original project PACD. See the planned disbursement schedule (Table 6). However, because two more groups of long-term academic trainees will be sent out in FY 88 and FY 89, it was necessary to extend the PACD until December 1992.

VII. Conditions and Covenants

7.1. This amendment will modify the "Articles 4 and 5, Conditions Precedent to Disbursement" found in the Grant and Loan Agreements respectively, in the following ways:

Section 4.2. (Grant) Conditions Precedent to Disbursement for Village Family Planning and Voluntary Sterilization Activities, and Section 4.4 (Grant) Conditions Precedent to Disbursement for Research and Development will be abolished. Instead the GOI will be required to submit appropriate annual plans for USAID approval in Project Implementation Letters.

Section 5.2. (Loan) Conditions Precedent to Disbursement for Village and Urban Family Planning will be abolished. Instead the GOI will be required to submit Annual Plans or Bi-annual Plans for USAID approval in Project Implementation Letters.

The following new Conditions Precedent will be incorporated in the Grant Agreement.

Section 4.2. Conditions Precedent to Disbursements of the Contingency funds under the Voluntary Sterilization line item: GOI will submit, in a form acceptable to AID, a plan for use of those funds in meeting needs determined by new needs assessment to be held in mid-1987.

Section 4.4. Condition Precedent to Disbursement of the Medical Supervision and Surveillance System for the Voluntary Sterilization Services: GOI will submit, in a form acceptable to AID, a plan for setting up this system in Indonesia.

Section 4.7. Conditions Precedent to Disbursements under the Urban line item of the Amendment: GOI will submit to AID an acceptable plan for the extension of the contraceptive social marketing activity to other private sector outlets and with other types of contraceptives and an appropriate system of policy control and management operations.

7.2. The following new covenant is added:

Training Covenant

Six months prior to the return of each long term overseas training participant from BKKBN staff, GOI will develop and implement a placement plan for that participant so that he/she may assume duties upon arrival. For participants from other implementing units, GOI will require the respective agency to identify the returnees proposed position and notify BKKBN six months prior to participant's return.

VIII. Monitoring and Evaluation Plans

8.1. Evaluation

Three types of evaluation will be conducted: measurement of achievement of project goals; assessment of achievement of the project subcomponents; and review of the project as a whole. Routine service statistics and independent surveys will be utilized to measure achievement of project goals. Independent external team assessments will be used for the components and overall project review.

Achievement of project goals, i.e., 58 percent prevalence of all types of legal contraceptive methods by March 1987, and 69 percent prevalence by December 1992, will be measured using the BKKBN's service statistics systems and through independent contraceptive prevalence surveys. The BKKBN service statistics system provides monthly information on new and current users of contraceptive methods at national, provincial, regency, and sub-district levels. Using the BKKBN's estimate of eligible couples, estimates of corresponding contraceptive prevalence rates for each administrative level are derived. An independent nationwide contraceptive prevalence survey will be fielded in July 1987. Results from this survey will measure achievement of the project's March 1987 prevalence goal. Subsequently, contraceptive prevalence surveys in 1990 and 1993 will be funded from the research component of this project and the new private sector Family Planning project, respectively. The latter will provide an independent measure of achievement of the December 1992 contraceptive prevalence goal.

External assessments of each of the project components as required in the Project Agreement are scheduled as follows:

Training	June - December 1986 (Completed: see summary of Findings and Recommendations in Annex 9.5)
Village Family Planning	January - March 1987 (Completed: See Annex 9.5)
Research	October - December 1987
Modern Management Technology	January - March 1988
Voluntary Sterilization	April - June 1988
Urban	September - December 1988

The overall project review will be scheduled when most of the components have utilized their funding; it is currently envisaged for June-August 1990.

8.2. Monitoring

USAID inputs are monitored by the Chief, Office of Population and Health, two U.S. direct hire population development officers and one Indonesian direct hire population professional. In addition, for day to day monitoring of implementation at the BKKBN, USAID has contracted through direct, host country and institutional contracting mechanisms long-term technical advisors for each of the components. As the voluntary sterilization and urban components are becoming exceedingly more complex and time consuming, additional advisors will be hired for the urban component so that the current advisor who handles both the urban and voluntary sterilization components can devote full time to monitoring the VS program activities.

Tools used for monitoring include regular meetings with counterpart staff of the BKKBN and other agencies, consultant reports, finance and activity reports on each PIL, periodic site visits, and trip Reports.

IX. Annexes

- 9.1. USAID PID Cable
- 9.2. AID/W Approval Cable of Project Amendment
- 9.3. Borrower's Request for Assistance
- 9.4. Statutory Checklist
- 9.5. Summary of Findings and Recommendations of Comprehensive Training Assessment
- 9.6. Summary of Findings and Recommendations of Village Family Planning Evaluation.
- 9.7. Initial Environmental Assessment.

Best Available Document

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- STAFF WILL BE FIELDED IN MID-1987 TO VALIDATE THIS OBJECTIVE.) THE PROPOSED AMENDMENT AIMS TO INCREASE THE PROPOSED PREVALENCE OF LEGAL CONTRACEPTIVE METHODS USED TO 68 PERCENT BY MARCH 1989 (IN ACCORDANCE WITH INDONESIA'S FOURTH FIVE YEAR PLAN) AND 80 PERCENT BY DECEMBER 1992. THIS WILL BE DONE BY IMPROVING VOLUNTARY STERILIZATION SERVICES, EXPANDING THE URBAN CONTRACEPTIVE SOCIAL MARKETING PROGRAM AND IMPROVING BAKEM AND IMPLEMENTING AGENCY STAFF THROUGH LONG-TERM AND SHORT-TERM TRAINING ABROAD AND IN-COUNTRY.

- 3. PROJECT STATUS: THE PROJECT WAS AUTHORIZED IN MAY 1983 TO PROVIDE US DOLLARS 12 MILLION LOAN AND US DOLLARS 7.6 MILLION GRANT. IT WAS AMENDED IN JULY 1983 TO PROVIDE AN ADDITIONAL US DOLLARS 8.9 MILLION LOAN TO FURTHER STRENGTHEN AND EXPAND INDONESIA'S FAMILY PLANNING PROGRAM.

- - THE PRESENT PROJECT HAS SIX COMPONENTS: VILLAGE FAMILY PLANNING, URBAN FAMILY PLANNING, VOLUNTARY STERILIZATION, TRAINING, WOMEN MANAGEMENT TECHNOLOGY, AND RESEARCH AND DEVELOPMENT. THREE OF THESE, URBAN FAMILY PLANNING, VOLUNTARY STERILIZATION AND TRAINING WILL BE PROVIDED ADDITIONAL SUPPORT UNDER THE AMENDMENT. THESE COMPONENTS HAVE BEEN CHOSEN GIVEN THE RECENT SHIFT IN CONTRACEPTIVE USAGE TO LONGER TERM PROTECTION. THE LATEST MONTHLY BAKEM REPORT (JUNE 86) SHOWS A 55 PERCENT PREVALENCE RATE WITH A SHIFT TOWARDS NEW PROGRAM METHODS. OVER 700,000 VOLUNTARY STERILIZATION (3 PERCENT PREVALENCE), 2,426,446 INJECTABLE (10 PERCENT) AND 45,623 NON-PLANT IMPLANT (.34 PERCENT) ACCEPTORS ARE RECORDED. THE NEW PROGRAM METHODS, AS WELL AS THE IUD (CURRENTLY 4,139,322 USERS, 27 PERCENT), PROVIDE LONGER TERM PROTECTION, BUT REQUIRE ADDITIONAL STAFF TRAINING TO BE EFFECTIVELY UTILIZED. THIS SHIFT FROM ORAL CONTRACEPTIVE PILLS TO LONGER TERM CONTRACEPTIVE METHODS, OF WHICH A PORTION OF THE COSTS, PARTICULARLY IN URBAN AREAS, IS OFTEN BORNE BY THE ACCEPTOR, WILL REDUCE THE ANNUAL COST OF CONTRACEPTIVE SUPPLIES IN BAKEM'S BUDGET (CURRENTLY ABOUT DOLS. 28 MILLION). CONSIDERING THE CURRENT REDUCTION IN GOI REVENUES THE ABOVE TREND IS TIMELY.

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- TO DATE, FPDS II IMPLEMENTATION HAS MOVED SLOWLY, BUT CAREFULLY BECAUSE IN MOST INSTANCES THE SIX ACTIVITIES WERE CUTTING NEW GROUND. THE EXCEPTION TO THIS, THE VILLAGE FAMILY PLANNING ACTIVITY, IS 92 PERCENT COMMITTED. USAID PLANS AN EVALUATION OF THIS ACTIVITY IN THE FIRST QUARTER OF FY87, TO REVIEW THE NATIONAL EXPANSION OF THIS ACTIVITY OVER THE LAST 16 YEARS. THE FINAL PHASE OF AID SUPPORT HAS BEEN AIMED AT IMPROVING COVERAGE IN 104 PERFORMANCE VILLAGES IN 16 SELECTED DEMOGRAPHICALLY IMPORTANT PROVINCES. WITH REPORTED ASSISTANCE OF FAMILY PLANNING AT 81 PERCENT AVERAGE FOR THESE PROVINCES, THE ACTIVITY HAS BEEN QUITE SUCCESSFUL.

- IN THE MODERN MANAGEMENT TECHNOLOGY COMPONENT, USAID'S INITIAL PHASE HAS PROVIDED TECHNICAL ASSISTANCE AND COMPUTERS AND SOFTWARE TO EXPAND THE MANAGEMENT INFORMATION SYSTEM. THE FUNDS PRESENTLY AVAILABLE SHOULD BE FULLY COMMITTED BY 1ST QUARTER 1987 WITH US/IDM APPROVAL OF THE FINAL PHASE OF COMPUTER PURCHASE.

- PROGRESS IN THE RESEARCH COMPONENT WAS INITIALLY SLOW IN TERMS OF IDENTIFYING AND FUNDING NEEDED RESEARCH. HOWEVER, A NUMBER OF INSTITUTIONAL DEVELOPMENT ACTIVITIES HAVE BEEN CONDUCTED, INCLUDING HIRING OF LOCAL AND INTERNATIONAL TA, WORKSHOPS, STAFF TRAINING, AND DEVELOPMENT OF STANDARD OPERATING PROCEDURES TO MANAGE RESEARCH. SIX NEW STUDIES WERE FUNDED IN FY85/86 AND 10 MORE ARE PLANNED FOR THIS FY. PLANNING HAS BEGUN FOR THE MAJOR NATIONWIDE FERTILITY SURVEY TO BE IMPLEMENTED DURING CY1987 WITH AID/W ST/POP DEMOGRAPHIC AND HEALTH SURVEY PROJECT (DHS) TECHNICAL ASSISTANCE. WITH THE NEW RESEARCH MANAGEMENT SYSTEMS IN PLACE, USAID EXPECTS THE NUMBER OF RESEARCH PROJECTS AND ANCILLARY ACTIVITIES TO INCREASE SUBSTANTIALLY SO THAT ALL FUNDS WILL BE COMMITTED BY EARLY FY 1989. IF PROGRESS DOES NOT PROCEED AS ANTICIPATED, THESE LIMITED GRANT FUNDS WILL BE REPROGRAMMED TO THE VOLUNTARY STERILIZATION (V.S.) OR CONTRACEPTIVE SOCIAL MARKETING (CSM) COMPONENT AS NEEDED.

- THE IMPLEMENTATION OF THE IMPROVEMENT OF VOLUNTARY STERILIZATION SERVICES ACTIVITY IN THE 13 PROVINCES HAS PROCEEDED WELL. A NEEDS ASSESSMENT CONDUCTED BY THE INDOONESIAN ASSOCIATION OF SECURE CONTRACEPTION (PAMI) IDENTIFIED 249 TYPE C KABUPATEN (SIMILAR TO COUNTIES IN THE U.S.) HOSPITALS AND 298 HEALTH CENTERS TO BE UPGRADED FOR FULL VOLUNTARY STERILIZATION (FORMER) AND VASECTOMY ONLY (LATTER) SERVICES. SOME OF THESE SITES HAD RECEIVED PARTIAL ASSISTANCE IN THE PAST, BUT LACKED APPROPRIATE FACILITIES, TRAINED PERSONNEL OR MEDICAL EQUIPMENT. EQUIPMENT HAS BEEN ORDERED, MEDICAL TRAINING OF OVER 1200 MEDICAL PERSONNEL STARTED AND RENOVATION OF FACILITIES AND LOCAL EQUIPMENT PURCHASES BY KABUPATEN GOVERNMENTS ORGANIZED. A NATIONAL STEERING COMMITTEE FOR ACTIVITY IMPLEMENTATION HAS BEEN ESTABLISHED TO INCLUDE ALL IMPLEMENTING UNITS. FUNDS ARE NOT ADEQUATE TO COMPLETE ALL THE TASKS REVEALED BY THE NEEDS ASSESSMENT FOR THE UPGRADEING OF THESE VOLUNTARY STERILIZATION SERVICE SITES.

- THE URBAN ACTIVITY HAS DEVELOPED A PROGRAM OF OPERATIONAL RESEARCH, IMPROVEMENT OF IECG FOR URBAN AUDIENCES, GRANTS TO PROVINCIAL URBAN OFFICES COVERING THE ELEVEN LARGEST CITIES FOR INNOVATIVE ACTIVITIES AND CONTINUATION OF A LARGE BKAEN/AID ACTIVITY FOR TESTING PILOT URBAN FAMILY PLANNING FEE FOR SERVICE (SELF SUPPORTING) CLINICS AND A MIDWIFE CONTRACEPTIVE SALES PROGRAM. THESE ACTIVITIES WILL RECEIVE THE REMAINDER OF THE FUNDS CURRENTLY AVAILABLE. NEW EMPLOYEES ARE PROVIDED UNDER THIS AGREEMENT TO DETERMINE: 1) THE RELATIONSHIP WITH THE MEDICAL, PARAMEDICAL, AND PRIVATE SECTOR AGENCIES' CONTRACEPTIVE SALES PROGRAM AND THE CONTRACEPTIVE HEALTH CARE COST PROJECT, AND 2) HOW TO ESTABLISH URBAN THE MIX OF CONTRACEPTIVES SOLD AND THE NUMBER OF SERVICE SITES.

- THE TRAINING COMPONENT HAS CONTINUED ITS NOTIFICATION PROGRAMS STARTED UNDER PDS I. THE BKAEN HAS BEEN ABLE TO MANAGE HIS OWN OVERSEAS TRAINING PROGRAM FOR BOTH HIS STATE AND STATE OF FACILITIES OF PUBLIC HEALTH, OTHER IMPLEMENTING AGENCIES, AND DEMOGRAPHIC INSTITUTES. A TOTAL OF 48 DEGREE CANDIDATES WERE SENT ABROAD IN 1986 AND 40 THIS YEAR. IN 1987, UTILIZING THE MANAGEMENT SYSTEMS DEVELOPED UNDER THIS PROJECT, BKAEN WILL MANAGE

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THE OVERSEAS TRAINING FOR 20 BRAN STAFF FUNDED UNDER THIS PROJECT, 20 FACULTY OF PUBLIC HEALTH STAFF FUNDED UNDER ANOTHER AID PROJECT (497-8327), AND 22 TRAINERS FROM PROVINCIAL TRAINING CENTERS FUNDED BY THE WORLD BANK. BASED ON A NEEDS ASSESSMENT CONDUCTED IN JULY 1982, THE PARTICIPANTS' AREAS OF STUDY HAVE CONCENTRATED IN THE FOLLOWING SIX AREAS: MANAGEMENT AND ADMINISTRATION; POPULATION SCIENCES; PUBLIC HEALTH; SOCIAL SCIENCES; EDUCATION; AND COMMUNICATIONS. IN-COUNTRY LONG TERM TRAINING FOR 89 PERSONS HAS INCLUDED A VARIETY OF HEALTH AND SOCIAL SCIENCE FIELDS. SHORT-TERM OVERSEAS TRAINING HAS BEEN PROVIDED THROUGH THE EFFORTS OF THE NEW GOV. GOVERNMENT. THIS SHORT TERM TRAINING MUST BE A MINIMUM OF THREE MONTHS DURATION FOR THE USE OF LOAN FUNDS. A MAJOR RESEARCH AND REPORT WAS JUST COMPLETED TO FUND A VARIETY OF IN-COUNTRY TRAINING ACTIVITIES SUCH AS LONG AND SHORT TERM STAFF TRAINING, DISTANCE LEARNING PACKAGES FOR FIELDWORKERS AND IMPROVEMENTS IN THE MANPOWER DEVELOPMENT SYSTEM. COMMENCING IN AUGUST 1983, TA FROM THE ACADEMY FOR INTERNATIONAL DEVELOPMENT WILL ASSIST THE BRAN IN ITS DEVELOPMENT OF IN-COUNTRY TRAINING ACTIVITIES, AS WELL AS MONITOR THE IMPLEMENTATION OF THE BRAN OVERSEAS PARTICIPANT TRAINING SYSTEM. THE BRAN HAS REQUESTED ADDITIONAL USAID ASSISTANCE TO EXTEND LONG OVERSEAS AND LONG AND SHORT-TERM IN-COUNTRY TRAINING. A COMPREHENSIVE TRAINING ASSESSMENT IS BEING UNDERTAKEN NOW TO PROVIDE 1) INSIGHTS ON HOW TO IMPROVE THE CURRENT SYSTEMS AND 2) GUIDANCE FOR USAID AND OTHER DONORS FOR FUTURE FINANCING IN THESE AREAS. THIS ASSESSMENT SHOULD BE COMPLETED BY THE END OF SEPTEMBER.

4. PROJECT AMENDMENT COMPONENTS:

- THIS PROJECT AND THE AMENDMENT WILL CONTINUE TO ASSIST THE PREVIOUSLY MENTIONED NATIONAL TREND TOWARD LONG ACTING CONTRACEPTIVE METHODS BY 1) UPGRADING VOLUNTARY STERILIZATION CENTERS (SEE 4A); 2) CAPITALIZING ON THE GROWING TREND, PARTICULARLY IN URBAN CENTERS, OF FAMILY PLANNING SERVICES BEING PROVIDED BY THE PRIVATE SECTOR (4B), AND 3) CONTINUING TO ASSIST THE IMPROVEMENT OF THE ADMINISTRATION AND PERFORMANCE OF THE FAMILY PLANNING IMPLEMENTING UNITS BY PROVIDING BOTH LONG-TERM ACADEMIC AND SHORT-TERM TECHNICAL TRAINING IN INDONESIA AND LONG TERM ABROAD (4C).

- A. THE NEED TO IMPROVE THE QUALITY OF VOLUNTARY STERILIZATION SERVICES WAS REVEALED BY A NEEDS ASSESSMENT SURVEY OF THE 13 PRIORITY PROVINCES IN THE ORIGINAL PROJECT DESIGN. THIS AMENDMENT PROVIDES ADDITIONAL FUNDS FOR THE MEDICAL TRAINING OF 120 MEDICAL TEAMS, 20% COUNSELORS AND PROVIDES ADDITIONAL LOCAL AND INTERNATIONAL TA FUNDING REQUIRED TO COMPLETE THE EFFORTS UNDERWAY TO UPGRADE 300 HOSPITALS AND HEALTH CENTERS IDENTIFIED AS REQUIRING IMPROVEMENT IN THAT SURVEY. THE MEDICAL TEAMS CONSIST OF A DOCTOR AND TWO MEDICANTS WHO WORK TOGETHER HOW TO HANDLE EMERGENCY SITUATIONS WHICH ARISE DURING SURGERY. IN THE PAST, ONLY DOCTORS RECEIVED

TRAINING. A PILOT SUPERVISION AND MONITORING SYSTEM
 BEING SUPPORTED IN 4 PROVINCES BY AID NGO'S WILL BE
 EXPANDED THROUGH A BIASN/MOH AGREEMENT WITH PAMI BY
 STAGES TO AREAS IN INDONESIA WITH PAMI PROVINCIAL
 CHAPTERS. THIS SYSTEM WILL CERTIFY EACH SITE PROVIDING
 VS SERVICES AND MONITOR THE SIGNING OF INFORMED CONSENT
 FORMS BY PATIENTS AS WELL AS FOLLOW UP ON THE CAUSES OF
 MORBIDITY OR MORTALITY. A SECOND NEEDS ASSESSMENT WILL
 BE TAKEN IN THE THIRD QUARTER OF 87-87 IN THE REMAINING
 14 PROVINCES TO DETERMINE NEEDS FOR MEDICAL TRAINING,
 MEDICAL EQUIPMENT AND LOCAL EQUIPMENT. USAID IS SETTING
 ASIDE A CONTINGENCY FUND FOR PRIORITY REQUIREMENTS THAT
 WERE FOUND AS A RESULT OF THIS NEW SURVEY. TECHNICAL
 ASSISTANCE WILL CONTINUE TO BE PROVIDED FROM AVSC. COSTS
 FOR THIS REPORT WILL INCLUDE DOLS.100,000 LOCAL
 EQUIPMENT, DOLS.100,000 MEDICAL EQUIPMENT, DOLS.1,200,000
 MEDICAL SUPERVISION, DOLS.600,000 TRAINING FOR COUNSELORS
 AND MEDICAL PERSONNEL, DOLS.450,000 LOCAL AND
 INTERNATIONAL TECHNICAL ASSISTANCE, AND DOLS.250,000
 CONTINGENCY FOR 14 PROVINCE NEEDS ASSESSMENT
 REQUIREMENTS. TOTAL U.S. DOLS.3,300,000.

3. EXPANSION OF URBAN CONTRACEPTIVE SOCIAL
 MARKETING SERVICES. USAID AND BAKEM HAD PREVIOUSLY
 ESTIMATED THAT 94 PERCENT OF FP SERVICES WERE PROVIDED BY
 THE PUBLIC SECTOR. A RECENT SURVEY IN ONE LARGE CITY
 GAVE CONFLICTING RESULTS SHOWING 25 PERCENT OF FAMILY

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PLANNING SERVICES WERE PROVIDED BY THE PRIVATE SECTOR. THIS AMENDMENT WILL SUPPORT THE PRIVATE SECTOR BY EXTENDING THE URBAN SOCIAL MARKETING COMPONENT. USAID CONSIDERS THIS ACTIVITY TO BE A BRIDGE BETWEEN PROJECT 327 AND THE NEW PRIVATE SECTOR FAMILY PLANNING PROJECT SCHEDULED FOR FY88 OBLIGATION. PLANS ARE TO RECRUIT CONTRACTIVES TO THE INDONESIAN MEDICAL ASSOCIATION, THE INDONESIA MIDWIVES ASSOCIATION AND THE PRIVATE HOSPITALS AND CLINICS NETWORKS AND MAKE THE PUBLIC AWARE OF THIS EXPANDED RESOURCE BASE. THE AMENDMENT WOULD BUILD ON THE CURRENT SOCIAL MARKETING FRAMEWORK, ESTABLISHED WITH ST/POP SOMEONE PROJECT ASSISTANCE, WHICH WAS STARTED BY MARKETING CONDOOMS THROUGH COMMERCIAL OUTLETS. THE NEXT STEP, TO ADD OTHER CONTRACEPTIVES, WILL BE UNDERTAKEN WITH FUNDS FROM THE SAME ST/POP PROJECT. USAID WILL PROVIDE ADDITIONAL FUNDING IN SUPPORT OF THE SOMEONE ACTIVITY AS WELL AS ADVERTISING OTHER PRIVATE SECTOR OUTLETS SUCH AS THOSE INDICATED ABOVE. THE COST OF THE ACTIVITY WOULD INCLUDE: ADVERTISING DOLS.500,000, LOCAL TRAINING AND ADMINISTRATION COSTS DOLS.100,000, LOCAL AND INTERNATIONAL TECHNICAL ASSISTANCE DOLS.300,000. TOTAL US DOLS.1,800,000.

C. CONTINUATION OF THE BKBN TRAINING AND INSTITUTIONAL DEVELOPMENT ACTIVITY. AS DESCRIBED IN PARAGRAPH 3, AN OVERSEAS PARTICIPANT TRAINING MANAGEMENT SYSTEM HAS BEEN ESTABLISHED WITHIN THE BKBN WHICH HAS SUCCESSFULLY RECRUITED, SELECTED, TRAINED IN ENGLISH, PLACED, AND, SINCE 1983, SENT OVER 142 PARTICIPANTS TO THE UNITED STATES, 110 FROM BKBN STAFF AND ITS IMPLEMENTING UNITS. AS THE NUMBER OF REMAINING STAFF WITH SUFFICIENT PRIOR ACADEMIC PREPARATION AND ENGLISH SKILLS IS DIMINISHING, USAID AND BKBN PLAN TO PHASE DOWN THE NUMBER OF BKBN PARTICIPANTS SUPPORTED BY USAID FUNDS FROM AN AVERAGE OF 27 PER YEAR IN 1985-86 TO 20 IN 1987, TO 15 IN 1988 AND 10 IN 1989. FUNDS FOR 1988, 1989 MASTER DEGREE PARTICIPANTS WILL BE REQUESTED IN THE AMENDMENT. (NOTE: UTILIZING THE TRAINING MANAGEMENT SYSTEM, BKBN WILL ALSO MANAGE THE TRAINING OF SCHOOL OF PUBLIC HEALTH PARTICIPANTS AND TRAINERS OF THE BKBN TRAINING CENTERS, UTILIZING FUNDS FROM OTHER USAID AND WORLD BANK SOURCES.) THE SIX AREAS DESCRIBED IN PARAGRAPH 3 ABOVE REMAIN BKBN'S PRIORITY FIELDS OF CONCENTRATION, BUT USAID WILL ENCOURAGE BKBN TO FOCUS MORE ON MANAGEMENT AND ADMINISTRATION AND OTHER AREAS IDENTIFIED IN THE ON-GOING TRAINING ASSESSMENT. SOME GRANT FUNDS WILL BE USED FOR A LIMITED NUMBER OF INVITATIONAL TRAVEL OPPORTUNITIES. GREATER ATTENTION WILL BE FOCUSED ON INCREASING THE RELEVANCE OF IN-COUNTRY TRAINING. A FEASIBILITY STUDY CURRENTLY UNDER DEVELOPMENT WILL EXAMINE DEGREE PROGRAMS AT ALL INDONESIAN UNIVERSITIES WHICH COULD BE OF RELEVANCE TO BKBN STAFF. IN ADDITION TO LONG TERM ACADEMIC TRAINING, FUNDS IN THE AMENDMENT PERIOD WILL BE UTILIZED FOR TECHNICAL TRAINING MORE DIRECTLY RELEVANT TO FAMILY PLANNING. THIS INCLUDES DISTANCE LEARNING FOR FAMILY PLANNING FIELDWORKERS, UPGRADING TRAINING FOR BAZZ FOR

MIDWIVES IN UTILIZING NEW TYPES OF CONTRACEPTIVES,
 PATIENT COUNSELING AND REFERRAL FOR VOLUNTARY
 STERILIZATION, AND SPECIAL TRAINING FOR 502 VILLAGE
 FAMILY PLANNING FIELDWORKERS FOR MALE VASECTOMY EDUCATION
 AND COUNSELING. COST WOULD INCLUDE: LONG-TERM
 INTERNATIONAL TRAINING DOLS. 700,000; IN-COUNTRY DEGREE
 TRAINING DOLS. 200,000; SHORT-TERM DISTANCE LEARNING
 DOLS. 200,000; MIDWIVES UPGRADING DOLS. 200,000; VILLAGE
 FAMILY PLANNING FIELD WORKERS VASECTOMY COUNSELING
 DOLS. 50,000; AND INTERNATIONAL TECHNICAL ASSISTANCE AND
 INVITATIONAL TRAVEL DOLS. 300,000. TOTAL US
 DOLS. 1,720,000.

D. TECHNICAL ASSISTANCE WILL BE REQUIRED IN EACH OF
 THE 3 COMPONENTS AND USAID WOULD EXPECT TO CONTINUE TO
 RELY ON AID/A AGREEMENTS WITH THE ASSOCIATION FOR
 VOLUNTARY SURGICAL CONTRACEPTION, SOMARC, ACADEMY FOR
 FAMILIATION DEVELOPMENT, AND PERHAPS ENTERPRISE PROGRAM TO
 ASSIST WITH PROJECT IMPLEMENTATION. EQUIPMENTS WOULD
 INCLUDE: LONG-TERM TECHNICAL ASSISTANCE IN THE FIELDS OF
 VOLUNTARY STERILIZATION (2 YEARS), TRAINING (2 YEARS),
 AND URBAN COMMERCIAL MARKETING (2 YEARS). THE MAJORITY
 OF SHORT-TERM TA WOULD BE FOR LOCAL PVCS TO PROVIDE
 ASSISTANCE IN IMPLEMENTING THE VOLUNTARY STERILIZATION
 ACTIVITIES AND IN TRAINING PRIVATE MEDICAL AND
 PARAMEDICAL PERSONNEL.

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5. BUDGET SUMMARY:

	GRANT	LOAN
- VCL. STERILIZATION	DOLS. 3,000,000	DOLS. 300,000
- URBAN SOC. MARKETING	DOLS. 700,000	DOLS. 300,000
- TRAINING	DOLS. 300,000	DOLS. 1,400,000
- TOTAL	DOLS. 4,000,000	DOLS. 2,000,000

6. DEVELOPMENT OF THE PROJECT AMENDMENT. THE PRESENT PROJECT DEVELOPMENT COMMITTEE WILL FURTHER DEVELOP THE DETAILED IMPLEMENTATION PLANS FOR THIS AMENDMENT WITH BAKEN AND ISTI TECHNICAL ASSISTANCE IN SEPTEMBER AND OCTOBER PER REQUEST. ONCE THESE DETAILED PLANS ARE COMPLETED, THE PROJECT AMENDMENT WILL BE WRITTEN AND AUTHORIZED BY THE END OF THE FIRST QUARTER OF FY 1987. TECHNICAL ASSISTANCE HAS ALREADY BEEN PROCURED THROUGH FY1986 PDSS FUNDS.

7. ISSUES WHICH THE MISSION WILL ADDRESS DURING PROJECT DESIGN INCLUDE:

- - ESTABLISHING THE FIELDS OF FOCUS FOR TRAINING ACTIVITIES BASED ON THE JUNE-SEPTEMBER ASSESSMENT FINDINGS.
- - DETERMINING THE EXACT MODE OF EXPANSION OF THE SOCIAL MARKETING PROJECT TO INCLUDE A WIDER RANGE OF METHODS AND DELIVERY SYSTEMS.
- - DETERMINING THE RELATIONSHIP OF THE AID/W FUNDED SCMAFC SOCIAL MARKETING EFFORT AND THAT TO BE SUPPORTED BY USAID.
- - REVIEWING ONGOING VOLUNTARY STERILIZATION ACTIVITY WITH AN AIM TO SIMPLIFYING IMPLEMENTATION OF FUTURE COMMITMENTS.

8. MISSION REQUESTS AUTHORITY TO AMEND PP AND TO EXTEND PACE BY 3 YEARS TO TOTAL OF LOP OF 9 YEARS. WOLFOWITZ

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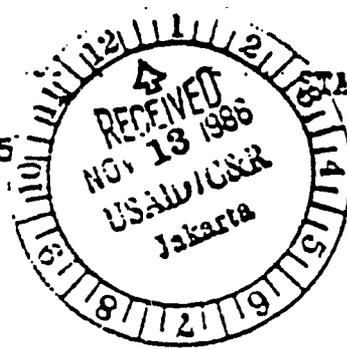
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ANNEX 9.2



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E.O. 12356: N/A
TAGS: N/A
SUBJECT: AMENDMENT TO FAMILY PLANNING DEVELOPMENT AND SERVICES II PROJECT (497-0327)

REF: JAKARTA 17157

1. AA/ANE APPROVES MISSION PROPOSAL TO PROCEED WITH PREPARATION OF PP AMENDMENT OF SUBJECT PROJECT. EXTENSION OF PACD NOT TO EXCEED 3 YEARS ALSO IS AUTHORIZED PROVIDED FINAL IMPLEMENTATION PLAN PREPARED FOR PP AMENDMENT SUPPORTS SUCH AN EXTENSION.

2. PROJECT COMMITTEE REVIEW OF MISSION PROPOSAL PRODUCED UNANIMOUS PRAISE FOR PROJECT ACHIEVEMENTS TO DATE. COMMITTEE WAS ESPECIALLY IMPRESSED BY CONTRACEPTIVE PREVALENCE ACHIEVEMENTS. FOLLOWING ISSUES WERE IDENTIFIED BY COMMITTEE FOR YOUR ATTENTION DURING PREPARATION OF THE PROJECT AMENDMENT.

A. IN VIEW OF AID BUDGET CUTS, MISSION WILL BE FACED WITH DIFFICULT TASK OF PRIORITIZING NEW ACTIVITIES FOR FUNDING. SUBSTANTIAL PIPELINE AND UNCOMMITTED FUNDING DO EXIST FOR FPDS II PROJECT AND YOU WILL NEED TO CONSIDER WHETHER SCARCE NEW FUNDS ARE MOST URGENTLY

NEEDED FOR THIS AMENDMENT OR OTHER PRIORITIES, AS WELL AS MOST APPROPRIATE AMOUNT OF FUNDING NEEDED.

B. RELATED TO A, ABOVE, MISSION WILL NEED TO BE CLEAR ON RELATIONSHIP OF THIS PROPOSED AMENDMENT TO PROPOSED FY 88 PRIVATE SECTOR FAMILY PLANNING PROJECT. PROJECT COMMITTEE STRESSED NEED TO MAXIMIZE COST RECOVERY AND MINIMIZE RECURRENT COST BURDEN ON GOI, PARTICULARLY IN CURRENT AUSTERE FINANCIAL ENVIRONMENT, AND PRIVATE SECTOR INVOLVEMENT IS KEY TO ACHIEVING THESE OBJECTIVES. IN THIS REGARD, MISSION SHOULD TAKE CARE NOT TO ENCOURAGE INCREASED BUDGET ALLOCATIONS TO BKKBN IF VIABLE PRIVATE SECTOR ALTERNATIVES EXIST TO PROVIDE BKKBN SERVICES. ALSO, NEED TO EXTEND PROJECT TO 1992 SHOULD BE CAREFULLY CONSIDERED IN RELATIONSHIP TO EXPECTED COMPONENTS AND OBJECTIVES OF PROPOSED NEW PRIVATE SECTOR PROJECT AND OVERALL STRATEGY FOR FAMILY PLANNING SECTOR.

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C. PROJECT COMMITTEE NOTED EVALUATION WAS DONE FOR FPDS II IN 1985. PP AMENDMENT SHOULD DOCUMENT HOW AMENDMENT CONFORMS TO RECOMMENDATIONS OF THAT EVALUATION.

D. MISSION IS REMINDED THAT ADDITIONAL FUNDS PROPOSED FOR VOLUNTARY STERILIZATION ACTIVITIES MUST BE PROVIDED IN CONSONANCE WITH PD 3. MISSION SHOULD BE AWARE OF POLITICAL SENSITIVITY HERE TO VOLUNTARY STERILIZATION ACTIVITIES INVOLVING THE ESTABLISHMENT OF TARGETS AT THE FIELD WORKER LEVEL.

E. PP AMENDMENT IN THE PROCUREMENT PLAN SHOULD CLEARLY DOCUMENT ANY OPPORTUNITIES FOR SMALL BUSINESS AND MINORITY OR WOMEN OWNED FIRMS. SHULTZ

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REPUBLIC OF INDONESIA
NATIONAL DEVELOPMENT PLANNING AGENCY
JAKARTA, INDONESIA

No.: 1992 /D.1/6/1987

Jakarta, June 9 , 1987

Mr. William P. Fuller
Director
USAID
American Embassy
Jakarta

Re: Family Planning Development and Services II
Project No.497-0327

Dear Mr. Fuller,

On behalf of the Government of Indonesia, we hereby request a loan of \$2.0 million and a grant of \$4.0 million to further the aims of three components of the Family Planning Development and Services II Project. These funds will specifically be used for the BKKBN programs in Urban Family Planning, Training and Voluntary Sterilization. The Government of Indonesia will continue to provide the rupiah equivalent of \$10.0 million per year to the project activities, including Village Family Planning activities.

This new loan amendment would increase the loan portion of the project to \$17,900,000 and the grant amendment will increase the grant portion to \$11,500,000. The life of project activities would be extended to September 1991.

Looking forward to your favorable consideration and thank you for your kind cooperation.

Yours sincerely,



M. Siregar
M. Siregar
Deputy Chairman

5C(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A includes criteria applicable to all projects. Part B applies to projects funded from specific sources only: B(1) applies to all projects funded with Development Assistance; B(2) applies to projects funded from Development Assistance loans; and B(3) applies to projects funded from ESF.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT? Yes. See Annex VIII, Agriculture and Rural Sector Program (497-0357) PAAD. Yes. See 5C(3) of this Annex

A. GENERAL CRITERIA FOR PROJECT

1. FY 1987 Continuing Resolution Sec. 523; FAA Sec. 634A. Describe how authorization and appropriations committees of Senate and House have been or will be notified concerning the project. A CN has been prepared. Obligation will occur following expiration of Congressional notification period without objection.
2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$500,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance, and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? (a) Yes. (b) Yes.
3. FAA Sec. 611(a)(2). If legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance? No further legislative action is required.
4. FAA Sec. 611(b); FY 1987 Continuing Resolution Sec. 501. If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.) N/A.

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project? N/A.
6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. No.
7. FAA Sec. 601(a). Information and conclusions on whether projects will encourage efforts of the country to:
(a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.
(a) N/A.
(b) The Project will help the GOI National Family Planning Coordinating Board (BKKBN) to determine the potential for private sector involvement in family planning.
(c) (d), (e) and (f): N/A.
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise). Project will fund U.S. short and long-term technical specialists, and long-term training in the U.S.
9. FAA Secs. 612(b), 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars. The GOI will continue to provide over \$10 Million per year for family planning activities, mostly for local costs.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? No.

11. FY 1987 Continuing Resolution Sec. 521.
If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? N/A.
12. FY 1987 Continuing Resolution Sec. 558
(as interpreted by conference report).
If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities (a) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (b) in support of research that is intended primarily to benefit U.S. producers? N/A.
13. FY 1987 Continuing Resolution Sec. 559.
Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel? No.

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14. FAA Sec. 118(c). Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (a) stress the importance of conserving and sustainably managing forest resources; (b) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (c) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (d) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (e) help conserve forests which have not yet been degraded, by helping to increase production on lands already cleared or degraded; (f) conserve forested watersheds and rehabilitate those which have been deforested; (g) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (h) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (i) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (j) seek to increase the awareness of

Yes. See Annex 9.7 of PP Amendment II.

N/A.

U.S. government agencies and other donors of the immediate and long-term value of tropical forests; and (k) utilize the resources and abilities of all relevant U.S. government agencies?

15. FAA Sec. 119(q)(4)-(6). Will the assistance (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? N/A.
16. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (either dollars or local currency generated therefrom)? N/A.
17. FY 1987 Continuing Resolution Sec. 532. Is disbursement of the assistance conditioned solely on the basis of the policies of any multilateral institution? No.

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

- a. FAA Secs. 102(b), 111, 113, 281(a). Describe extent to which activity will (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and N/A.

insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

- b. FAA Secs. 103, 103A, 104, 105, 106, 120-21. Does the project fit the criteria for the source of funds (functional account) being used? Yes. Project meets fully the criteria of FAA Secs. 104(b) and (c).
- c. FAA Sec. 107. Is emphasis placed on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? N/A.
- d. FAA Secs. 110, 124(d). Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)? Yes. GOI is funding approximately 79% of total Project costs.
- e. FAA Sec. 128(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? Yes. The beneficiaries are the acceptors and their families who are estimated to number 80,000,000 Indonesians, mostly from the poor majority.

- f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government. The amended Project will will continue to increase the use of all legal types of contraceptive methods.
- g. FY 1987 Continuing Resolution Sec. 540. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? No Project moneys will fund abortion-related or involuntary sterilization activities.
- Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations? No.
- Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning? No.
- h. FY 1987 Continuing Resolution. Is the assistance being made available to any organization or program which has been determined to support or participate in the management of a program of coercive abortion or involuntary sterilization? No.
- If assistance is from the population functional account, are any of the funds to be made available to voluntary family planning projects which do not offer, either directly or through referral to or information about access to, a broad range of family planning methods and services? No.
- i. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.

- j. FY 1987 Continuing Resolution. How much of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)?
- No fixed amount is available only for Grey Amendent entities. However, such entities will be utilized to implement the Project to the maximum practicable extent.
- k. FAA Sec. 118(c)(13). If the assistance will support a program or project significantly affecting tropical forests (including projects involving the planting of exotic plant species), will the program or project (a) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land, and (b) take full account of the environmental impacts of the proposed activities on biological diversity?
- N/A.
- l. FAA Sec. 118(c)(14). Will assistance be used for (a) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; or (b) actions which significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas?
- (ia)..No.
(b) No.
- m. FAA Sec. 118(c)(15). Will assistance be used for (a) activities which would result in the conversion of forest lands to the rearing of livestock; (b) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undegraded forest lands; (c) the colonization of forest lands; or (d) the construction of dams or other water
- (a) No.
(b) No.
(c) No.
(c) No.
(d) No.

control structures which flood relatively undegraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

2. Development Assistance Project Criteria
(Loans Only)

- a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest. Indonesia has an unblemished record of Loan repayments.
- b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest? N/A.
- c. FY 1987 Continuing Resolution. If for a loan to a private sector institution from funds made available to carry out the provisions of FAA Sections 103 through 106, will loan be provided, to the maximum extent practicable, at or near the prevailing interest rate paid on Treasury obligations of similar maturity at the time of obligating such funds? N/A.
- d. FAA Sec. 122(b). Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities? Yes.

3. Economic Support Fund Project Criteria

Not ESF Funded

- a. FAA Sec. 531(a). Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA? N/A.
- b. FAA Sec. 531(e). Will this assistance be used for military or paramilitary purposes? N/A.
- c. ISDCA of 1985 Sec. 207. Will ESF funds be used to finance the construction, operation or maintenance of, or the supplying of fuel for, a nuclear facility? If so, has the President certified that such country is a party to the Treaty on the Non-Proliferation of Nuclear Weapons or the Treaty for the Prohibition of Nuclear Weapons in Latin America (the "Treaty of Tlatelolco"), cooperates fully with the IAEA, and pursues nonproliferation policies consistent with those of the United States? N/A.
- d. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? N/A.

5C(3) - STANDARD ITEM CHECKLIST

Listed below are the statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. PROCUREMENT

1. FAA Sec. 602(a). Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes.
2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him? Yes.
3. FAA Sec. 604(d). If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? Indonesia does not so discriminate against U.S. marine insurers.
4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.) N/A.
5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those N/A.

countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)

6. FAA Sec. 603. Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?
No. Section 901(b) applies.
7. FAA Sec. 621(a). If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?
Yes.
8. International Air Transportation Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?
Yes.
9. FY 1987 Continuing Resolution Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?
All AID direct contracts will so provide.
10. FY 1987 Continuing Resolution Sec. 524. If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?
Yes. Any such expenditures will be so available.

B. CONSTRUCTION

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used? N/A.
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A.
3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP), or does assistance have the express approval of Congress? N/A.

C. OTHER RESTRICTIONS

1. FAA Sec. 122(b). If development loan repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? Yes.
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N/A.
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes.

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4. Will arrangements preclude use of financing:

- a. FAA Sec. 104(f); FY 1987 Continuing Resolution Secs. 525, 540. (1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; or (4) to lobby for abortion? (1) Yes.
(2) Yes.
(3) Yes.
- b. FAA Sec. 483. To make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? Yes.
- c. FAA Sec. 620(g). To compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? Yes.
- d. FAA Sec. 660. To provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes.
- e. FAA Sec. 662. For CIA activities? Yes.
- f. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes. A world-wide light weight vehicle waiver applies.
- g. FY 1987 Continuing Resolution Sec. 503. To pay pensions, annuities, retirement pay, or adjusted service compensation for military personnel? Yes.

- h. FY 1987 Continuing Resolution Sec. 505.
To pay U.N. assessments, arrearages or dues? Yes.
- i. FY 1987 Continuing Resolution Sec. 506.
To carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? Yes.
- j. FY 1987 Continuing Resolution Sec. 510.
To finance the export of nuclear equipment, fuel, or technology?
- k. FY 1987 Continuing Resolution Sec. 511.
For the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? Yes.
- l. FY 1986 Continuing Resolution Sec. 516.
To be used for publicity or propaganda purposes within U.S. not authorized by Congress? Yes.

9. SUMMARY OF FINDINGS

The BKKBN has established perhaps the most comprehensive Education and Training system in the world for a national family planning program. The short and long term training needs of thousands of different personnel, from the lowest level village worker to the highest managerial officers are assessed, and training programs commensurate with the needs are planned and implemented. The preceding text should give the reader a flavor of the complexity of the systems. Summarized below are a selection of findings this author believes should be highlighted. In general, the author concludes that the training systems established are functioning well; any shortcomings noted should be considered in context of the magnitude of the task and the desire of BKKBN to further improve an effective training system.

9.1. Management and Administration

9.1.1. Training Management System: Overview

1. BKKBN has the largest and most comprehensive training system in support of a national family planning program in the world. More than 250 types of personnel, in 200 training categories are offered training annually at BKKBN's 37 training centers spread throughout the 27 provinces of Indonesia. In spite of Indonesia's geographic size and cultural diversity. BKKBN's PUSDIKLAT has successfully handled the problem of magnitude and diversity through its training management system. Staffing patterns, planning and budgeting cycles, training program preparation, implementation and evaluation are all uniform and systematized. General curricular guidelines have been established for routine training categories.

2. BKKBN has an extensive academic degree training program in support of family planning. Almost 400 participants have received Bachelors, Masters, and Doctoral training, overseas and in-country, from BKKBN and its implementing units. With PULNA's new management system developed in 1982, the number of overseas training participants and the quality of participants selected have increased significantly. In the three year period, from 1983-1985, the number of graduates from overseas was more than the number sent abroad in the previous 10 year period.

3. The development and implementation of Standard Operating Procedures and computerized data base program have substantially strengthened the management capabilities particularly within PULNA. A training management system developed by PULNA in 1982 with USAID technical assistance has successfully demonstrated an effective management system with a realistic implementation plan.

9.1.2. Planning and Budgeting Process

1. BKKBN's PUSDIKLAT's annual planning and budgeting process is largely top-down and standardized for all the provinces and the center's components. While PUSDIKLAT's yearly plan and budget are mainly based on information gathered from the lowest level of the community up to the Center, decisions are mainly top down. In effect, this system limits opportunities for variations from the general

plan, a problem that has led to a gap between community felt needs and the approved plan in most provinces.

2. Most BKKEN personnel at all levels generally emphasize the need for PUSDIKLAT to strengthen its horizontal relationships even further. This is a reflection of some problems of coordination with BKKEN's Bureaus and Divisions; with the Provincial Centers; and with the Institutions with which it collaborates. Furthermore, a less developed area of horizontal linkage which PUSDIKLAT needs to develop is with the Indonesian private sector.

9.1.3. Financial Management

1. By assuming overall responsibility for overseas training and handling all aspects (recruitment, selection, payments and so forth) from Jakarta, BKKEN was successful in reducing its training costs and thereby enabled the BKKEN to send substantially more participants for training than in previous years when USAID's Office of International Training handled the program.
2. A computerized data based program in PULNA has successfully contributed to systematic recording and reporting of academic as well as financial matters. PULNA has the financial mechanism which allows BKKEN to make direct payment for students' academic expenses. Bookkeeping mechanisms for reserving and disbursing funds have been computerized, allowing BKKEN to produce monthly financial reports. PULAP does

not have a computerized data base program for use in administering its financial matters to date. PULAP's financial records were found inadequate in a USAID voucher verification of the long term in-country training program. Also, PULAP's records were found deficient in recording basic data about participants, for example, participants' fields of study and degree objective

9.1.4. Staffing

1. There are current quantitative staffing deficiencies both at PULNA and PULAP. Due to this situation, PUSDIKLAT's Chiefs of Divisions were found to be actively involved in the various types of operational activities such as planning and conducting the training programs; preparing educational materials and conducting research. These activities are beyond their managerial and administrative functions and seem to distract them from their assigned duties.
2. A review of PUSDIKLAT's staff educational background revealed very few staff with B.S. education background, needed by the Center considering the nature of its activities.
3. The position of Chief, PULNA has been vacant since March, 1986, and several structural positions both in PULNA and PULAP, are vacant to date. These vacancies have put a burden on the remaining staff who are making a valient effort to keep the training systems functioning.

9.2. Recruitment and Selection System

1. There is a problem of late announcement of the long term in-country/overseas training fellowship program, particularly at the provincial and district levels. This problem has discouraged many potential and qualified applicants from joining the program.
2. Announcement of training opportunities in some provinces does not reach the district level.
3. The requirement for achievement in English seems to be one of the major barriers for many otherwise qualified staff to join the overseas training program.
4. Although BKKEN top officials consider training as a form of reward to its staff, many of the qualified candidates were reluctant to join the training program for fear of losing one's position.

9.3. Monitoring System

1. For long term overseas and in-country training participants, the monitoring was basically done through the students' academic reporting every quarter. However, some non-compliance of long term in-country training participants with the requirement of submitting quarterly academic reports was found, but follow-up action by PUSDIKLAT was inadequate.
2. PULAP has no means of knowing whether or not participants have completed their training except through the students' report.

3. After training, PUSDIKLAT seldom follows-up former training participants concerning their activities thereby losing a trained resource.

9.4. Placement System

1. A major concern in BKKBN's long term training program is the placement of training graduates. The majority of those who completed their education did not have any guarantee of being returned to their previous post or to a more appropriate position. This was not a problem among short term training participants.
2. Reassignment of returning long term training graduates to a new post took at least six months and sometimes upto two years. The problem of non-guarantee of placement immediately after graduation discouraged many potential and qualified candidates to avail themselves of training opportunities.

9.5. Composition

Long Term Overseas Training:

1. The percentage of BKKBN staff among the participants trained overseas increased significantly from 14% in 1972-1982 to 43% in 1983-1986.
2. Training in management and administration was given high priority in 1983-1986. Emphasis on training has shifted from the population sciences to management sciences.
3. Non-Jakarta based participants increased significantly from the 1972-1982 period to 1983-1986 period.

Long Term In-Country Training:

1. The percentage of BKKBN staff participating in long term in-country training increased significantly from 42% in 1973-1983 period to 88% in 1984-1986 period.
2. Non-Jakarta based participants represented 18 provinces during the 1974-1983 period, while in the 1984-86 period, the number of provinces represented was reduced to 12.
3. In 1974-1983 period, all the long term training participants attended the School of Public Health, University of Indonesia. Beginning in 1984, BKKBN broadened the field of study from public health to a variety of social and behavioral sciences, thereby increasing the number of participants and expanding enrollment to a number of other state schools and universities throughout Indonesia.

Short Term Overseas Training:

1. Between 1971-1983, the majority of all people sent abroad for short term training came from BKKBN, followed by State Universities and the Department of Health.
2. During the 1971-1983 period, family planning was the most common field of study followed by Public Health; Administration and Management; and Demography.
3. Data on short term overseas training for 1984-1986 period were not available. Perhaps, due to the new Bappenas guidelines issued in 1984 (which prohibit the use of loan funds for training of less than 3 months' duration) no short term training took place.

9.6. Training of Foreigners in Indonesia

1. By the end of Repelita III and the year 1984-1985, there were a total of 1,009 foreigners trained in Indonesia on the Indonesian national family planning and population program.
2. From 1979-1985, actual training of foreigners in Indonesia was the most important activity in terms of numbers; seminars, conferences and workshops had the second highest number of participants, followed by study tours.
3. A closer look at this training program revealed that there is no definite staff assigned to manage this particular program. Furthermore, training curriculum is developed only when request for training is made by countries and/or donor agencies.

9.7. Relevance of Training

The findings indicate general relevance of long term training participants' fields of study to their present employment and to the overall goals of the National Family Planning Program. However, there were several training participants whose fields of study were not relevant to their present position. There was a slightly higher proportion among the long term in-country training participants whose fields of study were not relevant to their present employment.

In general, this assessment concludes that the BKKBN training system has been able to manage this key aspect of training, relevancy to job position, very well.

9.8. Status of Institutionalization

1. PULNA's capacity to manage and administer its own long term overseas training program has been successfully institutionalized within BKKBN. Institutionalization of PULNA's new training management system has led to significant cost saving, as well as institutional development at the PUSDIKLAT. In fact, PULNA's overseas training program has become a unique training model which other Government Institutions are looking at for advice regarding the administration of their own training activities. While PULNA's staff are adequately competent to continue the day-to-day operation within PULNA, it still needs the assistance of a technical consultant, particularly in securing University acceptance abroad and in determining U.S. Universities.
2. Considering the GOI's decreasing budget allocation for PUSDIKLAT, PULNA's training program needs continued financial assistance from donor agencies.
3. PULAP, on the other hand, assumed total management of the in-country training program in 1984, adopting a new training management system. However, PULAP seems to need more technical assistance in institutionalizing its new training management system as well as institutional development at the Center.

9.9. Funding Needs and Availabilities

1. PUSDIKLAT's long term in-country and overseas training programs rely heavily on foreign assistance. In the past years, BKKBN records show significant decrease in percentage of foreign aid contribution to the total PUSDIKLAT budget. Moreover, GOI budget allocation for

Training and Education has also decreased. In effect, this situation has reduced the number of training activities in the Provincial Training Centers.

2. The USAID has been the major funding donor for PUSDIKLAT's long term academic training programs since 1971.
3. Unavailability of PUSDIKLAT's financial records and summary of annual financial report was a major constraint in determining PUSDIKLAT's funding availabilities. Some financial reports were found; however, there was inconsistency in the recording of total funds among BKKEM's Bureaus-concerned and the funding of donors.

10. SUMMARY OF MAJOR RECOMMENDATIONS

Throughout the text, a number of specific recommendations are offered to improve further the various systems described. Listed below are a few recommendations which are generalizable to most of the systems studied. The recommendations given are offered in the spirit of tremendous admiration for the work already accomplished by the PUSDIKLAT and in hopes that certain modifications suggested can further improve the BKKBN PUSDIKLAT's fine efforts.

10.1. Management and Administration

10.1.1. Planning and Budgeting Process

1. While planning with other government sectors is a successful aspect of BKKBN's family planning program, many of the BKKBN personnel at all levels generally recommend the need for PUSDIKLAT to strengthen its horizontal planning network even further with the BKKBN's Bureaus and Divisions, with the Provincial Centers, and with the other institutions with which it collaborates.
2. Since BKKBN has initiated working with the private sector in the Urban Fertility Control Program, PUSDIKLAT may consider making plans to develop and strengthen horizontal linkage with the Indonesian private sector in the near future. With the new concept raised by the BKKBN Chairman of making the private sector a partner in the overall Indonesian family planning system, BKKBN PUSDIKLAT should start planning strategies to meet future training needs related to this new direction. This new

concept also implies the need for a new training needs assessment to determine future types of training and future funding needs.

10.1.2. Management

1. Systems, both financial and administrative, need to be strengthened in PULAP. Urgent attention must be given to streamlining and computerizing the financial and administrative data related to the in-country long term participant training program.
2. BKKBN PUSDIKLAT needs to strengthen its training evaluation system particularly to provide qualitative data on its short term in-country training programs.

10.1.3. Staffing

1. There is a need to rectify current quantitative staffing deficiencies, particularly at PULNA.
2. There is an urgent need for the immediate replacement of Chief of PULNA, vacant since March 1986.
3. There is a need to clarify the role of PUSDIKLAT either as implementor or coordinator of training or both. If PUSDIKLAT is to continue to assume both roles, then staffing commensurate with responsibilities should be assigned to the Center. For example, Master trainers should be hired both in PULNA and PULAP to take charge of training conducted at the Central level.

4. At least one staff of the Overseas Training Division should be permanently assigned to manage the training program of foreigners in Indonesia. The staff must have a working knowledge of training and good command of the English language. Language capability is imperative in view of the nature and scope of the responsibilities to be assumed.

10.2. Recruitment and Selection System

1. To encourage more qualified candidates to join the long term overseas training program, BKKBN and its Implementing Units should come out with a policy to assure graduates of placement after graduation.
2. PUSDIKLAT should look deeper into the cause of late announcement of fellowship program and the reasons for not reaching the District level.

10.3. Monitoring System

1. PULAF should develop strategies to follow-up training participants who do not comply with the requirement of submitting academic progress reports periodically.
2. PUSDIKLAT should delegate to the BKKBN Provincial Training Centers the responsibility of following up training participants who are studying in their area. This is a more practical and economical arrangement than BKKBN Central PUSDIKLAT staff going to the Provinces for follow-up, as suggested by some of the central staff.

10.4. Placement System

1. There is need for a high level policy on the expeditious placement of returning graduates. The BKKBN, its implementing units, and major donor agencies of BKKBN's training programs should establish a policy to assure graduates of timely placement after graduation.

5. Training of Foreigners in Indonesia

1. There is a need to systematize the training of foreigners in Indonesia. The Division of Overseas Training should develop a standard training course in different aspects of the Indonesian National Family Planning Program for foreigners, to be held at least three times a year on a regular basis. These training programs should be advertised and announced to all countries and donor agencies concerned. A course fee should be required for each participant to support training operating costs. Moreover, at least one BKKBN staff should be permanently assigned to manage the training of foreigners in Indonesia. The staff must have a working knowledge of training and good command of the English language. This is imperative in view of the nature and scope of the responsibilities to be assumed.

10.6. Status of Institutionalization

1. USAID should continue to give technical assistance to PULNA's long term overseas training program in the area of management and in matters dealing with securing University acceptance abroad.
2. Donor agencies should provide technical assistance to PULAP's long term in-country training program.

3. A computerized data base program should be developed within PULAP's long term in-country training management system to strengthen it.

10.7. Recommendations for Future Funding

1. SKKBN should request donor support for the continuation of its long term overseas training program. However, training fellowships should be granted only for highly specialized courses relevant to the National Family Planning goals, which Indonesian universities are not capable to offer.
2. While overseas graduate training should be continued, donor agencies should also direct a significant portion of their future funding for Masters level training in Indonesia.
3. Donor agencies should continue their commitment to support faculty and program development at Indonesia's Educational Institutions.
4. The BKKBN's new program attention includes more emphases on the urban population and increasing the participation of the private sector, as individuals and communities assume responsibility for managing their own fertility. With these new emphases, increasing attention should be given to training for private sector partners in this endeavor, as well as attention to training in the latest techniques of marketing, communications, and management of commercial enterprises for social purposes. PUSDIKLAT needs to anticipate the manpower needs for this new phase of BKKBN activity.

Initial Environmental Assessment

Project Location: Indonesia
 Project Title: Amendment #2 Family Planning Development & Services II Project
 Funding: FY 87 \$6 million
 Life of Project: FY 88 - FY 95 \$29.4 million
 IEC Prepared by: David C. Denman, Population Officer *David Denman*
 Date: May 21, 1987

Examination of Nature, Scope, and Magnitude of Environmental Impacts.

I. Description of Project:

The Project purpose is to fund additional training, improvement of voluntary sterilization services and develop Urban Private Sector family planning services. This will be done primarily through activities to train personnel, purchase medical equipment, increase information and education programs and pilot urban demonstration activities.

II. Identification and Evaluation of Environmental Impact:

There will be no major project impact on the physical environment. However, the human environment should benefit from continued reduction in population birth rates already reduced by one third since 1969. If the GOI can achieved its goal of replacement fertility by the year 2000 then current heavy impact on the environment by rapid population growth can be stabilized and reduced.

III. Recommendation for Environmental Action:

A negative determination is recommended

Concur: *James M. Peterson* Date: 6/10/87
W.P. Fuller
 William P. Fuller
 Director
 USAID/Indonesia

Do not Concur: _____ Date: _____
 William P. Fuller
 Director
 USAID/Indonesia

Clearance: PPS: DesDO' Riordan (in draft)

XII. RECOMMENDATION TO USAID

a. GENERAL

The great majority of the objectives of the Village Family Planning component have been met successfully. The institutional capability to carry on this activity has been developed. Assuming budgetary conditions do not significantly worsen, BKKBN is able to continue this activity with its own resources and those of other donors. Therefore it is recommended that AID proceed with its shift to urban/private sector emphasis, which will also impact positively on the village population. Suggestions for several modifications of that approach are contained in the specific recommendations that follow. These have been prioritized in order of need, not in amounts of resources required. For example (3) Statistical Review is a key item but not expensive. Recommendation (6), CSM would be given higher priority if likely to be successful.

b. SPECIFIC

1. Increased Attention to Clinical Programs

In light of the growing emphasis on clinical methods, continuing requirements for clinical backstop for non-clinical distribution and social marketing and the need for expanded surgical capabilities; broader attention should be given to the clinical capabilities in both the public and private sector. USAID's comparative advantage has been in assisting with training and clinical equipment. AID should be particularly interested in assisting with appropriate new technology, such as norplant. Discussions with government and other donors should point up the need for additional attention to the physical facilities and for the supply of clinical contraceptive methods.

2. Field Workers Training

Local or external technical assistance could be provided BKKBN and DEPKES to further review the role of the field worker, especially as related to POSYANDU and KB-Mandiri. This review would entail developing addenda to the field workers manual and be followed by training of trainers and field workers. It should include follow-up to evaluate changes in practice. Budget considerations would determine whether AID's support should be for a nation-wide training (about 3-5 days duration of some 15,000 field workers at an estimated cost of \$500,000 to \$750,000) or be limited to one or two provinces on a demonstration basis.

3. Statistical Review

AID should be prepared to go even further than the proposed support for the contraceptive prevalence survey to help BKKBN complete its review of its service statistics, how they relate to contraceptive prevalence, and to fertility. The whole issue of whether the great mass of service statistics being gathered is the most efficient, accurate way to measure program progress is worthy of further review. This is especially true in light of proposed shifts to the private sector as well as more widespread computer capability. Could a simpler system, based more effectively on review of contraceptive flow information and couple years of protection, supported by periodic surveys serve program purposes adequately and free up staff time for more analysis of data as compared to routine collection?.

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The team does not hazard an answer to these questions which no doubt have been raised within BKKBN itself. However, we suspect that a more complete interdisciplinary review of this by a team of international experts working with BKKBN program managers and evaluation staff and the substantial group who are presently doing research in this area in Indonesia could produce a useful plan of action consistent with program needs and staff capabilities.

4. IEC

The IEC program funded in the amendment should be expanded and continued in the new project. The emphasis on referrals to the private practice is more relevant for the urban population but increasingly useful to villagers. An important short term contribution is to assure that appropriate "Medical IEC" is produced in sufficient quantity for local authorities, nurse midwife, field worker, village leader and volunteer for use with clients. The IEC materials should also contain education/motivation toward self-sufficiency and cost sharing in the public sector. To advance the progress of self-sufficiency, an element of continued support should be considered for some of the training/consensus developing meetings and seminars which were important to the verbal communication pattern used for gaining commitment to family planning.

5. Operations Research and Community Based Distribution

The amendment funded operations research will provide particularly useful experience with new market oriented approaches in the urban area. These will also likely be useful for the 15 to 20% of the villages on the asphalt roads connecting urban centers. These techniques should be part of the experimentation with new approaches in the Outer Island II provinces where village structures are less developed.

In the other village populations, operations research could focus on the effects of charges for contraceptives with the receipts handled by the acceptor group, sub-VCDC or VCDC. Experimentation with different ratios of use of field workers might also point out ways to make more cost efficient use of this personnel. Some operations research on the most efficient ways to expand use of implants could be considered.

6. Contraceptive Social Marketing (CSM)

To be effective for the village population (at least those off the main asphalt road) the CSM project must be expanded to include contraceptives other than condoms. In addition to sales through pharmacies and Toko Obat serious consideration should be given to sales through warung (shops) to achieve more geographic spread.

7. Support to Outer Islands

Consideration should be given to one or two years continued support to less well advanced provinces in the Outer Islands for the coordinating meetings and consciousness raising/motivational seminars that have proven effective in other areas to enlist local support for family planning with more emphasis given to mass-media and print material. However, as much attention should be given to experimenting with other service delivery approaches such as; "marketing" through field workers and Kader, use of incentives for volunteers, more intense (higher ratio of field workers to helco) deployment of field workers; to identify the most cost effective approaches. Cost is a major consideration but it may be as important to place emphasis on effectiveness in these areas, accepting the fact that for the short term at least the costs will be higher. Most of this concern could be addressed through IEC and operations research components of the new project.

8. Integrated programs

Both in its training for field workers and the print material it supports, USAID should emphasize the concept that integration requires the recognition of the inter-relatedness of those subjects being integrated. In blunt words, USAID should not finance nutrition or primary health care materials that ignore the impact of child spacing or family size on nutritional status or other health conditions. Neither should its family planning materials have any less emphasis on the objective of producing healthy families. To the degree appropriate, USAID should continue to encourage this same concern with collaborating donors such as UNICEF.

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9. Personnel for POSYANDU

If USAID agrees to fund from the amendment additional nurse midwives for POSYANDU for one year (to be funded by BKKBN later), the agreement should provide that from the beginning these personnel would be encouraged to establish private practice near the villages. Attention should be given to securing the cooperation of the Midwives Association (ISI), the Doctors Association (IDI) and the Pharmacists Associations (ISFI) to remove constraints to midwife's private practice. Adequate training in IUD insertion and implant techniques should be assured and necessary equipment to be used in private practice could be part of their compensation.

10. Income Generation

Preliminary indications based on enthusiastic comments of some BKKBN managers and the KB - GIZI evaluation, suggest that there is more promise in this area than might have been expected. However, in the areas visited there was no firm data available to verify the success of these projects in actually generating income; nor was it clear how well prepared were the BKKBN field workers to assist small entrepreneurs or village groups in these pursuits. A more in depth review of this issue would no doubt help BKKBN in its future planning and might point out ways these projects, if economically feasible, could be used more directly to achieve KB-Mandiri objectives.