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UNCLASSIFIED

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
Washington, D.C. 20523

ECUADOR

PROJECT PAPER

POPULATION & FAMILY PLANNING  
Amendment No. 1

AID/LAC/P-377  
CR P-075

Project Number: 518-0026

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add  
 C = Change  
 D = Delete

Amendment Number  
1

DOCUMENT CODE  
3

2. COUNTRY/ENTITY

Ecuador

3. PROJECT NUMBER

518-0026

4. BUREAU/OFFICE

LAC

05

5. PROJECT TITLE (maximum 30 characters)

Population and Family Planning

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
09 28 91

7. ESTIMATED DATE OF OBLIGATION  
(Under "B." below, enter 1, 2, 3, or 4)

A. Initial FY 81

B. Quarter 4

C. Final FY 91

8. COSTS (\$000 OR EQUIVALENT) = 200

A. FUNDING SOURCE	FIRST FY 1981			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	62.4	152.6	215	2,833	11,167	14,000
(Grant)	(62.4)	(152.6)	(215)	(2,833)	(11,167)	(14,000)
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S.						
1. DSP/POP	75.0	114.8				
2.				1,910	1,458	3,368
Host Country						
GOE						
Other Donor(s)					5,284	5,284
Private Sector					3,994	3,994
TOTALS				4,743	21,903	26,646

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. APPROVED 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) PH	400	440		5,600		8,400		14,000	
2)									
3)									
4)									
TOTALS				5,600		8,400		14,000	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

450 420 410

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	BRW	BUW	PVOW	PVON	TNG
B. Amount	2,500	7,000	2,000	8,291	638

13. PROJECT PURPOSE (maximum 180 characters)

To increase demand for and availability of family planning services, encourage development of national population policy and increase self-sufficiency of private, non-profit family planning organizations supported by project.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY  
03 89 04 91

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000  941  Local  Other (Specify) waiver

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a 60 page PP Amendment)

Adds funding, extends PACD for 3 3/4 years and emphasizes reaching rural areas and under 25 age group, increasing participation of private for-profit sector and increasing self-sufficiency of private non-profit family planning organizations.

17. APPROVED BY

Signature: Robert K. Clark  
Title: Robert K. Clark  
Acting Mission Director USAID/Ecuador

Date Signed

MM DD YY  
07 27 87

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY  
07 27 87

PROJECT AUTHORIZATION  
(Amendment No. 1)

Name of Country: Ecuador  
Name of Project: Population and Family Planning  
Number of Project: 518-0026

1. Pursuant to Section 104 of the Foreign Assistance Act of 1961, as amended, the Population and Family Planning for Ecuador was authorized on July 22, 1981 (the "Authorization"). The Authorization is hereby amended as follows:

a. Paragraph 1 of the authorization is hereby deleted in its entirety and the following substituted therefor:

"Pursuant to Section 104 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Population and Family Planning project for Ecuador involving planned obligations of not to exceed Fourteen Million United States Dollars (\$14,000,000) in grant funds over a ten-year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of the project is ten years from the date of initial obligation."

b. Paragraph 2 of Authorization is hereby deleted in its entirety and the following substituted therefor:

"The Project ("Project") consists of (1) increasing demand for and availability of family planning services, (2) encouraging development of a national population policy and (3) increasing self-sufficiency of private, non-profit family planning organizations supported by the project. In order to implement this multi-institutional project, agreements will be entered into with each participating institution, and a Cooperative Agreement will be entered into with the International Planned Parenthood Federation (IPPF)."

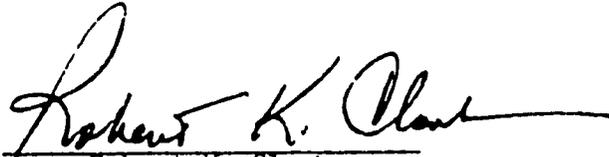
e. Section 2.b.(5) of the Authorization is hereby amended by adding the following conditions precedent:

"(e) Prior to any disbursement, or the issuance of any commitment documents to finance activities under the Private Health Practitioners Program, IPPF shall, except as A.I.D. may otherwise agree in writing, furnish in form and substance satisfactory to A.I.D., agreements with any organization or organizations selected to carry out the private health practitioners program, setting forth the terms and conditions of participation in the project and the administrative relationship of these organizations with IPPF."

d. Section 3.c. of the Authorization is hereby amended by adding the following covenant:

"(4) IPPF shall covenant that, unless A.I.D. otherwise agrees in writing, it will submit to A.I.D., in form and substance satisfactory to A.I.D., annual work plans for the balance of calendar year 1987 and for each subsequent calendar year, prepared by APIXOTE, CEMOPLAF and CEPAR, and the organizations selected to carry out the private health practitioners program. These work plans shall include the number and kinds of activities planned by quarter, output targets, and a quarterly budget for each institution and program."

2. Except as expressly modified or amended hereby, the Authorization remains in full force and effect.



Robert K. Clark  
Acting Director, USAID/Ecuador

July 27, 1987

Date

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## ACRONYMS

APROFE	Asociación Pro Bienestar de la Familia Ecuatoriana (Association for the Wellbeing of the Ecuadorian Family)
CBD	Community Based Distribution
CEMOPLAF	Centro Médico de Orientación y Planificación Familiar (Medical Center for Family Orientation and Planning)
CEPAR	Centro de Estudios de Población y Paternidad Responsable (Center for Research on Population and Responsible Parenthood)
CONADE	Consejo Nacional de Desarrollo (National Development Council)
CPS	Contraceptive Prevalence Survey
CSM	Contraceptive Social Marketing
CSS	Seguro Social Campesino (Campesino Social Security)
CYP	Couple Years Protection
GOE	Government of Ecuador
IESS	Instituto Ecuatoriano de Seguridad Social (Social Security Institute of Ecuador)
INEC	Instituto Nacional de Estadística y Censos (National Institute of Statistics & Census)
IPPF/WHR	International Planned Parenthood Federation/Western Hemisphere Region
MOH	Ministry of Health
MWRA	Married Women of Reproductive Age
MSD	Dirección Nacional Médico Social (Médico Social Directorate of the IESS)
NFP	Natural Family Planning
PHP	Private Health Practitioner

## SUMMARY AND RECOMMENDATION

The proposed project amendment discussed herein would increase project funding by \$8.4 million to an IOP total of \$14 million and extend the USAID/Ecuador Population/Family Planning Project (currently scheduled to terminate December 31, 1987), through September 28, 1991. (The latter date is determined by the 10 year limitation on projects, initial obligation under the project having taken place on September 29, 1981.)

The problems generated by rapid population growth which prompted the original project still exist in Ecuador, namely the strain on the economy and individual families of meeting the needs of large numbers of dependent children, the health problems caused by frequent childbirth and by large numbers of children in families with insufficient means, and the environmental stress caused by excess population. Although the population growth rate has dropped from over 3% when the project began to less than 2.8% today, this reduction is not sufficient to reduce the above problems to an acceptable level.

Demand for family planning services, moreover, continues to exceed supply by a large margin. According to the recent, March 1987, contraceptive prevalence survey, 87.3% of Ecuadorian women of child bearing age who are married or in union (MWRAs, married women of reproductive age, in standard family planning parlance) want no more children or want to bear children less frequently, while only 44% of these women are practicing contraception.

At the same time, the original project strategy has been largely effective in bringing family planning services to more women. The contraceptive prevalence surveys show that the percentage of MWRAs using project supported services grew from 12.8 in 1982 to 18.6 in 1987.

Given the continuing need and unsatisfied demand for family planning services and the success of the existing project, the proposed extension is to a considerable extent a continuation of the original project, with certain new emphases and the elimination of certain institutions. AID funding for the extension will be \$8.4 million as compared to \$5.6 million for the original project.

As in the original project the three major functional components of the extension will be:

- o qualitative and quantitative development of family planning services;
- o information, education and communication (IE&C) to make potential users aware of available services, stimulate demand and encourage support for a national population policy; and
- o research supporting the first two components.

Particular emphasis will be placed on:

- o increasing the role of private, for-profit providers of family planning services;
- o reaching rural areas;
- o reaching women under 25; and
- o increasing the self-sufficiency of the project supported, private, non-profit family planning organizations.

Efforts were made under the original project to increase sales of contraceptives by for-profit sources of supply, in what is known as a "social marketing program", but these efforts foundered on objections raised by other suppliers that their market was being undercut by AID subsidized contraceptives. This problem will be avoided under the extension by concentrating on generic advertising and training of pharmacists, and limiting subsidized contraceptives to condoms, where competition is not expected to be a problem. In addition, training of and support to private physicians and nurse/midwives will be stepped up substantially in order to increase their participation in the provision of family planning services.

Special efforts will be made to reach rural areas, where contraceptive prevalence is low (32.6% of MWRAs versus 53.3% in urban areas), although the percentage of rural women desiring no more or better spaced children is actually slightly higher than that of urban women. These efforts will include:

- o an increase in the number of community based distributors, lay persons who, with training and support from family planning service providers, sell contraceptives to their neighbors;
- o training of and support to physicians and nurse/midwives to provide family planning services and backstop the community based distributors;
- o an increase in the sale of contraceptives through pharmacies in semi-rural, small towns; and
- o IE&C efforts tailored specially to rural areas.

Specifically targeted IE&C programs will also be developed in order to reach women under 25, among whom the 20-24 year olds have the highest fertility rate, and who show the lowest contraceptive use for MWRAs under 45. Previous IE&C efforts addressed all MWRAs without particular attention to the under 25 group.

Efforts to increase the self-sufficiency of the non-profit family planning organizations (through the sale of contraceptives, general health services, such as laboratory work and special examinations, publications and data processing) will continue as under the original project, with special emphasis on APROFE, one of the two non-profit family planning organizations supported by the project, which has shown less commitment to reducing its dependence on outside donations than the other such organization, CEMOPLAF. Both organizations will be required to submit annual earnings plans, along with CEPAR, the project supported, non-profit research and IE&C organization, which will also be encouraged to increase its earnings, though, given the limited market for the types of services it can produce, less can be expected of it than of the other non-profits.

In addition to the three non-profits, project support will continue for the following organizations:

- o IPPF (the International Planned Parenthood Federation), which provides technical assistance to and coordinates and oversees the activities of the other non-profits;
- o the Medico Social Directorate of the Ecuadorian Institute for Social Security (IESS), which, with its 25 urban clinics currently provides 29,600 CYP and is expected to provide 33,315 by the end of the project;
- o the Campesino Social Security Directorate of the IESS, which, with its 480 rural health facilities currently provides 1,828 CYP (the service level having dropped due to the appointment of a director opposed to family planning who was recently replaced), is expected to expand to 900 facilities and 17,900 CYP by the end of the project; and
- o the Archdioceses of Cuenca and Guayaquil and Vicariate of Esmeraldas, which currently provide 7,200 CYP through natural family planning services and are expected to provide 10,900 by the end of the project.

APROFE and CEMOPLAF together currently provide 90,859 CYP through their clinics and community based distribution programs and are expected to provide 122,652 by the end of the project.

In addition to the above institutions, an international pharmaceutical firm and a U.S. social marketing organization will carry out the program to increase commercial sales of contraceptives.

The multi-institutional approach proposed for the extension, as that followed during the original project, is dictated by several considerations: the importance of family planning; the substantial excess of the demand for family planning services over the supply; and the value of having a broad base of support for family planning activities, so that they are not likely to be undercut by the continuing opposition.

By and large, the private organizations supported by the project have, as verified by the June 1986 evaluation, been well run and demonstrated a capacity to handle the expansion of their programs contemplated under the extension. The one major thing that can and will be done to improve their performance is to require them to submit detailed annual work plans including inputs, outputs and performance targets. As noted earlier, the self-sufficiency efforts of APROFE, CEMOPLAF and CEPAR, will also be given special attention.

The performance of the Government organizations to be supported by the project has been more problematical. Government programs have been handicapped by the fact that family planning for them is part of broader health programs which often take precedence in the application of non-project resources necessary to project support. The best that can be done about this is to monitor these programs carefully and urge more attention to family planning where it is being neglected, and, in extreme cases, to withhold or withdraw funding. (The Ministry of Health's family planning program may be supported in the future under USAID's Child Survival Project, a more apt vehicle.) Suspension or termination, however, is a last resort, as the large size and influence and relative AID dollar cost effectiveness of the government programs makes it desirable to support them through any but the most serious vicissitudes.

Funding to the Ministry of Defense Family Planning program, which was supported under the original project, will, not at least initially, be continued under the extension, due to restrictions on AID support to armed forces programs. If a way is eventually found to continue support for the Ministry of Defense consistent with the restrictions, support will be resumed.

Another government agency that received funds under the original project but will not under the extension is INEC (the GOF census organization), which does not require more funding to accomplish its original objectives of improving the vital statistics registration program.

A second problem with the Government has been appointment of anti-family planning administrators, as in the case of the last Director of Campesino Social Security. The best response to this problem is to continue to train and work with staffs which often continue to provide services even though higher level personnel are hostile, and in extreme cases, to suspend funding.

In sum, the proposed project extension represents the best way currently possible of satisfying Ecuador's important family planning needs and is within the capabilities of the participating institutions. It is therefore recommended that the extension be authorized.

## I. Background and Justification

### A. The Problem

#### 1. Population Growth and Consequences

The adverse consequences of rapid population growth in Ecuador were described in the original project paper written six years ago. While population growth diminished from over 3% in 1980 to 2.8% last year, this will reduce the problems engendered by rapid population growth only slightly. (A population growing at a rate of 3% doubles in approximately 23 years while one growing at 2.8% doubles in approximately 24.5 years. A population growing at 2%, however, would take about 35 years to double. Such a reduction would have a significant impact on the problems engendered by rapid population growth, and a population growing at 1 percent would take close to 70 years to double providing even greater benefits.)

The demands created by rapid population growth still far outstrip the resources available to meet them. According to the World Bank World Development Report, 1986, infant mortality in Ecuador in 1984 was 67 per thousand compared to 11 per thousand for the U.S. and 48 per thousand for neighboring Colombia. With Ecuador's population growing at a rate of 2.8% per annum, health and nutrition expenditures must increase by a comparable amount just to hold infant mortality to the current level. Any drop in the population growth rate would make those resources available to decrease infant mortality, rather than merely maintaining its current level. Similar analyses might be made for life expectancy, education and housing. (See Economic Analysis, Section III. D)

Aside from basic needs, the rate of population growth directly affects economic growth since the resources needed to maintain the quality of life in the face of rapidly growing population are not available for investment which might increase productivity and per capita income. Between 1973 and '83, Ecuador's real growth rate in GNP per capita was 2.3% (The World Bank Atlas 1986). If the population growth rate had been 1% lower, the real per capita growth rate would have been 1% higher. In addition to that, GNP would have grown by a multiple of the additional productivity increasing investment made possible by reduced population growth. Conservatively assuming a multiplier of 1.2, per capita GNP growth would have been 4.5% instead of 2.3%. This would have reduced the doubling time for per capita GNP from approximately 30 years to slightly over 15. Put another way, with a 1% reduction in the population growth rate there is a good possibility that Ecuadorians would, on the average, be 50% better off economically in approximately 15 years than they would be at the current population growth rate, 100% better off in slightly over 30 years, and so on into the future.

Another effect of rapid population growth is its pressure on land and hence the food supply. This either adversely affects nutrition, for those who do not have ready access to government food supplements, or increases the amount the government must invest in maintaining of current nutrition levels, diverting resources away from productive investment.

The pressure on the land also has adverse and often irreversible environmental effects. The principal effect in Ecuador is soil loss, which aggravates the nutrition problem as well as decreasing productivity. According to a three-volume 1981 study by the Ecuadorian Fundacion Natura, Diagnosis of the Environmental Situation in Ecuador, erosion is probably Ecuador's most serious environmental problem (vol. I, p. A-1), and reducing population growth is the first remedial action that must be considered (vol. I, p. R-1). More recently, the Centro Ecuatoriano de Investigaciones Geograficas, in a 1986 pamphlet entitled Erosion en Ecuador, characterized erosion as one of Ecuador's principal resource degradation problems (p. 5).

A second stage of environmental degradation, which Ecuador is reaching, comes with deforestation as a result of expanding rural populations whose agricultural requirements lead them to deforest and cultivate slopes which are too steep and thus particularly erosion prone. This leads to soil loss not only on the deforested slopes but in lower areas as well, as a result of the more rapid runoff of rainwater caused by denudation of the upper watershed. This situation also leads to siltation of rivers and consequent flooding, as well as damage to marine fisheries, siltation of reservoirs, reducing their life, and eventually to the seasonal drying up of rivers due to destruction of the forests and soils of the watersheds which retain and release water slowly throughout the year. Cutting down forests, often for fuel as well as farm land, also results in loss of productive capacity due to the need to spend ever increasing amounts of time gathering firewood. This is not a speculative scenario. It is being played out in other Latin American countries, most notably Haiti and to a somewhat lesser extent in the Dominican Republic, where high population density and growth rates place immense pressure on a limited natural resource base. Preventive measures are the most appropriate. The trend is difficult to reverse once it has reached the danger level. Indeed, as of yet, no developing country has succeeded in reversing it.

The answer to the environmental threat commonly heard in Ecuador is that there is plenty of land in the Oriente. However, there is a high cost to settling people there, in the health of the settlers confronting new diseases and an environment prolific in health problems, as well as in resources needed for roads, land clearing, transport, housing and other building such as schools, crop research, additional agricultural inputs such as appropriate seed and pesticides, and technical assistance. The resources needed for resettlement could be treated as an investment if they resulted in a commensurate increase in productivity, but there are serious questions as to whether that will occur. The soils of the humid tropical forests such as those of the Oriente are particularly fragile and difficult to manage. Once converted to traditional and/or intensive agricultural uses, they are easily destroyed or their fertility is reduced drastically and often irreversibly. This, of course, can result in reduced productivity, not to speak of the human problems it creates for the settlers.

Finally there is the impact of rapid population growth on families which have too little income to meet the health and education needs of all their members. Although there are no growth rate statistics for Ecuador stratified by income, the relation between education and contraceptive use may be taken as a rough surrogate. The 1987 CPS reveals that, while 81.0 percent of women

with no education and 59.2% of those with a primary education do not practice contraception, the rate of non-use is 14% lower than the latter figure for secondary graduates (and a further 0.0% lower for university graduates.)

## 2. Contraceptive Use

Between 1962 and 1967, the contraceptive prevalence rate increased from 40% of Ecuadorian women of reproductive age who are married or in union (MWRAs) to 44%. According to the 1987 contraceptive prevalence study (CPS), over 87% of MWRAs (1,293,340 women) either want no more children (68.3%) or want to space their children (19%). It would appear, therefore, that there is a high unmet demand for family planning services.

The CPS also reveals particular areas of need and opportunity. Contraceptive prevalence in rural areas was found to be only 32.6%, as compared to be 53.3% in urban areas, while, according to the CPS, approximately the same percentage of MWRAs in the rural areas want no more children as in urban.

The CPS also highlights the need for special attention to the under-25 age group, which, as revealed by the CPS, constitutes just under 40% of the MWRAs, contains the highest fertility rate, in the 20-25 age group, produces over 48% of the live births in Ecuador and has the lowest contraceptive prevalence rates for any age group under 45 (15.6% for the 15-19 year olds and 33.3% for the 20-24 year olds, compared to 46.9% for the 25-29 age group and an average of 51.4% for 25-44 year olds).

The CPS also points up the importance of the private for-profit sector with the finding that 30.5% of contraceptive services are provided by private physicians and pharmacists. (See Annex I, Key Family Planning Indicators, 1982/87).

### b. The Current Program

#### 1. Overview and Strategy

The current project, Population and Family Planning (518-0026), was authorized in July 1981 with LOP grant funding of \$5.6 million. The original PACD was set for December 31, 1985. It was subsequently extended to December 31, 1987. Subproject agreements, as appropriate, were also extended.

From its inception, the goal of the Project was to assist Ecuador in its effort to decrease the population growth rate so as to improve the quality of life of the majority of Ecuadorians. Its purposes were:

- o to improve and expand the availability of family planning services offered by public and private agencies;
- o to promote demand for these services;
- o to increase national awareness of the implications of rapid population growth; and,

- o to strengthen population planning capacity.

## 2. Project Components

The Project was divided into two major components, the one covering public sector activities, the other private sector. The following is a list of agencies and organizations that have had agreements under the Project:

### a. Public Sector

- o Ministry of Health (MOH)
- o Ministry of Defense (MOD)
- o National Institute of Statistics and Census (INEC)
- o Ecuadorian Institute of Social Security (IESS)

### b. Private Sector

- o International Planned Parenthood Federation/Quito (IPPF/QCO)
- o Ecuadorian Association for the welfare of the Ecuadorian Family (APROFE)
- o Medical Center for Family Orientation and Planning (CEMOPLAF)
- o Center for Population Studies and Responsible Parenthood (CEPAR)
- o The Archdioceses of Cuenca and Guayaquil and Vicariate of Esmeraldas

## 3. Uses of Funds

To achieve the first two project purposes, to increase the demand and availability of family planning services, AID provided support for training, information, education, technical assistance, logistics, and basic administrative and field support to APROFE, CEMOPLAF, IPPF (which carries out a coordinating rather than a direct program implementation function), and the Catholic Church in the private sector (US\$2.8 million), and to the Ministries of Health and Defense, and the Preventive Medicine and Campesino programs of the Ecuadorian Institute of Social Security (\$1.8 million) in the public sector.

To increase awareness of population policy issues and improve policy planning, the project has provided assistance for research, surveys, vital statistics, information, publications, and training to CEPAR in the private sector (US\$1.023 million) and the National Institute of Statistics and Census in the public sector (US\$0.2 million).

In addition to bilateral aid provided under this project, substantial support has been provided for contraceptives, service delivery, pilot studies, research, and technical assistance through centrally funded AID programs.

#### 4. Project Activities

In the public sector, assistance was focused on strengthening the institutional capacity of three family planning services, those of Ministry of Defense and the Preventive Medicine Department and the Seguro Social Campesino (SSC) programs of the Social Security Institute. Support for these institutions consisted primarily of training, technical assistance, and the provision of equipment and supplies. Assistance was also provided to the National Institute of Statistics (INEC) to improve its capacity in population planning, data analysis, and population related research. Funds originally scheduled to support the National Development Council (CONADE), aimed at creation of a special population unit which would have been instrumental in generating a national population policy, were never disbursed as an agreement was never signed. The \$124,000.00 budgeted for this activity was reassigned in support of Catholic Church sponsored natural family planning projects operated under the Archdioceses of Cuenca and Guayaquil.

Initially, assistance was programmed for the MOH, but due to the lack of progress, the subproject was cancelled on July 30, 1985. The IESS/CSS subproject has been on hold from 1985 to earlier this year, due to a Director's opposition to family planning service delivery. The IESS/MSD program is still pending in its planned expenditures but plans to continue with programmed activities.

In the Private Sector, operational and technical support was provided through a Cooperative Agreement with the IPPF/WHO to APROFE and CEMOPIAF for family planning service delivery programs and to CEPAR for population research, analysis, and information, education, and communication activities.

Budget surpluses due to favorable exchange rates have permitted the creation of a separate sub-grant to CEPAR, in addition to the original agreement, to provide graduate training abroad for studies in subjects linked to population and institutional programs. These funds were also utilized to extend support to December 31, 1987.

The Mission contracted with a third country national to assist the Population Officer with monitoring and general management of the public sector components. His contract expired on December 6, 1985. Responsibility for monitoring, assisting and coordinating the private sector subprojects and managing funds for them was awarded to IPPF/WHO under a cooperative agreement signed on September 30, 1981.

The project is managed in USAID by one FSN Population officer.

#### C. International Assistance

Major external assistance is supplied by three donor institutions, UNFPA, IPPF, and AID. Division of labor is that UNFPA assists a number of public sector institutions (MOH, University of Cuenca and CONADE). IPPF provides institutional and service support to its affiliate APROFE. Bilaterally and through various cooperating agencies AID has responded to both public sector and private sector needs providing support for four private sector

institutions and two public sector ones. During the current project, UNFPA funding has been US\$2,650,000, IPPF support amounted to US\$1,800,000 and AID bilateral and centrally funded inputs are estimated to be US\$7,700,000 over six years.

As noted above, AID's inputs are divided between centrally funded sources and bilateral funding. The approximate proportions were 27% centrally funded sources and 73% bilateral funds.

The various components of the country program were discussed in I.B. The centrally funded inputs constitute a vital part of USAID implementation efforts, and bear mentioning here.

There are 13 centrally funded agencies that have been, or are currently involved in family planning project related activities directed by the Mission. A brief description of the most important cooperating agencies inputs follows:

Center for Disease Control:

- o Helps all project supported family planning service institutions improve supply systems.

Demographic and Health Survey (DHS)

- o Funds and provides technical assistance to conduct contraceptive prevalence surveys, other family planning and population related research projects.

Development Associates Inc.:

- o Provides support to CEMOPLAF family planning training of paramedical auxiliary and community personnel.

Family Planning International Assistance (FPIA):

- o Supports CEMOPLAF's service activities and I.E.C.
- o Provides contraceptives to IESS/CSS and CEMOPLAF

Pathfinder Fund:

- o Supports APKORE's CBD activities
- o Provides contraceptives to IESS/MSD

Futures Group:

- o Technical assistance to CEPAR on population policy presentations, including pertinent information systems (RAPID II, Resources for awareness of population impact on development).
- o Design of a contraceptive social marketing program

IPPF:

- o Provides contraceptives to APROFE and CEMOPLAF
- o Provides institutional and operational support (partly financed by bilateral funding)

Population Council:

- o Helps APROFE and CEMOPLAF develop improved strategies for community based distribution programs.

The Mission's role has been the coordination of these various cooperating agencies and to follow up with local institutions. This has required a considerable amount of staff support from the Mission.

UNFPA, the other principal donor, has an in-country office. The Pan American Health Organization (PAHO) is the executive agency with the MOH as the Ecuadorian cooperating institution.

UNFPA has provided the GOE with US\$2,850,000 to strengthen and expand health services to underprivileged women of reproductive age and children. UNFPA's objectives are to: (1) maintain MCH/FP services to the population presently reached in two provinces through the MOH; (2) strengthen the administrative and logistical support system at the central, provincial and community levels; (3) promote community participation through non-formal education and communication activities; (4) improve training programs; (5) reach the adolescent population by adding teaching centers for adolescents to the MCH/FP system; and (6) conduct operational research. UNFPA assistance specifically supported international consultants, salaries for some national personnel, subcontracts for research and communications activities, training, supplies and equipment.

UNFPA has also provided contraceptives to the MOH. There has been excellent communication between USAID staff and the UNFPA country representative. As a result there is no duplication of efforts.

D. Assessment of Progress To Date

1. The March 1986 Evaluation

An end of project evaluation was conducted during March 1986 by a team of consultants. The evaluation team's scope of work set forth the following objectives:

- o an assessment of project activities in terms of general performance, goal achievement, efficiency and effectiveness; and,
- o development of a set of recommendations for guiding development of a USAID/Ecuador population and Family Planning strategy for the period 1986-1990.

Once in the field, the team was asked to focus on a review of institutional growth and development, analysis of operational capability, and potential for

further expansion and/or improvement of service delivery of the ten organizations then participating in the project. The evaluation team conducted detailed analyses of project-funded activities for each organization. Their report presented a detailed compendium of information and recommendations concerning the structure, operations, and prospects of the leading Ecuadorian public and private non-profit family planning service and research organizations. In addition, the report presents recommendations for strategic interventions which form the basis of this project amendment.

## 2. Experience with Project Components

In summary, the evaluation team endorsed the general thrust of the project, and found the technical and management capabilities of the non-profit organizations satisfactory, while identifying significant shortcomings in the government agencies. The team's specific conclusions are summarized below.

### a. IPPF/WHR/UCO

IPPF in Ecuador has served as financial intermediary between USAID and the three private non-profit institutions (APROFE, CEMOPLAF, and CEPAR) and has been responsible for monitoring their performance and providing them technical assistance. It has not only had to wrestle with requirements for support of three growing institutions but has had to address the problem of currency realignment creating larger quantities of Sucres leading to the appearance of substantially underspending of allotted funds. The evaluators were complimentary of IPPF's performance, concluding that it was cost effective.

The IPPF has performed an important role as monitor of project activities and supporter of the private sector institutions participating in the project.

### b. APROFE

A highly professional organization with excellent managerial, training and evaluation capabilities, APROFE has demonstrated its ability to manage a major program expansion during the life of the project. The major accomplishment of the project was the dramatic increase from 3 to 12 of APROFE clinics providing family planning services. Furthermore, APROFE has exceeded its new acceptor targets consistently.

### c. CEMOPLAF

The AID-IPPF project assistance enabled CEMOPLAF to grow significantly between 1982 and 1986. CEMOPLAF has expanded its family planning clinics from three to eighteen (of which thirteen are project financed), and new acceptors have increased ten-fold since 1982.

CEMOPLAF has undergone substantial reorganization during this period with the help of technical assistance through IPPF. The evaluators concluded that its information, education, and communication efforts, through home visits, group presentations, and mass media were very productive.

d. CEPAR

CEPAR has grown into a competent research and information dissemination institution and is filling an important gap in the Ecuadorian research and policy making community. Thus far, it has been mainly in the business of disseminating information and increasing public knowledge about population and family planning issues hoping to reach leaders and the public at large. Its training and information materials are considered highly professional if somewhat over complex for much of the Ecuadorian public.

The nature of CEPAR's mission makes it difficult to assess how well it has achieved its objectives of contributing to the formulation of population policy and building an influential constituency for family planning.

e. Social Security

1) Preventive Medicine Division (IESS/MP)

The evaluation team found that performance in terms of new acceptors was low, indicating a passive approach to family planning by staff of its general purpose health dispensaries and clinics. IE&C activities were not well coordinated. The team concluded that family planning must be given greater institutional stature within the IESS/MP in order to improve performance.

2) Rural Social Security (IESS/CSS)

The evaluation team concluded that the Seguro Campesino program was capable of supplying contraceptives to a large rural population. It appeared to have an adequate operating system to carry out family planning activities but the team could not assess the actual capabilities of the rural health posts staff. The program was adversely affected by the previous CSS Director's opposition to family planning and because family planning is only one of many health services for which CSS staff are responsible.

3. Recommendations for Future Programming

The team presented a number of suggestions for future action to: 1) consolidate gains made under the current project; 2) achieve family planning sector goals by undertaking new programs designed to broaden distribution to as yet under-served regions and demographic groups; and 3) increase AID's program management capability by increasing staff for monitoring and management functions of follow-on family planning projects. These are summarized below:

a. Consolidation

- o AID should work to increase the financial self-sufficiency of the private non-profit family planning service institutions.
- o AID should work to improve the quality and quantity of family planning services to meet existing demand, high levels of awareness of modern methods of contraception having generated a level of demand for

services and commodities not met by either public or private delivery systems.

- o Public awareness programs might be refocussed away from the general issues of population growth and its economic and developmental impact on Ecuador and more toward a consumer-oriented approach which stresses personal health and household level economic rewards for family planning actions.
- o AID should not press the GOE at this time for a definitive statement of national policy on family planning because of the limited return from such an action and the substantial risk of a backlash from political and religious leaders on this issue.

b. Expanded Distribution

- o AID should revitalize its efforts in the area of contraceptive social marketing (CSM) as a means of stimulating contraceptive sales through the private for-profit sector and increasing coverage and access to contraceptive information and supply in rural areas.
- o As sterilization is a very popular means of family planning in Ecuador, AID should consider supporting expansion of sterilization services, considering the large number of couples with 3 or 4 children who do not desire more.
- o AID should support CEMOPLAF and APROFE in expanding community based distribution programs (CBD).
- o Despite relatively poor performance of public sector institutions and because of the high demand which cannot be satisfied by private organizations, AID should support the public sector institutions and help them expand their ability to deliver family planning services.

c. AID's Program Management Capacity

- o The continuing high demand on AID management capacity from a multi-institutional project, especially one which involves increased CSM efforts will require an increase in project support staff within the Mission. One additional staff member should be added to provide assistance in project implementation and monitoring.

E. Strategy and Justification for Proposed Project

1. Multi-institutional Approach

During the proposed project extension USAID will continue the multi-institutional approach begun under the original project. The extension will provide support for family planning activities in three institutional sectors, the government, the private non-profit and the private for-profit, though the latter will receive significantly heavier emphasis under the extension than previously.

All three of these sectors continue to play an important role. Demand for family planning services still exceeds the supply and is expected to grow further under the impact of the project's promotional efforts, as well as from natural growth of demand.

According to the April 1987 Demography and Family Health Study done by CEPAR, the Ecuadorian Ministry of Health and Westinghouse, hereinafter referred to as the 1987 CPS (Contraceptive Prevalence Study), 44% of Ecuadorian women of reproductive age who are married or in union (MWRAs) are using contraception. However, according to the same source, over 87% of Ecuadorian MWRAs want no more children (66.3%) or want to space their children (19%).

Even if one of the sectors or institutions could in theory meet a large part of this demand, there are differences among clients as to the type of service they want and the type of institution from which they want to receive it.

Continuing support to the three sectors as well as to various institutions within them is also important so as to assure that the family planning effort in Ecuador has a sufficiently broad and solid base. The Vice President of the country is a strong advocate of a population policy, but Ecuador has not yet adopted a national population policy. The performance of two of the Government agencies most involved in family planning, the Ministry of Health and the Social Security Institute has been weak (though the Institute and the Campesino Social Security unit within it have new Directors who are favorable to family planning), and the Catholic Church remains officially and often actively opposed to artificial contraception.

Each of the institutional sectors, moreover, and the institutions within them which are to be assisted under the project extension, has its special advantages and limitations.

The Government has the advantage of an institutional infrastructure already in place which, according to the 1987 CPS, dispensed over 40% of the family planning services and supplies provided in the country. Just under 8% is accounted for by the the Social Security Institute (IESS, Instituto Ecuatoriano de Seguridad Social), which will be supported under this project, while close to 34% is accounted for by the Ministry of Health which is not covered by the project. The Mission, however, is negotiating with the MOH for support of family planning activities under its maternal and child health program, as part of a new child survival program beginning in FY1988. Continued support for selected Government programs, by strengthening the pro family planning forces, is one way in which a consensus for a national family planning policy may be brought about. Conversely, discontinuing support could have a negative effect.

The IESS has a new director who is favorable to family planning as does the National Directorate of Campesino Social Security (Direccion Nacional de Seguro Social Campesino, SSC), which is responsible for an important part of the IESS's family planning programs. With 480 rural (CSS) and 25 urban (Direccion Nacional Medico-Social, MSD) clinics and 31,600 clients, the IESS has a considerable potential for the provision of family planning services.

In the private non-profit sector, support will continue for the two family planning organizations, APKOFE, which works preponderantly in the coastal area, and CENOPRAF, which concentrates in the Sierra, along with CEPAR, which conducts research and training in order to develop needed information on and promote increased awareness of population issues. The first two institutions also play an important role in promoting favorable public attitudes, though they do it more by individual contacts, and by promoting and providing family planning services than by large scale campaigns to generate support for a national pro family planning policy.

The non-profits also provide services where the for-profit and Government sectors do not. Among family planning organizations in Ecuador, the non-profits are the most capable of focussing on particular areas of need. They concentrate their services in low income areas and run community based distribution (CBD) programs reaching areas, particularly rural, not served by doctors or pharmacies.

Since the Government family planning programs are part of other health programs, the reach of the family planning component depends on the motivation of those responsible for a particular area.

The for-profit sector naturally goes mostly where the money is and thus often fails to serve those most in need. Doctors are concentrated in the cities and tend to be sparsely represented in the low income urban and rural areas, and large rural areas are not served by pharmacies.

On the other hand, the for-profit sector (private physicians and drugstores) is the second largest source of family planning materials and services, accounting for over 30% according to the 1987 CPS. Funds for this sector were included in the original project, but the program foundered on an effort to introduce subsidized oral contraceptives in a competitive market. The extension includes a strategy, discussed below, which shows promise of success for supporting this sector.

Support for the Catholic Church's natural family planning programs continues to be important in order to generate support for family planning in general. The church also raises consciousness of the health and economic advantages of family planning and thus generates new practitioners.

Supporting all three sectors, then, has important advantages and creates a much more effective and sustainable program than the alternative of supporting only one or two. The allocation of funds within and among the sectors will be discussed in the Financial Analysis, sec. III.E. below.

## 2. Program Emphases

### a. Rural Areas

Special attention will be devoted under the extension to increasing the availability and improving the delivery of family planning supplies and services in rural areas. According to the 1987 CPS study the rate of

contraceptive use among women of reproductive age who are married or in union (MWRAs) is 53.3% in urban areas and 32.6% in rural, although demand is slightly higher in rural areas than in urban.

One reason for paying special attention to rural areas is that many campesino families are among those most in need of family planning, due to the adverse conjunction of inadequate means and a high birth rate. Another reason for the emphasis on rural areas is that migration from them is the most important cause of urban growth and thus of the need for large and rapidly increasing government expenditures for the maintenance of productivity and standards of living. These requirements are higher in urban areas than in rural, as a result of more effective demand and needs or felt needs among urban populations which don't exist or are much less acute in rural areas (e.g. water, sewage and electrification systems, streets, housing, higher levels of health care and education, and, sometimes, food distribution or subsidies).

Four lines of intervention in the rural area are proposed:

- o support for the family planning component of the Government's rural health services program, through the service centers of the Campesino Social Security program (SSC), of which there are currently approximately 480, to be increased to 900 by the end of the project;
- o community based distribution systems run by the family planning associations and an increase from 700 to 1,400 in the number of community based contraceptive salespersons supervised by mobile medical teams and/or associated private health practitioners;
- o promotion of family planning by the agents of the community based distribution system, advertising in connection with the contraceptive social marketing program described below, and the CEPAR public awareness program, with special attention to the problems of reaching rural populations; and
- o increased sale of contraceptives in rural areas as a result of lower prices for condoms and increased availability of condoms and oral contraceptives under the social marketing program.

b. Under-25s

According to the 1987 CPS, 44% of the children born in Ecuador are born to women under 25. This is the combined result of the large size of this group, just under 42 % of the female population, and the high fertility rate of 20-24 year olds, 215 births per thousand. The latter in turn is also in part a function of the lowest contraceptive use rates for any age group under 45, 15.6% for the 15-19 year olds and 33.3 % for the 20-24 year olds, as compared to 46.9% for the 25-29 group and an average of 49.8% for 30-44 year olds. The desirability of reaching this group is also a function of the expectation that its commitment to family planning will to a considerable extent carry over throughout its child bearing years. It is thus the strategic entry point for family planning education.

Although information, education and communication (IE&C) efforts designed to convince potential parents of the value of family planning are addressed to all potential parents and in no way exclude the under-25s, it is quite possible that messages designed especially for this age group would be more effective than messages which are not age-specific. Market research will therefore be conducted under the project extension to determine what special characteristics this group possesses as a target of IE&C, and, a responsive family planning promotion campaign will be undertaken by participating institutions.

c. The Private For-profit Sector

Efforts will be made to increase demand for and availability of family planning services through the private for-profit sector by means of two programs, one to increase the sale of contraceptives, and a second to increase, by training and support, the level of family planning services supplied by private health practitioners.

1) Contraceptive Social Marketing

A contraceptive social marketing (CSM) effort will be undertaken to promote the sale of contraceptives through physicians and drug stores, as well as community based distributors (who, though they sell for profit, are recruited, trained and supervised by the non-profit family planning associations and thus have a foot in each sector). With 1800 retail outlets for contraceptives, not including the community based distributors, this sector has considerable potential for meeting the unmet demand in rural areas.

The CSM program will have two components, promotional and distributional. The promotion effort will involve the use of mass media (radio, television and newspapers) and point-of-purchase advertising, as well as training of physicians, druggists and community based distributors, to promote the sale of oral contraceptives and condoms.

The private for-profit program will also involve the distribution of reduced price AID-furnished condoms and oral contraceptives. The price of oral contraceptives (locally produced) will not be reduced as it is already low enough (73 cents for a 28 day cycle). The distribution program will be carried out through the sales force of SCHERIDFARM, the Ecuadorian affiliate of the Schering corporation, which is already the leading distributor of oral contraceptives in Ecuador and which will promote the sale of the contraceptives through its sales force and contribute to the advertising campaign, particularly point of purchase advertising. It will also provide training for pharmacists and their assistants and for CBD distributors, so as to increase their sales effectiveness.

2) Training and Support of Private Health Practitioners

This component will attempt to induce physicians and nurses/midwives to start medical practices in under-served areas and to promote and provide family planning assistance to their clientele. The project will provide family planning training and equipment required for obstetrical-gynecological

practice to underemployed physicians and nurse midwives who agree to set up medical practice in regions which are poorly served.

d. Self-sufficiency of the Non-profits

Particular attention will be paid to decreasing the dependence of the non-profit family planning organizations on donations. Although complete financial independence may not be possible, a larger degree of self-sufficiency is.

The services provided by the non-profit organizations to their primary clients obviously cannot pay for themselves, since they were set up in large part to meet the needs of people who cannot afford commercial services, or to meet a public information need. However, the non-profits can sell and are selling remunerative services, such as laboratory work, cervical and breast cancer examinations and other clinical services, as well as contraceptives, to members of the public and the for-profit sector who can afford them. They also may be able to sell other materials and services which are an extension of their operations, such as, particularly in the case of CEPAR, health publications, and publishing and data processing services. In addition, the sales, as opposed to free distribution, and prices of certain items, such as the contraceptives distributed by APROFE, can be increased.

e. Public Awareness

A shift in emphasis will be made in the public awareness program from trying to increase awareness of population issues to increasing awareness of the family health and financial advantages of family planning, and of what services are available and where to obtain them. Such benefits as improved health and mortality reductions resulting from child spacing will be stressed along with the semi-public issues of abortion prevention and reproductive freedom.

Although the effort to increase awareness of population issues will not be terminated, project funds for it will be reduced. Not a great deal more can be accomplished by way of direct influence on public policy for the present. Government officials and politicians who continue to oppose a pro family planning policy, or who aren't willing to take the risks involved in supporting one, are not likely, for the time being, to be greatly influenced by an intensive public information campaign, though a bit more might be done to reach those opinion leaders who might influence the policy makers.

CEPAR will, therefore, continue its efforts to influence opinion leaders, but with a reduced level of project support. In addition, central funding will be sought for CEPAR and the National Planning Council (Consejo Nacional de Planificacion, CONADE) for research and training to improve the policy environment.

Then too, increasing public awareness of the benefits of family planning at the family level is likely to increase the demand for FP services and hence the critical mass of public opinion in favor of a national policy. This, in the long run, may have as much influence on policy makers as the effort to sway them directly or through opinion leaders.

## II. Project Description

### A. Objectives

#### 1. Goal and Purpose

The Goal of this project extension, as that of the original project, is to help Ecuador decrease its population growth rate so as to increase the wellbeing of its people. Increased wellbeing will occur at both the family and national levels.

The purpose of the extension is to:

- o increase the demand for family planning and the availability of information and services to meet that demand;
- o encourage the development of a national population policy; and
- o increase the self-sufficiency of the private, non-profit family planning organizations supported under the project.

#### 2. Beneficiaries

This project will directly benefit approximately 271,000 couples of reproductive age who are married or in union, and who are expected to receive family planning services supported by the project. In addition, IF&C efforts under the project will benefit a larger group among the 774,000 MWRAs (48% of the MWA population) who are expected to be practicing family planning by 1991. (See Tables 1 and 2 on the following pages for projections of MWRAs and contraceptive prevalence and for CYP to be provided by agencies participating in the project.)

The project will indirectly benefit all Ecuadorians by reducing the requirement for investment in the most basic, maintenance needs of a rapidly growing population with a large percentage of children, thus increasing funds available for investments which can improve the quality of life (e.g. investments in health, education, housing, infrastructure, training and production facilities and equipment).

### B. Functional Components

The project, as it involves a complex intermeshing of institutions and sub-purpose level objectives (with several institutions contributing to each objective and each institution contributing to more than one objective), can best be understood if it is described as sets of both functional (objective related) and institutional components. The functional components are: family planning services; information, education and communication (IE&C); research; and support systems, including administration, training and logistics. (Table 3, following, shows the relationship between the functional components and implementing institutions.)

TABLE 1  
CONTRACEPTIVE PREVALENCE AND SOURCE OF SERVICES  
(000)

INDICATOR	1987	1988	1989	1990	1991
Women 15-49 years	2,284	2,357	2,418	2,487	2,585
Women in union (62.34%)	1,424	1,469	1,507	1,550	1,611
% of MWAs contracepting	44%	45%	46%	47%	48%
Number contracepting	627	661	693	729	773
Proj. inst. benefs. (ann)	116.6	133.5	151.1	170.6	193.3
CBD CSM & PHP benefs (ann)		46.3	55	65.6	77.3
Total proj. benefs (ann)	116.6	179.8	206.1	236.2	270.6

Source: 1987 CPS

\* According to 1987 CPS 18.6% of active users received services from institutions participating in the project. The projection assumes that percentage will increase to 25 by 1991 and that, with the CBD, CSM and PHP programs, 35% of active users will benefit from the project by its final year.

TABLE 2  
CYP BY SOURCE

	1987	1988	1989	1990	1991	Total	% Inc.
APROFE	65,459	68,114	70,740	74,509	78,123	356,945	20
CENOPRAF	25,400	29,259	33,652	38,702	44,529	171,542	75
IESS	34,170	35,878	37,672	39,555	41,000	188,275	50
CSM		21,400	23,500	26,000	28,500	99,400	1/
CBD		3,500	7,000	10,500	13,000	34,000	2/
PHP		3,000	6,000	9,000	12,000	30,000	3/
TOTAL	125,029	163,714	183,604	205,695	227,407	905,449	

1/ New program in 1987. Estimate based on Somarc predicted market share.

2/ New CBD program only.

3/ New program in 1987.

TABLE 3  
FUNCTIONAL AND IMPLEMENTING INSTITUTIONS COMPONENTS  
FUNCTIONAL COMPONENTS.

<u>Implementing Institutions</u>	<u>Family Plng. Services</u>				<u>Contra-ceptives</u>	<u>Information, Education and Communications</u>					<u>Research</u>		<u>Support</u>		
	<u>Clinics</u>	<u>CBD</u>	<u>CSH</u>	<u>PIPs</u>		<u>Mass Media</u>	<u>Point of Purchase</u>	<u>Publications</u>	<u>Audio Visual</u>	<u>Direct Contact</u>	<u>Opns.</u>	<u>Market</u>	<u>T.A.</u>	<u>Trng</u>	<u>Monitoring</u>
<u>Private Non-Profit</u>															
APROFE	X	X	X*	X	X			X	X						
CENOTAF	X	X	X*	X	X			X	X						
CEPAR					X	X	X	X	X	X	X			X	
CHURCH	X							X							
IPPF		X	X											X	X
<u>Private for-Profits</u>															
Pharma. Cos.			X	X	X*	X					X				
SOPARC			X	X	X	X				X	X	X		X	
Physicians & Nurse/Midwives			X	X				X	X						X
<u>Government</u>															
IESS	X			X				X	X						X
SI/POP		X		X						X	X	X			

\* To be determined.

The components are described in this section in general terms, aggregating outputs and certain inputs for several institutions at the objectives level. The institutional components section which follows breaks down outputs and inputs, including project support, by institution, thus paralleling the obligating documents which will commit funds and set targets by institution.

### 1. Family Planning Services

Family planning services will be provided by all three sectors, the private non-profit, the private for-profit and the public.

#### a. Non-Profits

Within the non-profit sector, services will be provided by the Association for the Wellbeing of the Ecuadorian Family (Asociación Pro Bienestar de la Familia Ecuatoriana, APROFE), working principally in the coastal region, and the Medical Center for Family Planning and Orientation (Centro Médico de Orientación y Planificación Familiar, CEMOPLAF), working principally in the Sierra, and by three dioceses of the Catholic Church. The first two organizations, which at present supply close to 12% of the family planning services dispensed in the country, provide two kinds of services, clinic based and community based, and provide limited advice, training and contraceptives to associated private doctors. The Church provides instruction and services relating to responsible parenthood and natural family planning methods.

Non-profit family planning services will use 55.5% of project funds.

#### 1) Clinic Based Services

The clinic based services include the full range of family planning services, including the supply and sale of contraceptives. The organizations together have 28 clinics which will, by the end of 1991 (the project extension terminating in September of that year), provide over 122,652 couple years of protection (CYP) a year, as compared to the 68,676 CYP provided by them in 1986.

The clinics operated by APROFE and CEMOPLAF are located in population centers of over 50,000 in conformity with an informal policy adopted in 1985. At the present time the urban clinics cover all except 7 cantons (counties) of more than 50,000 population. The program participants may establish clinics in the uncovered cantons during the project extension period on the basis of a study of services demand and coverage to be conducted under the project. Because urban clinic coverage was expanded significantly during the past four years, the project can now afford to concentrate more on rural outreach through the CBD, CSM and PHF programs.

Table 4, which follows, shows the location of project-supported family planning clinics and the population of the cantons in which they are located, with the exception of the CSS health posts.



	Pop. (000)	APKOR'E		CEMO- PLAF	IESS		Church	Total	
		a	b		a	b		a	b
<u>El Oro</u>									
Province	421	1	0	0	0	4	0	4	4
Machala	156	1				1		2	1
Pasaje	56					1		1	1
Sta. Rosa	53					1			1
Arenillas	20							1	
Zaruma	23					1			
-TOTAL	4909	8	2	3	5	14	4	36	16
<u>HIGHLAND REGION</u>									
<u>Carchi</u>									
Province	145	0	0	1	2	1	0	4	1
Tulcan	70			1	1			3	
Montufar	47				1			1	
Espejo	14					1			1
<u>Imbabura</u>									
Province	286	0	0	2	3	0	0	5	0
Ibarra	118			1	1			2	
Otavalo	72			1	1			2	
Antonio Ante	30				1			1	
<u>Pichincha</u>									
Province	1775	1	0	2	8	4	0	15	4
Quito	1437	1		2	7	2		13	2
Santo Domingo	186				1			2	
Cayambe	49					1			1
Rumiñahui	41					1			1
<u>Cotopaxi</u>									
Province	318	0	0	2	1		0	4	0
Latacunga	145			1	1			3	
Pujilí	00			1				1	
<u>Tungurahua</u>									
Province	382	1	0	0	1	1	0	3	1
Ambato	262	1			1			3	
Baños	17					1			1
<u>Bolivar</u>									
Province	166	0	0	1	1		0	2	0
Guaranda	78			1	1			2	

<u>HIGHLAND REGION</u>	<u>Pop.</u> (000)	<u>APROFE</u>		<u>CENO-</u>	<u>IESS</u>		<u>Church</u>	<u>Total</u>	
				<u>PLAF</u>					
		<u>a</u>	<u>b</u>	<u>a</u>	<u>a</u>	<u>b</u>	<u>a</u>	<u>a</u>	<u>b</u>
<u>Chimborazo</u>									
Province	373	0	0	2	1	1	0	4	1
Riobamba	175			1	1			3	
Coita	61			1				1	
Alausí	47					1			1
<u>Cañar</u>									
Province	202	0	0	0	1	1	0	1	1
Azogues	77				1			1	
Cañar	73					1			1
<u>Azuay</u>									
Province	526	1	0	0	1		4	7	0
Cuenca	340	1			1		1	4	
Gualaceo	46						1	1	
Santa Isabel	35						1	1	
Sig Sig	26						1	1	
<u>Loja</u>									
Province	410	1	0	0	1	1	0	5	1
Loja	149	1			1			3	
Calvas	33							1	
Celica	22							1	
Macará	20					1			1
<u>TOTAL</u>	<u>4583</u>	<u>4</u>	<u>0</u>	<u>10</u>	<u>20</u>	<u>9</u>	<u>4</u>	<u>50</u>	<u>9</u>
<u>Grand. Total</u>	<u>9492</u>	<u>12</u>	<u>2</u>	<u>13</u>	<u>25</u>	<u>23</u>	<u>8</u>	<u>86</u>	<u>25</u>

a Actual  
b Planned

\* Cantones for which a study is planned for establishing new clinics by private sector organizations.

## 2) Community Based Distribution

The community based distribution (CBD) system provides oral contraceptives and barrier methods which are sold by community based distributors who are recruited, trained, supplied and supervised by APIKOFE and CEMOPLAF. The organizations field mobile teams for supervision, on-going training, and support of the distributors. Physicians on the teams prescribe oral contraceptives and examine the women who are to receive them as well as performing IUD insertions. The organizations at present support 722 community based distributors who provided 14,372 CYP in 1986.

Some 520 more distributors are to be added during the extension, and the new and existing distributors are expected to provide close to 14,000 more CYP a year by the end of 1991. In addition approximately 130 more doctors and nurse midwives, who can perscribe oral contraceptives and perform IUD insertions, will be trained and equipped to handle rererrals from the CBD distributors and supervise them.

### b. For-profits

Provision of family planning services through the private for-profit sector will be increased through a "contraceptive social marketing" program (CSM, a program to increase the demand for and availability of contraceptives), and through a greatly expanded national program for training and equipping doctors and nurse midwives to provide family planning services. The training and support to the private practitioners to be provided in connection with the CBD program will be only a part of this broader program.

The for-profit activities will use 18% of project funds.

#### 1) Contraceptive Social Marketing

The CSM program will promote the use of oral contraceptives and condoms, provide the latter at lower price and increase the availability of both. Promotion will be done through mass media and point of purchase advertising campaigns to be developed with the assistance of a project financed US organization expert in social marketing.

The Ecuadorian affiliate of the Schering corporation has agreed to participate in the CSM program by distributing a relatively low-priced oral contraceptive produced by it in Ecuador and low-priced condoms to be provided by AID.

Schering will also contribute to the training and advertising aspects of the project. It will train pharmacists and CBD distributors in matters associated with family planning, such as contraceptive methods and the social importance of family planning, and contribute to the promotional advertising, particularly at the point of purchase.

#### 2) Private Health Practitioners

In addition to the CSM program, provision of contraceptive services by the for-profit sector will be encouraged by the project through a general program

for the training and equipping of doctors and nurse/midwives to provide family planning services. (This will be in addition to 130 private health practitioners to be trained and equipped in connection with the CED program.) In some cases other resources will be provided to these practitioners to help them set up practice in poorly served areas.

c. The Government

Project supported family planning services will also be provided by two units of the Social Security Institute. The IESS has 505 general health facilities serving some 32,000 family planning clients and providing close to 5% of the family planning services in the country. During the project period IESS plans to put into operation over 450 more health posts, providing family planning services to as many as 54,000 more clients.

Government programs will use 9.5% of project funds.

2. Information, Education and Communication

The IE&C effort will devote particular attention to rural areas and potential family planning users between the ages of 15 and 24 and will emphasize family wellbeing as a theme, as opposed to the general population issue oriented themes of past IE&C campaigns. Part of the program will be directed toward policy makers and opinion leaders and will concern population issues. IE&C efforts will be conducted through the mass media, point of purchase advertising, publications, audio-visual aids and direct contact.

The participants in this program will be APROFE, CEMOPLAF, CEPAR and the organization chosen to support and manage the contraceptive social marketing program. The participants will form a coordinating group to establish priorities, exchange information, ideas and materials, and avoid duplication and conflicting messages.

3. Research

Research under the project will be conducted by CEPAR. This research will be used to inform the policy makers and program implementers of the results of activities carried out in the family planning field of particular areas of need, of problems and of promising avenues of program development, and to develop information on the consequences of rapid population growth which might influence the national policy dialogue. The program, then, will include operations, demographic, social science and policy research.

4. Support Systems

Just as certain output objectives cut across the institutional framework of the project, certain support services will meet the needs of more than one of the participating institutions. These support services will include technical assistance, oversight, coordination, technical and administrative training and supply.

The largest support element in the project will be the International Planned Parenthood Federation/Western Hemisphere Region (IPPF/WHR) cooperative agreement. AID project funds for APROFE, CEMOPLAF and CEPAR will be channeled through IPPF which will also monitor their performance on behalf of USAID, provide or coordinate technical assistance to them and help arrange training tours abroad (not academic training). A new contract position will be established to manage the social marketing program.

Other cross-institutional support will be centrally funded, for example contraceptive supply, assistance in market research and design of advertising campaigns, and other technical assistance and training. A list of these support services may be found in the Centrally Funded Activities section, II.C., below.

Support systems will use 35.3% of project funds. (The remaining 4.5% of project funds will be in a general contingency fund).

### C. Institutional Components

This section describes key project inputs and outputs for each participating institution. Both AID and locally financed inputs are included. A breakdown between AID and counterpart contributions is shown in the tables in the Financial Analysis section.

Both intermediate and impact level outputs are stated. An example of an intermediate output would be number of clinics supported. The principal impact level output indicator or performance target used is couple years of protection (CYP).

Table 5, following, shows key outputs by implementing institution and Tables 6 a-c (Summary Financial Plan) show the projected allocation of AID and counterpart funds by institution, type of input and year.

#### 1. The Private Non-Profit Organizations

The project will support five types of activities on the part of the non-profits: maintenance, improvement and increase in family planning services in areas already served; extension of services to new areas; promotion of demand for family planning services; promotion of support for a national population policy; and increase in earnings and financial self-sufficiency. Various non-profits will participate in some of these activities but not in others. For instance, CEPAR will not provide family planning services and the Archdioceses will not attempt to earn income from services.

##### a. APROFE

The APROFE subproject will accomplish the following during the extension period:

- o provide equipment, educational and clinical materials, staff, supervision and supporting services (including, e.g., promotional

TABLE 5

KEY OUTPUTS BY IMPLEMENTING INSTITUTIONS  
OUTPUTS

	Clinics			New Acceptors (000)			Clinic CYP (000)			CBD Distributors			CBD/ CYP (000)			Earnings (\$000)		
	82	87	91	82	86	91	82	86	91	82	87	91	82	87	91	82	86	91
<u>Private Non-profit</u>																		
APROFE	3	12	14 <sup>3/</sup>	11	25	36	40	53	78	520	790		9	16		37	60	
CENPLAF	5	18 <sup>1/</sup>	18 <sup>3/</sup>	1	11	21	13	16	44	0	202	462	5	9		47	69	
CEPAR CHURCH	0	8	8					4	11									
<u>Private for-profit</u>																		
Pharmaceutical cos.			<u>2/</u>															
Private health Practitioners	<u>4/</u>	210																
<u>Government</u>																		
HESS																		
FSD	25	25	50	8	12													
CSS	200	480	900	14	4	19	NA	2	155									

- 1/ Five additional clinics are supported by FPIA.
- 2/ 1800 pharmacies.
- 3/ assessment will determine establishment of new clinics.
- 4/ Includes php and CBD Expansion private practitioners.
- 5/ 71,000 CSM USERS

TABLE 6a  
SUMMARY FINANCIAL PLAN FOR PROJECT EXTENSION

Budget Year	AID GRANT (US\$000)					Totals
	1987	1988	1989	1990	1991	
<hr/>						
Private Non-Profit						
IPPF	105.30	221.20	232.50	240.00	251.00	1,050.00
APROTE	156.35	305.24	366.98	402.66	343.77	1,575.00
CEMOPLAF	94.50	251.45	287.64	255.73	210.68	1,100.00
CBL	0.00	64.90	106.20	142.50	165.40	479.00
CEPAR	109.40	225.12	229.85	238.25	197.01	999.63
Total	465.55	1,067.91	1,223.17	1,279.14	1,167.86	5,203.63
<hr/>						
Private For Profit						
CSM	171.60	351.60	360.70	297.00	149.50	1,330.40
PHP	0.00	46.33	46.23	46.22	46.22	185.00
Total	171.60	397.93	406.93	343.22	195.72	1,515.40
<hr/>						
Catholic Church						
Cuenca	15.00	47.00	55.00	59.20	51.40	227.60
Guayaquil	20.00	36.00	40.00	46.00	42.00	184.00
Esmeraldas	0.00	30.00	28.00	32.00	0.00	90.00
Total	35.00	113.00	123.00	137.20	93.40	501.60
<hr/>						
Government						
LESS						
CSS	0.00	285.22	86.05	144.23	83.30	598.80
FDS	0.00	49.60	67.90	54.30	30.10	201.90
Total	0.00	334.82	153.95	198.53	113.40	800.70
<hr/>						
General Contingency		96.10	118.97	135.03	28.57	378.67/1
<hr/>						
Grand Total	672.15	2,009.76	2,026.02	2,093.12	1,598.95	8,400.00

/1 It does not include institutional contingencies.

Table 6.b.

SUMMARY FINANCIAL PLAN  
(U.S. \$000)  
TOTAL PROJECT EXTENSION COSTS

	<u>AID</u>		<u>Counterpart</u>	<u>Total</u>
	<u>Ex</u>	<u>L.C.</u>		
Tech. Assistance	66	0	0	66
Training	24	614	207	845
Equip. & Materials	403	670	121	1,194
Operations	1,050	4,676	3,680	9,406
Research	0	270	0	270
Contingency	90	537	0	627
	<u>1,633</u>	<u>6,767</u>	<u>4,008</u>	<u>12,408</u>

Table 6.c.

A.I.D. EXPENDITURE SCHEDULE

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>Total</u>
Tech. Assistance	7	15	17	13	14	66
Training	20	154	130	190	144	638
Equip. & Materials	75	379	253	216	150	1,073
Operations	512	1,236	1,371	1,407	1,200	5,726
Research	42	67	68	59	34	270
Contingency	<u>17</u>	<u>158</u>	<u>187</u>	<u>203</u>	<u>62</u>	<u>627</u>
	672	2,010	2,026	2,088	1,604	8,400

efforts, technical assistance, supply services, and equipment maintenance), so as to maintain, improve and increase family planning services in 12 existing APROFE clinics, and to establish two more clinics, serving urban areas;

- o provide equipment for the continued operation of a clinical laboratory run by APROFE in connection with its family planning services;
- o provide 2,300 person/days of in-country family planning training to 115 doctors, nurse/midwives, auxiliary nurses and administrative personnel;
- o produce and broadcast 457,000 radio spots and mini soap operas designed to increase public awareness of the advantages to the family of family planning, and of the types of family planning services available and where they can be obtained;
- o conduct research to determine the effect of price changes on contraceptive demand in APROFE clinics;
- o increase the CYP of the APROFE clinics from 52,941 in 1986 to 78,123 in 1991
- o increase the number of CBD distributors from 530 in 1986 to 790 in 1991 and CYP provided by them from 7,249 in 1986 to 15,800 in 1991;
- o increase earnings from the sale of contraceptives and services from \$37,230 in 1986 to \$60,000 in 1991.

b. CENOPRAF

The CENOPRAF subproject will accomplish the following:

- o provide educational and clinical materials, staff, supervision and supporting services to maintain, improve and increase the family planning services capabilities of 9 existing CENOPRAF family planning clinics serving urban areas and 3 serving rural areas;
- o provide materials, salaries and supervision and supporting services for a family planning clinic operated by the Association of Nurse/Midwives;
- o provide equipment, materials and staff for the continued operation of 3 income generating laboratories in connection with family planning centers and opening of 3 new ones with project funding;
- o provide 2,100 person/days of in-country family planning training to 105 doctors, nurse/midwives, auxiliary nurses, social workers and administrative personnel;
- o produce and broadcast 150,000 radio spots designed to increase public awareness of the advantages to the family of family planning, and the

types of family planning services available and where they can be obtained;

- o increase the CYP of the CEMOPLAF clinics from 15,761 in 1986 to 44,529 in 1991 by increasing the number of clients dealt with and the effectiveness of the services provided;
- o increase the number of CEMOPLAF affiliated CBD distributors from 202 in 1986 to 462 in 1991, and the CYP provided by them from 3,424 in 1986 to 9,240 in 1991;
- o increase earnings from the sale of contraceptives and services from \$47,100 in 1986 to \$69,000 in 1991, by, inter alia, opening 3 new laboratories, introducing new services such as CAT scanning, and charging higher fees for non-medical services.

c. CEPAR

CEPAR (The Center for Research on Population and Responsible Parenthood) will, as under the past agreement, seek to increase appreciation in Ecuador, at the public policy and family levels, of the economic, health and environmental consequences of rapid population growth and increase knowledge of possible responses to the problem. It will do this through research, publications, audio-visual aids, media dissemination and training on demographic and socio-economic variables. CEPAR will also conduct research and disseminate information pertinent to the improvement of family planning programs in Ecuador, for example, the recent contraceptive prevalence study conducted by CEPAR in cooperation with the Ministry of Health and Demographic and Health Surveys, a subsidiary of the Westinghouse Institute for Resource Development

CEPAR will engage in research on the following topics and prepare and disseminate materials and provide training as follows:

Research

- o reproductive and sexual knowledge, attitudes and behaviour of Ecuadorians under the age of 25;
- o availability of contraceptives and family planning services in Ecuador;
- o side effects of IUD use and appropriate manner and conditions of use;
- o the for-profit private sector's role in family planning in Ecuador;
- o the causes of the gap between contraceptive practice and preference in Ecuador (by region, economic class, cultural affinity, etc.);
- o the relationship between population growth and development in Ecuador;
- o the Ecuadorian family, including marriage and parenting;

- o the relationship between education and fertility in Ecuador;
- o a 1991 update of the contraceptive prevalence survey;
- o an in-depth demographic review;
- o cost-effectiveness of the various family planning programs in Ecuador;
- o opinions of Ecuadorian political and opinion leaders on family planning issues;
- o Ecuadorian fertility levels, trends, and related data;
- o maternal morbidity and mortality.

#### Dissemination

- o analytical summaries of the Contraceptive Prevalence Survey;
- o video-cassettes on family planning and related issues such as unwanted pregnancy, fertility, population growth, and contraceptive methods;
- o radio broadcast materials and spots for marginal communities on family planning methods;
- o slide show accompanied by excerpts from radio broadcasts to be played in clinic waiting rooms;
- o posters for family planning clinics on contraceptive methods and reproductive anatomy.

#### Training

- o 120 educational events (courses, seminars, symposiums, panel discussions etc.) on population and development, family planning and responsible parenthood, for political, labor and other social and economic leaders.

#### d. IPPF

USAID will continue to employ IPPF to help implement the programs of the three organizations mentioned above. USAID will provide project funds to IPPF which, in turn, will disburse them to APROFE, CEMOPLAF and CEPAR for their project activities. IPPF will also monitor their performance, help coordinate activities among them, provide technical assistance to or obtain it for them, assist them with training, and report to USAID on their performance. IPPF will play a similar role with regard to the new Private Health Practitioners and Contraceptive Social Marketing Components. IPPF's specific responsibilities for these new activities will be determined when implementation plans for them are prepared.

IPPF will rely on the staff of its Quito and regional offices as well as on its affiliates throughout the Western Hemisphere Region for technical assistance, which will include the following:

- o LE&C;
- o training of medical and paramedical personnel;
- o financial information and procedures;
- o program development and planning;
- o resource development and fund raising;
- o supply management; and
- o project implementation and monitoring.

e. The Catholic Church

Under the proposed project extension, support will be provided for the efforts of the Archdioceses of Cuenca and Guayaquil and the Vicariate of Esmeraldas to promote responsible parenthood and advise on natural family planning methods. The project will provide:

- o technical assistance;
- o in-country training;
- o educational materials;
- o clinical equipment, for examinations to identify medical conditions which can interfere with the self-examination process used for natural family planning;
- o staff; and
- o support services.

These inputs will support:

- o education for married couples, those soon to be wed and young people, on responsible parenthood;
- o production and dissemination of information on natural family planning methods;
- o operation of Natural Family Planning (NFP) services which will advise couples on natural family planning methods and perform the examinations necessary to make those methods effective;
- o training of NFP personnel;

- o dissemination within the dioceses of information about these programs.
- CYP produced by the church will increase from 4,200 in 1986 to 10,900 in 1991.

## 2. The Private For-profit Sector

### a. Contraceptive Social Marketing

USAID will arrange for the services of a professional CSM organization, such as SOMARC/Futures Group, to be paid for out of project funds. That organization will in turn contract with a local advertising agency and work with it, commercial distributors and the IE&C coordinating committee to develop and disseminate contraceptive marketing messages.

The CSM organization will also arrange with the Schering corporation to coordinate the expanded distribution of Schering oral contraceptives, and perhaps AID-provided condoms, with the advertising program in order to assure that supplies will meet demand. This program is expected to generate sales of 170,000 oral contraceptive and one million condoms a year. In addition, the advertising campaign, since it will be generic, not product specific, is likely to generate increased use of contraceptives obtained from other sources as well. IPPF will provide overall coordination and administrative support for this component.

### b. Private Health Practitioners

An organization will be selected to manage this program on behalf of USAID. This may be arranged via the IPPF cooperative agreement. Subagreements will be made with several organizations, including APROFE and CEMOPLAF, to work with private health practitioners (PHPs) who will support the CPD program and provide family planning services through their private practices. The project will assist approximately 130 physicians and nurse/midwives to support CBD programs and another 80 to set up private practice in poorly served areas. These two groups are expected to generate 12,000 CYP by 1991.

## 3. Government

### a. Social Security Institute

There are two administratively separate programs within the Social Security Institute (Instituto Ecuatoriano de Seguridad Social, IESS), the Medical Social Directorate (MSD, Direccion Nacional Medico Social) and Campesino Social Security (CSS, Seguro Social Campesino).

#### 1) Campesino Social Security

The CSS subproject will accomplish the following:

- o provide family planning equipment, education materials, staff and supporting services to maintain, improve and increase family planning services at 480 existing CSS health facilities and to establish 420 new

facilities (to be funded from counterpart funds), bringing the total of CSS health units providing family planning services to 900 by the end of 1991;

- o provide 4,225 person/days of in-country family planning training to 845 CSS doctors, nurses, social workers, and auxiliaries;
- o increase program coverage from 1,828 CYP in 1986 to 17,940 in 1991. (The low 1986 CYP level was during the tenure of a CSS Director who opposed family planning.)

b) The Médico Social Directorate

This program will be aimed at strengthening and expanding family planning services to urban social security system participants through existing MSD health clinics, dispensaries, and hospitals.

The project will do the following:

- o provide family planning equipment, education materials, staff and supporting services to maintain, improve and increase family planning services at 25 MSD facilities currently providing such services and introduce them at 25 additional, existing facilities, bringing the total number of MSD clinics, dispensaries, and hospitals with family planning services to 50 by the end of 1991;
- o provide 2,190 person/days of in-country and overseas training to 450 doctors (including 150 doctors in dispensaries operated by large private businesses in compliance with the social security law), nurses, auxiliary nurses, health educators, and administrators;
- o increase program coverage from 29,600 CYP in 1986 to 33,315 in 1991.

D. Centrally Funded Activities

In addition to the activities funded under the subprojects listed above, a number of centrally funded project resources will be used to help implement the proposed project. These resources will be tapped by organizations participating in this project to address various requirements including operations research, contraceptive supplies, technical training, assistance, in the areas of operations research, logistics, contraceptive supplies, technical training, communications, and policy development.

A brief description of the type of support expected from AID/W-funded projects follows. The first of the support activities is essential for the accomplishment of project purposes. The next two are very important and the rest are desirable but not essential.

- o The Pathfinder Fund and Family Planning International Assistance -- contraceptives to implementing agencies involved in service delivery and assistance for the community based distribution programs;

- o Westinghouse -- Family Planning and demographic surveys.
- o Management Sciences for Health, Inc. -- technical assistance to APROFE, CEMOPLAF, and CEPAR in improving financial and general management, and developing long term planning capability for training and equipping private practitioners;
- o Development Associates, Inc. -- support for in-country training and overseas observation trips and development of interagency coordination, and technical assistance in the design of training programs for public sector agencies;
- o the Centers for Communicable Disease Control -- support for improving logistics systems in both public and private implementing agencies;
- o the Futures Group Inc., Family Health International, Project IMPACT, and the OPTIONS Group -- support to CEPAR for leadership awareness, training and population policy development;
- o Georgetown University -- technical assistance for the three church-sponsored natural family planning subprojects;
- o Johns Hopkins University -- training in program administration and reproductive health management; and,
- o the Family Planning Enterprise Project -- assistance for family planning efforts in the private for-profit sector;
- o the Population Council -- technical assistance to the implementing agencies for their operations research activities;

TABLE 7

ESTIMATED CENTRALLY FUNDED  
SUPPORT REQUIREMENTS  
(\$000)

<u>TYPE OF SUPPORT</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>TOTAL</u>
TRAINING	\$ 20	\$ 30	\$ 20	\$ 10	\$ 90
CONTRACEPTIVES	200	220	240	260	1,220
TECH. ASSISTANCE	40	40	40	40	160
RESEARCH	60	60	60	60	240
SERVICE DELIVERY	<u>175</u>	<u>180</u>	<u>189</u>	<u>191</u>	<u>735</u>
TOTAL	\$495	\$530	\$549	\$561	\$2,445

### III. Project Analyses

#### A. Technical Analysis

This analysis deals only with issues relating to the feasibility of the proposed activities. It does not attempt to explain systematically how the project objectives will be achieved. A more complete account of the means the project will employ to achieve its objectives appears in the Project Description section.

The project extension poses no problems with regard to the contraceptive or family planning services technologies to be applied. These are all widely proven technologies which, in fact, have all been in use in Ecuador either under the project or in the commercial market. Nor does the project require any innovation in skill development or training. The skills required and the level of prior preparation of service delivery personnel to be trained will not change. The numbers of trainees will merely increase.

For the most part the feasibility questions which must be addressed regarding the extension relate to the ability of the participating institutions to manage the delivery of the significantly increased levels of services proposed. These questions are analyzed in the Institutional Analysis section which follows. There are, however, a few technical issues which need to be addressed: the willingness of private practitioners to work in poorly served areas, the effect of subsidized contraceptives on the competition, the willingness of retailers to handle subsidized contraceptives, and the IE&C technologies involved in reaching groups which have not been reached very effectively to date.

#### 1. Family Planning Services

##### a. General

The project will attempt to increase and meet the demand for a broad range of family planning services (though no AID funds are currently planned for sterilization). The reason for this pluralistic approach is that different methods are appropriate in different cultural, economic and medical circumstances. In this connection, effects of various methods will be studied and special attention will be paid to educating personnel providing family planning services about the advantages and disadvantages of the various approaches and the conditions which may render them appropriate or inappropriate, and about possible side effects and what should be done if they occur. This approach also conforms to AID policy.

##### b. Availability of Services

A major thrust of the project will be to make services available to those they have not reached in the past, particularly in areas which have not been well served. This will be done through expansion of the governmental and non-profit organization programs and stimulation of the private sector through contraceptive social marketing and training, supplying and equipping private

health practitioners (physicians and nurse/midwives). The first two approaches merely build on what is already happening and pose no problems of feasibility. Some uncertainties attend the last two approaches.

c. The Private Health Practitioner Program

There are two activities within this program. One involves providing contraceptives, family planning training and related equipment to private physicians and nurse/midwives in order to increase their involvement in family planning, both directly and through referrals from CEB distributors. The second activity would provide equipment and possibly other resources going beyond those needed for family planning, to un- or underemployed physicians and nurse/midwives, in order to set them up in practice in poorly served areas. Such a program has worked in Mexico and would be relatively cost effective since, once established, the practitioner would need little if any donor support (unlike the non-profit family planning organizations which may never be 100% self-sustaining.)

With 1,300 medical graduates a year, and one physician per 920 people, there are a number of un- and underemployed physicians in Ecuador seeking, generally, to establish practice in the more attractive urban areas. A similar problem may exist for nurse/midwives. The question about the proposed program is the extent to which these professionals, particularly the physicians, would be willing, with the inducements provided by the program, to practice in rural or low income urban areas. That will only be known once the program has been tried. Though some professionals may express an interest, we cannot know how well they will persevere until the effort has been underway for a while. In short, the program is experimental and will accordingly be kept small and monitored closely until its feasibility is established, or disconfirmed. However, even practitioners who do not stay at their new locations after receiving project assistance would not represent a total loss to the program because they would still be well trained family planning practitioners.

a. Contraceptive Social Marketing

1) The Competition Issue

One question with regard to contraceptive social marketing is whether it will arouse opposition from the current commercial distributors. The potential problem is greatest with regard to condoms, since AID furnished condoms will be introduced at 25.5 cents a unit as compared with commercial prices of 34 and 41 cents.

The authors of the CSM feasibility study feel that competition will not be a problem: because condom sales are so small, 2.7% of contraceptive methods used; because the largest supplier of condoms to Ecuador is Ansell which, since AID purchases a large part of its condoms from the company, is unlikely to object; and because Schering, through which it is recommended distribution be made (since it already has a distribution network in place and is the only

one of the pharmaceutical companies to have expressed interest in the CSM program) has the closest relationship with the Ministry of Health of any of the pharmaceutical companies operating in Ecuador.

Although Schering would not profit from the sale of the AID furnished contraceptives--it would merely recover its costs--its involvement might aggravate competitor reaction on the supposition that its position in the market would be strengthened by being the source of the low priced condoms. Although eliminating Schering from the distribution loop would not eliminate the price competition problem, it might lessen it. On the other hand, Schering's existing distribution network offers a considerable advantage. The feasibility study team's conclusions will be double checked before a program is begun.

The question of competition with regard to oral contraceptives is a more subtle one. The orals will be provided, as well as distributed by Schering at their regular commercial price, which will not be the lowest price in the market. Moreover, the project supported advertising will be generic, thus benefitting all suppliers, as Ecuadorian law prohibits product specific contraceptive advertising. Schering, however, proposes to make inputs to the advertising campaign, particularly point of purchase advertising, and might as a result be seen by competitors as gaining some advantage. However, Schering, with 58.4% of the market, is the largest supplier of orals in Ecuador, and other suppliers were uninterested in cooperating in the program. In the circumstances, it seems reasonable to proceed with the program.

## 2) Impact

A second question concerning the distribution of subsidized condoms is the extent to which they will increase use of contraceptives rather than merely substitute for higher priced ones. Condom sales, therefore will be carefully evaluated, with control groups, to find out whether increased use resulting from the reduced price is sufficient to warrant continuing the subsidies.

It may be noted in this connection that, although condoms are relatively expensive, compared for example to oral contraceptives (approximately \$2.04 per four weeks of protection, assuming use of 8 condoms a month, as against 73 cents for a 28 day pill cycle), it would not be possible to lower the price significantly, if at all, for distribution through the for-profit sector, even though the condoms are furnished without charge by AID and packaging and distribution only costs about 10 cents. This is because the retailer's profit is fixed by law at a percent of the sale price. At 25.5 cents per unit, retailers will already have to increase sales by 60% to equal the profits obtainable from the lowest priced condoms currently on the market. One possible consequence of the lower profit on the AID furnished condoms is that retailers will not be particularly interested in handling them. Though the authors of the feasibility study thought there would be a market, this bears watching. However, it will soon be obvious if there is not a significant demand.

Returning to the question of price, the authors of the feasibility study felt that if it were set even lower, the reluctance of retailers to handle the AID-furnished condoms would become critical. There is no precise way of determining the minimal price beforehand. It is basically a matter of judgement. However, it will be possible to experiment with lower, or higher, prices once the program is underway.

## 2. Information, Education and Communication

One of the major emphases of the IE&C program under the project extension will be to reach rural areas. Particular attention will be paid to the special attributes of this market segment and in particular to those of its Sierra-dwelling and Indian subsegment, since contraceptive use is lowest in the rural Sierra. The problem may be simply one of distribution of contraceptives, but, given cultural and linguistic differences--many Sierra Indians, particularly women, speak only Quichua--it is quite possible that there are special problems in reaching this group that will have to be addressed.

As mentioned earlier, specially tailored IE&C efforts may also be necessary to reach the under 25 age group which may not be reached as effectively by general IE&C programs as it would be by programs taking into consideration the factors which may especially motivate it. Market research and production of appropriate IE&C materials will be undertaken by the project in this connection.

### B. Institutional Analysis

This section addresses project feasibility in terms of the management capabilities of the implementing institutions. As pointed out in the Technical Analysis, project success will depend for the most part on the delivery of services which are technically well understood. No new technologies will be introduced. Consequently, performance will be determined by the implementing institutions' capabilities to plan, manage and evaluate their respective programs, assisted by Project resources.

Because this Amendment represents a continuation of ongoing activities, for the most part, management performance to date is the best indicator of institutional capability during the next four years. The June 1986 evaluation team assessed the management performance of all of the institutions which will participate in this amended Project and gave high marks to APROFE, CEMOPLAF, CEPAR and IPPF. They identified more problems associated with the IESS family planning program, but which involved management priorities more than capabilities. IESS is a strong institution with extensive health services infrastructures throughout the country. It is expected to contribute significantly to Project goals with modest Project inputs.

The two new initiatives, the contraceptive Social Marketing and possibly the Private Health Practitioners program may not be managed directly by any of the institutions currently engaged in the Project, although IPPF will provide overall administrative and coordination services to USAID for those component.

CSM will be administered by SOMARC/The Futures Group (SI/PCP contractor) in association with Schering Corp. and an Ecuadorian advertising firm, and in close collaboration with APROFE, CEMOPLAF and CEPAR. All of those groups have extensive experience in their respective fields.

Several alternative administrative arrangements are being considered for managing the PNP component. These include IPPF in association with APROFE and CEMOPLAF and/or, professional associations (physicians and nurse/midwives.)

Management factors affecting the participating institutions' performance are discussed in the remainder of this section. The information is derived from the Mission's experience during the past five years and the 1986 evaluation report which focused on the administrative capabilities of the institutions.

#### 1. The Private Non-profit Sector

##### a. General

The June 1986 evaluation identified two general institutional needs of the non-profit family planning organizations supported by the project.

- o coordination among the organizations to avoid program duplication and overlap, both in family planning services and in IE&C, as well as avoiding inconsistencies in the latter; and
- o annual work plans including,
  - coordination plans, which would address the first need,
  - performance targets for earnings from sales of commodities and services, which has been an area of weakness for two of the non-profits, APROFE and CEPAR, and
  - measures which will be taken to remedy management deficiencies encountered in the course of the preceding year and those which will be required to handle the demands of program growth and modification. These management plans will be especially important in a period of rapid expansion such as that which will be financed by the project in the case of APROFE and CEMOPLAF.

Annual work plans will be required of each of the non-profits.

The three non-profits also had a problem with the rate of disbursement during the original project, but this was largely a result of the availability of considerably more Ecuadorian currency than anticipated, due to a generous allowance for inflation coupled with an inadequate allowance for accompanying depreciation in the value of the sucre vis-a-vis the U.S. dollar. This problem should not occur under the project extension, since a more realistic adjustment for the combined

effects of inflation and depreciation has been made. An additional problem in the case of CEPAR was cancellation of several expensive, planned research projects. With a firmer grip on research needs and possibilities at present, this problem is not likely to recur.

In general, the June 1986 evaluation found APROFE, CEMOPLAF, and CEPAR basically sound.

a. IPPF

IPPF's role is in part a coordination one, but also includes overseeing management of the activities of APROFE, CEMOPLAF and CEPAR and providing or arranging technical assistance for them. Given IPPF's successful performance to date and the increasing managerial competence of the other non-profits, IPPF should have no difficulty handling the work planned for it under the project extension.

b. APROFE

APROFE is the oldest and largest of the private, non-profit family planning organizations in Ecuador. It was formed in 1965 and currently provides close to 10% of the family planning services dispensed in the country. As indicated in the recent project evaluation, it is well managed with one exception; it has not generated much income, and has therefore remained heavily dependent on donations.

With regard to general management capabilities, the evaluation said (p.31), "APROFE is a highly professional organization that has excellent managerial, training and evaluation capabilities. Its ability to manage growth is demonstrated by its increase in clinics and by having consistently exceeded its new acceptor goal."

With regard to the income generation problem, APROFE covered 15% of its costs from earnings in 1986 compared to 27.2% for CEMOPLAF. There is no inherent reason that APROFE should earn less from the sale of contraceptives and services than CEMOPLAF. It is a matter of motivation rather than feasibility. The project will address this problem directly. Earning targets will be set in annual work plans, and IPPF and Management Services for Health will help APROFE increase its earnings.

APROFE is to receive an average of \$393,750 per year during the project extension as compared to \$269,500 received in 1986. Clinical services are to expand from 52,941 CYP in 1986 to 78,123 in 1991, an increase of 25,182 or 47.6%. Given that APROFE experienced a growth in clinics from 3 to 10 in the three year period 1983-'85, and in new acceptors from 10,509 to 24,643 in the same period, a growth of 14,134 or 134.5%, while meeting 91.7% of its acceptor target in 1983, 126.6% in '84 and 120.1% in '85, it should have no difficulty managing the 47.6% increase in CYP proposed under the four year project extension. Though the growth expected during the project period may be greater in absolute terms, APROFE will have 4 1/2 years, including the first half of the current year, rather than 3 to accomplish it. (CYP is being substituted for new

acceptors as a measure of performance as more accurately reflecting the impact of the project effort. It can change at a different rate than new acceptors, since it includes old acceptors, and a higher level of CYP can be achieved for the same number of acceptors by using contraceptive methods which provide a longer period of protection. However, the difference in increase is not likely to be great enough to make a significant difference with regard to demands on management.)

The APROFE CBD program is to increase from 530 distributors at present to 790 at the end of the project extension and from 7,249 CYP in 1986 to 15,800 in 1991, a 117.9% increase. Although this is a significantly sharper increase in percentage terms than that for the clinical program, numerically it represents only a slightly larger increase than that managed by APROFE 1983 through 1985 and thus should present no managerial difficulties.

#### b. CENOPLAF

CENOPLAF, as noted above, has done notably well in reducing its dependence on donations with 27.2% of its budget now derived from earnings, an impressive performance compared to other non-profit family planning organizations, or for that matter non-profits of any kind.

The June '86 evaluation said of CENOPLAF (p.35), "As more growth occurs, CENOPLAF will be capable institutionally of adjusting its organizational structure accordingly to maintain its efficiency and effectiveness."

CENOPLAF received \$174,000 in 1986 and is to receive \$250,000 per year during the extension period. It increased the number of its clinics from 5 in 1982 to 13 in 1986 and of new acceptors from 1,170 to 10,973, an increase of 9,803. (The percentage increase, 838% is not very instructive, since it rose from such a small base.) CENOPLAF is to increase its CYP from 15,757 last year to 44,529 in 1991, an increase of 28,772. However, it is, according to IPPF, well on its way to its 1987 target of 25,400 CYP.

Assuming CENOPLAF will reach 20,000 CYP by the middle of this year, that will leave it 4 1/2 years to achieve an increase of 24,529, approximately 33.3% over what it achieved in the preceding 4 1/2 years, January 1983 through June 1987. A one third, 6,000 CYP, increase in CYP growth over a 4 1/2 year period (about 1,350 a year) does not seem inordinate.

The CENOPLAF CBD program is to increase from 202 distributors in 1986 to 462 in 1991 and from 3,424 CYP in 1986 to 9,240 in 1991. Since the 1986 figures were achieved in 4 years (1983 through 1986), CENOPLAF should have no difficulty approximately doubling them to the target level in 4.5 years.

#### c. CEPAR

No increase in CEPAR funding or significant increase in its level of activity is planned. CEPAR did fall behind in disbursement of funds

during the original project period, but this was a result of a number of expensive planned research projects being cancelled.

CEPAR also has done little in the way of developing sources of income. Though its possibilities are considerably more limited than those of APROFE and CEMOPLAF, there are some services it might sell, such as computer and data processing services, statistical analyses, training, audio-visual services and publishing.

#### d. The Catholic Church

The Church programs are relatively small and will receive only modest Project funding during the life of project: \$227,600 for Cuenca, \$90,000 for Esmeraldas and \$184,000 for Guayaquil. In 1984 through the present they received \$80,000, \$53,325 and \$25,675 respectively. Although the annual rate of funding for the project extension is higher than that up to present, the annual average of expenditure is sufficiently small (\$56,900 in the case of Cuenca, the largest church program) that it should present no problem.

### 2. The Private For-profit Sector

IPPF will provide overall coordinating and administrative support to the organizations which will implement the CSM and PHP components. Those services will be included in the amended Cooperative Agreement between USAID and IPPF.

The Contraceptive Social Marketing subproject will be carried out by SOMARC and Schering, both non-Ecuadorian organizations involved in much larger activities than this program, which they should therefore have no difficulty handling. The training and support for private health practitioners will probably be coordinated by IPPF and carried out by APROFE and CEMOPLAF, and possibly Ecuadorian professional associations. The first three institutions have already been analyzed and the level of activity proposed is sufficiently low that it should cause no problems to any of them. The capabilities of the Ecuadorian professional associations will be studied to determine whether they should participate in the program.

### 3. The Government

#### a. General

The two government subagencies involved in the project have two institutional problems in common. Both stem from the fact that family planning services in the government are part of more general health services. The first problem is that family planning services must compete for priority and scarce resources with other health services and inevitably suffer if supervisory personnel at any level of the hierarchy give them second priority. The second problem, a special case of the first, is that if the general service under which family planning falls

is headed by someone who is opposed to family planning, provision of family planning services is seriously impeded at all levels regardless of the attitude of more junior personnel.

The latter problem led to a major slow down of family planning services in the case of the Campesino Social Security Directorate. It was headed until recently by an official hostile to family planning. The current head is favorable, but there is no way of guaranteeing that he will remain in office, or that, if he or any other key official leaves, he or she will be replaced by officials with an equally favorable attitude. The odds would be more favorable if there were a national population policy, and USAID is trying to help bring one about.

Short of a national policy, the best USAID can do is train subordinate personnel to a point where they will carry on as best they can under adverse supervision. This is what many CSS personnel apparently did during the tenure of the last Director. Despite his unfavorable attitude toward family planning new acceptors dropped by only 82, from 700 to 618 between 1984 and 1986. The drop would probably have been more precipitous if staff at the local level had not been firmly in support of family planning.

The fact remains that support of government programs is essentially a gamble. As indicated earlier, however, it is worth taking the gamble because of the large outreach capability of the government health services and the potential influence of their personnel on public policy.

The CSS is being given computers under the project and will be required to keep track of indicators of performance for each facility and for the system as a whole. Annual performance targets (input, output and impact) will be set and monitored throughout the year.

#### b. The Social Security Institute

The two programs within the Social Security Institute, the urban program of the Medico Social Directorate and the rural program of the Campesino Social Security Directorate, suffer from lack of strong central direction in favor of family planning, an organizational structure in which family planning is only one of several services, and lack of control on the part of those responsible for family planning over important inputs. As an example of the latter, the IE&C function in the Médico-Social Directorate was a separate department which is supposed to support family planning but had done little in that direction up to the time of the evaluation. (The IESS has agreed to raise direction of the program to the Directorate level, which can solve the IE&C coordination problem, if the Director of MSD takes a strong stand.) At present the MSD and the SSC have new, pro family planning directors, and, for reasons already set forth, it seems appropriate to support IESS programs.

IESS growth projected for the project extension period is from 34,170 CYP to 51,220, an increase of 50% and from 505 health facilities to 925,

an increase of almost 80%, with most of the growth occurring in the important rural CSS program. Such rapid growth could pose administrative problems. IESS will be closely watched in this respect and technical assistance in management will be brought in under the centrally funded AID-MSI contract.

### C. Social Soundness Analysis

#### 1. Target Population and Beneficiaries

Currently there are an estimated 1,486,000 Ecuadorian women of child bearing age who are married or in union. Obviously not all of them wish to avoid pregnancy. Some are starting families, others want more children. However, the 1987 CPS indicated that 68.3% of Ecuadorian women in union between the ages of 15-49 do not desire more children, and an additional 19% wish to space births 2 or more years apart. From these data it can be inferred that the target population, approximately 87% of women in union between the ages of 15-49, consists of 1,293,340 women.

Coupling these figures with a 44% active user prevalence, it is apparent that there is a widespread desire to control fertility in Ecuador. The benefits of having fewer or more widely spaced children are evident. The couple can devote more time and other resources to improving the quality of life for the family, and the health of mother and children is directly improved by fewer and better spaced births. There have been a number of studies in Latin America indicating the direct relationship between family size and infant morbidity and mortality. Another factor is that low income women in Ecuador frequently supplement family income as vendors or by working in small scale industries while simultaneously caring for infants. Reducing fecundity has real value in both social and economic terms.

#### 2. Socio-Cultural Feasibility

As Ecuador develops, there is a greater propensity on the part of parents to want smaller families, to allow greater opportunities for their sons and daughters. Religious barriers are being lowered as certain elements of the church, which receive USAID funding under the current project, accept the concept of fewer children as a social-economic benefit.

Cultural patterns, especially among the indigenous population, influence views of modern methods of contraception. The project has searched and will continue to search for better ways to reach all segments of the population. The CBD approach in the rural areas utilizes local people who can explain contraceptive methods in understandable terms. In cases of "pudor", where women dislike pelvic examinations, other methods are available. A concentrated effort to include male partners in discussions and mass media messages on family planning will be a factor in changing male attitudes. In summary, the project will be "user friendly" in every respect possible.

### 3. Opposition to Family Planning

As in most Latin American countries there is opposition to family planning in Ecuador. This opposition stems from religious, personal, and political census.

The Catholic Church of Ecuador is conservative, but the church's view is that families have the right to limit family size through natural methods. The Mission is supporting three church operated natural family planning programs.

The medical profession on the whole supports family planning as long as it is medically supervised. The CBW and PHP project components will encourage and support expanded participation of physicians in rural family planning activities, and they are already actively engaged in clinic based services and in the mobile teams which supervise the community based distributors.

#### D. Economic Analysis

Reducing the fertility rate will improve health status and reduce the amount of funds that must be invested in health, education, housing, food imports, and other public services simply to maintain current standards of living, thus increasing resources available for investment in activities which will increase productivity and improve standards of living.

If the current trend in fertility reduction continues, a realistic target would be a crude birth rate of 25 per thousand by the year 2000. This would mean that 50% of eligible couples (in union) would be using modern methods of contraception and the total fertility rate (TFR) would shrink from 5.2 births per/woman in 1982 to 3.4 in 2000\*.

Translated into macro economic terms using high and low fertility levels (TFR 4.3 and TFR 3.4) this means an estimated reduction in the primary and secondary school age population of at least 700,000 using the lower TFR. The cost of primary and secondary education in terms of cost per student per year is estimated at US\$26.50 according to the GOE. Thus, the reduction of the student population by 700,000 in the year 2,000 would result in a savings of US\$18,550,000 in that year alone.

A basic human need is food in sufficient quantity and quality to sustain life. While Ecuador is not in imminent danger of being a major food importing country, there is evidence that consumption of basic food stuffs could outstrip production under current consumption/production patterns. The following table (No. 8), taken from the 1986 World Bank Report, provides some estimates of deficits under various fertility hypotheses.

While it is difficult to estimate a dollar figure for the reduced consumption resulting from reduced fertility, it can be projected that consumption requirements would be decreased by some 80,000 tons if the lower fertility model is applied.

Current projections are that rural urban migration will probably continue and that within a decade the percentage of Ecuadorians living in urban and semi-urban areas will increase from the current 51% to 58%. This would mean, increased urban housing and public service needs.

\* World Bank Report, Population, Health, Nutrition, Feb. 1986

Table 8  
Projected Levels of Agricultural Production/  
 Consumption According to Different Fertility Assumptions  
1980 and 2000

LEVELS OF PRODUCTION/CONSUMPTION/IMPORTATION (thousands of tons)				
	1980	2000		
		FERTILITY HYPOTHESIS		
		HIGH	EXPECTED	LOW
COMMODITY	(TFR=5.0)*	(TFR=4.3)	(TFR=4.0)	(TFR=3.6)
<u>Cereals (oats,</u>				
<u>barley, and corn)</u>				
Production	678	1,111	1,111	1,111
Consumption	869	1,537	1,510	1,484
Deficit	190	426	400	373
<u>Potatoes</u>				
Production	323	584	584	584
Consumption	323	701	689	677
Deficit	-	117	105	93
<u>Wheat Importation</u>	190	592	586	580

\* Estimated for 1980-85 period

Source: CEPAR, 1985.

The 1986 World Bank Report estimates that 300,000 housing units will be needed in Guayaquil and approximately 215,000 in Quito by the year 2,000. If total population is reduced from 14.2 million under the high fertility hypothesis to 13.5 under the low fertility assumption, the savings in housing and public services in urban areas would increase as the population decreases.

Assuming that per capita public services per year are US\$20, a low estimate, a savings of US\$6.2 million a year would be realized by reducing urban growth by 406,000 inhabitants as against a project expenditure of only about US\$2.1 a year.

The World Bank study cited above projects that, holding other factors constant per capita income would increase by 25% under the low fertility assumption.

Given the magnitude of the amounts at issue a population program costing US\$2.1 million a year is an exceptionally good investment.

#### E. Financial Analysis and Plan

The total cost of activities funded under this amendment is \$12.4 million of which the AID grant will contribute \$8.4 million (or 68 percent), the GOE will provide \$1,484,000 (or 12.0 percent) and the private sector will contribute \$2,524,000 (or 20.0 percent). The LOP-AID contribution with this addition will total \$14 million.

##### 1. AID Contribution

AID financial support for this project amendment is set forth in two summary tables shown below, Table 9 - Budget Plan - Project Totals (which breaks the funding down according to the use to which the money will be put, its source, and whether it is a foreign exchange or local currency item), and Table 10 - Annual Financial Plan - Total of Subprojects (which breaks funding down by year). Corresponding sets of tables 1 and 2 for each of the individual subprojects, are provided in Annex V.

USAID expenditures on the four functional components of the project described above in section II.B. are as follows:

- o \$4,687,200 or 55.8% for family planning services;
- o \$1,352,400 or 16.1% for information, education and communication;
- o \$ 271,390 or 3.2% for research; and
- o \$2,091,600 or 24.9% for support systems including administration, training, and logistics.

##### 2. Expenditure Rates and Adjustments

Expenditure rates during the original project lagged significantly behind projections. The causes for this were: the cancellation of large research activities (for CEPAR); unenthusiastic implementation on the part of two public sector agencies, one of which will not participate in the project

Table 9  
Budget Plan  
Project Totals

Sources	-10		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Uses					
Tech Assistance	66.00	0.00	0.00	0.00	66.00
In-Country Training	0.00	614.39	0.00	207.24	821.63
Int'l Training	24.00	0.00	0.00	8.10	32.10
Advert. & Promotion	0.00	620.00	0.00	0.00	620.00
Supervis. & Promotion	59.59	377.93	0.00	158.75	616.27
Clina/Off/Lab Ess Mat	375.98	234.62	0.00	81.47	612.06
Oper. & Equip. Maint.	0.00	52.15	0.00	19.00	71.15
Educ. Equip. & Mat.	26.82	465.73	0.00	90.44	532.59
Distribution Network	0.00	0.00	0.00	1,841.30	1,841.30
Research	0.00	270.19	0.00	0.00	270.19
Field Personnel	669.57	2,640.89	0.00	1,257.53	4,567.99
Admin. Support	120.96	481.49	0.00	394.84	1,146.71
Severance Costs	0.00	399.11	0.00	0.00	399.11
Contingency	90.00	537.33	0.00	0.00	627.33
Subtotal	1,692.94	5,737.06	0.00	4,008.19	12,408.19
Total (US\$=1000)	FX=LC=	1,400.00	FX=LC=	4,008.19	12,408.19

Table 10

Annual Financial Plan

Total of Subprojects

Year	1987	1988	1989	1990	1991	400 Contrib	Local Contrib	Total Contrib
Uses								
Tech Assistance	7.00	15.00	17.00	12.50	14.50	66.00	0.00	66.00
In-Country Training	19.71	148.47	124.17	163.56	136.43	414.39	237.24	301.60
Int'l Training	0.00	5.00	6.00	6.00	5.00	24.00	3.10	32.10
Advert. & Promotion	90.00	200.00	220.00	210.00	100.00	620.00	0.00	920.00
Supervis. & Promotion	19.39	77.00	109.98	119.11	130.32	457.51	158.75	516.26
Offic/Offic. Lac. Eqm. Mat	29.90	273.75	96.24	79.42	82.16	530.57	31.47	612.04
Oper. & Equip. Maint.	3.14	0.42	10.77	10.73	12.09	38.15	19.00	71.15
Educ. Equip. & Mat.	45.07	36.04	137.18	105.97	57.79	402.15	90.44	592.59
Distribution Network	0.00	0.00	0.00	0.00	0.00	0.00	1,841.30	1,841.30
Research	42.25	57.40	47.99	55.90	33.65	270.19	0.00	377.19
Field Personnel	505.54	762.67	939.17	923.79	479.23	3,310.45	1,257.55	4,567.98
Admin. Support	92.72	105.62	137.57	141.96	144.10	752.35	394.34	1,146.69
Governance Costs	0.00	0.00	0.00	0.00	333.11	333.11	0.00	333.11
Contingency	17.16	158.34	187.10	202.74	61.77	427.11	0.00	637.11
Subtotal (US\$X1000)	472.18	2,009.81	2,026.07	2,037.68	1,604.06	3,400.00	4,008.10	12,408.19

extension and another of which had anti family planning directors who have since been replaced; and a sharp increase in the amount of Ecuadorian currency that could be purchased for U.S. dollars, which the original budget did not foresee or compensate for. In the project design, AID dollar-funded costs for local expenditures were translated into sucres at the rate of S/25 to the U.S. dollar. Over the life of the project, however, the rate of exchange has moved dramatically to where a U.S. dollar will now purchase 175 sucres. This gave rise to a 600% increase in the amount of local currency available to pay for local expenditures. Some of this increase was absorbed by inflation, approximately 350% since 1981 according to GOE statistics.

A more realistic balance between inflation and depreciation allowances has been sought for the amendment (though it must be recognized that the rates of inflation and depreciation are not highly predictable.) An inflation allowance of 5% a year has been used. Inflation is currently running at a much higher rate, but this is due in large part to a foreign exchange shortage, and corresponding increase in the price of imported goods, resulting from a drastic reduction in oil exports caused by destruction of the oil pipeline in the March 1987 earthquake. The 5% inflation allowance assumes the reasonably prompt restoration of the pipeline and an increase in the price of petroleum over the project extension period.

Based on the same assumptions and long term exchange rate trends, an approximately 9.5% depreciation in the value of the sucre is projected. (The actual rates used for 1987 - 1991 are 160, 175, 190, 210 and 230 respectively). These adjustments are much more conservative than those made in the original project, which allowed a much larger percentage for inflation and made no compensating allowance for depreciation. In fact, more is being allowed this time for depreciation than for inflation, the effect of which is to treat locally purchased items as becoming cheaper in dollar terms over the life of the project. This does not guarantee that a surplus will not be generated (depreciation might be even greater than anticipated while inflation remains low) but it could have the opposite effect. It could, if depreciation does not exceed inflation by the predicted margin, result in a shortage of funds.

### 3. Explanation for Funding Levels

Funding levels for the project were determined by the magnitude and importance of the need addressed by the project, the absorptive capacity of the participating institutions, the stability and potential cost effectiveness of their programs, and the politics of support for family planning. As indicated in the Strategy statement, section I.E, the demand for and importance of family planning is such as to warrant the proposed multi-institutional approach, rather than relying on any one, or few institutions to meet the demand. Starting from that premise, the question is, why give the proposed amount to each institution. The following discussion will respond to that question on an institution by institution basis.

APROFE and CEMOPLA are essentially being given what it is conservatively estimated they can absorb in improving and increasing the output of their programs in low income areas in the most cost effective way. They are being supported in their efforts to reach low income areas because they are the most

effective and reliable institutions for that purpose. However, they are not being assisted to open new clinics in low population density areas since we consider that a combination of the CBD program and the private, for-profit sector is a potentially more cost-effective way of reaching such areas. This is because the cost of clinical services per CYP produced is in part a function of how many people it reaches. In other words, the lower the population density, the higher the CYP cost. Low density is not a problem in the case of the CBD program or for-profit health practitioners. The former are paid on the basis of the contraceptives they sell, and the latter, once set up in the family planning business, are self-supporting.

This relative cost effectiveness of the for-profit sector raises the question why support the non-profit sector at all. There are three reasons for continuing to support the sector. First, we do not know how effective the for-profit sector will be. Second, there is reason to expect that the for-profit sector will not be fully effective in reaching low income areas--it tends to go where the money is. And third, the non-profits play an important role as advocates of and pioneers in family planning in the absence of a strong and effective national pro family planning policy. The non-profits are also in the process of increasing their cost effectiveness from a development assistance point of view by increasing their income from services rendered and hence reducing their need for development assistance.

The CBD program of the non-profits shares the advantages of both the for-profit and non-profit sectors. The CBD distributors earn their own way to a considerable extent and, with support by the non-profit organizations, are prepared to work in areas not well covered by the for-profit sector. The funding level for the CBD program is determined basically by the capacity of the non-profit organizations to provide the training and supervision necessary for the program's expansion.

The reason for supporting the for-profit sector is, as already stated, its potential cost effectiveness. As this effort is experimental there is no scientific way of determining the appropriate amount to put into it. The amount allowed is simply that which seems adequate to conduct a meaningful experiment. If the experiment proves effective, the Mission will seek to add more money later.

The level of support for the Medical Social Directorate and Campesino Social Security is determined basically by the number of health facilities they will have. The CSS is considered particularly important because it works in poorly served rural areas and has a large number of outlets. Both also serve those of limited means and are relatively cost effective from an AID point of view because a large part of their costs are borne by the GOE.

The level of support for the two archdioceses and vicariate is determined by their current level of activity. No increase is contemplated.

The level of support for CEPRAK is determined by the need for specific research, promotion and training to promote effective demand and support for family planning.

## 5. Implementing Agencies Financial Management

APROFE's financial statements show it to be a well managed, growing institution. As it is an IPPF affiliate, annual audits are required. The AID 1986 evaluation noted that the accounting system is operated on an accrual basis with a separate account for each project receiving donor support. Income generated is returned to the financial department for general use.

CEMOPLAF's financial management system is sound with adequate budget planning and control. It has on its staff an auditor who manages its accounting system, which is utilized by top management as a management tool. Major improvements were made in 1985-86 according to the AID 1986 Evaluation. CEMOPLAF has made good progress in generating revenue from its operation.

CEPAR remains totally dependent on outside sources for financial support. It receives almost 95 percent of its budget from these sources. This hampers its ability to establish its own institutional base. Because of that, the 1986 evaluation recommended that it develop commercial markets for its statistical analysis, computer and audio visual production services. Its accounting system is adequate under present circumstances, but if multiple sources of income are forthcoming, it should be automated.

IESS/MSD generates income through its affiliates and its income is fixed by law. It has consistently generated a surplus. It has established a good system of accounting for USAID funds. These funds are disbursed by USAID in a revolving fund, which when vouchered down, is replenished. There have been no problems with this system.

IESS/CSS is a separate legal entity created by law in 1981 and has its own budget with contributions fixed by law. It enrolls organized rural communities on a community basis. It is an expanding organization but has the advantage of utilization of the accounting capability of the main IESS organization.

A description of methods of Implementation and Financing is attached as Annex VI.

## F. Environmental Assessment

The original Project Paper contained an environmental examination, determination negative. However, as population and family planning projects are among the categorical exclusions from the environmental assessment (per handbook 3, appendix 2D Sec. 216.2 (c) (2) (viii)), no environmental assessment is included in this supplement. It may be noted, however, that the project is, as explained in the problem section, environmentally beneficial as a result of relieving population pressure on land and watersheds.

IV. Implementation

A. Implementation Plan

1. Schedule

The following is the schedule of implementation activities and benchmarks for this amendment.

Project amendment authorization	July, 1987
Sign extensions of the cooperative agreement with IPPF, and letter agreements with the Church organizations in Guayaquil, Cuenca and Esmeraldas	July, 1987
Agreements with a marketing firm signed	August, 1987
Sign project agreement amendment with IESS	Dec. 1987
First year performance review	August, 1988
Mid-term project evaluation completed	August, 1989
Third year performance review	August, 1990
Final project evaluation	April, 1991
Project Activity Completion Date	Sept 28, 1991

The project amendment is scheduled for FY 1987 obligation. Funds will be obligated by signing extensions of agreements for those organizations already in place.

Agreements will be incrementally funded based upon annual assessments of performance. These assessments will be keyed to the achievement of performance targets set for their annual work plans to be submitted by each organization. These plans will include expenditure rates, openings of new service facilities, training programs, levels of CYP to be achieved and research to be completed. Overall targets for each participating organization are listed in Section II.b, Institutional Components, above. In addition to the annual reviews, each organization will be required to submit quarterly reports to AID describing its progress to date and identifying any problems or actions which are having or may have a significant effect on project implementation.

Agreements will run through September 28, 1991 except in those instances where participating organizations cannot or will not perform stipulated activities in a timely and substantively complete fashion as described therein.

Where an organization defaults on or otherwise fails to perform its functions or duties as described, AID may choose to terminate its agreement with that organization, reallocate funding among the other participating organizations, or deobligate (in whole or in part) funding for that subproject.

## 2. Procurement Plan

USAID will continue direct procurement of imported equipment needed for the three private sector institutions, which has worked well in the past. The principal items will be clinical instruments and laboratory equipment. Sterilization equipment is not included.

Contraceptives will be provided through various cooperating agencies funded by AID/W, S&T/POP. Table 11 shows the projected quantities of contraceptives required by year and method. Pathfinder Fund will supply IESS, FPIA will supply CENOPRAF and IPPF will meet APROFE's needs. There is no plan to provide AID orals to the contraceptive social marketing component, but AID procured condoms will be used. These will be provided free of charge, probably to the Schering company's representative in Panama, who will sell them at a low price to the Schering distributor in Ecuador, who will repackage and sell them here. This is to conform with an Ecuadorian law prohibiting sale of materials brought into the country free of charge. The sums received by Schering Panama will cover packaging and distribution costs.

The Mission will purchase some IUD insertion kits for public sector institutions, through the S&T/POP central procurement contract, by PIO/C. Some audio-visual equipment not available in Ecuador will be procured in the US. Clinical equipment for the private practitioners included in the private practitioners programs will be purchased through PIO/C's.

The commodities to be purchased, dollar amounts, and dates and method of purchase are shown in Annex VII.

## 3. Waivers

USAID/Quito's preferred source of technical assistance is other Latin American countries. Qualified Latin American Consultants are available, and can be more effective than North Americans in many instances. Individual nationality waivers to allow use of TCN's as consultants under the project will be requested, as necessary.

### B. Administrative Arrangements

As indicated in the implementation schedule, a project agreement will be negotiated and signed with the public sector implementing agency. This agreement will be processed through the normal GOE procedures for reviewing technical assistance programs.

The agreement will be incrementally funded, based on annual reviews of progress. Work plans will be prepared annually by the implementing entities and submitted for USAID review and acceptance. Annual funding requirements

Table 11

Projected Contraceptives Requirements  
by year 1987-1991 (000)\*

	1987	1988	1989	1990	1991
Total users	116.6	179.8	206.1	236.2	270.6
Method**					
Orals (cycles) 452	693	800	914	1,039	
IUD (insertions)	32	49	56	65	74
Condoms	730	1,125	1,293	1,476	1,679
Other 92	142	163	186	212	

\* Amounts calculated for project implementing agencies only.

\*\* Method mix is based on last five years experience in acceptance rates.

will be based on the work plans. USAID/E will undertake all imported procurement for the public sector implementing agencies.

USAID will arrange for the short term technical assistance required for the Catholic Church projects. USAID will also administer the required international travel and training tours in the project according to normal AID procedures.

Local currency costs (e.g. salaries, per diems, in-country travel, locally purchased equipment and supplies, etc.) will be paid by establishing accounts with an initial advance to each public sector implementing entity and subsequent reimbursements based on actual expenditures.

The Cooperative Agreement with IPPF/WHR assigning responsibility for administrative support to the three non-profit organizations (APROFE, CEMOPLAF, and CEPAR) will be amended. IPPF/WHR will enter into subagreements with those implementing entities, over which it has administrative responsibility. These subagreements will also include annual work plans, which will be approved by USAID/E. IPPF/WHR will administer the disbursements to those entities for which a letter of credit exists. The Federal Reserve Letter of Credit to IPPF will be periodically increased on instructions to AID/W by USAID based on estimated expenditures. IPPF will also administer procurement of necessary imported equipment and supplies for the three organizations.

In the case of the contraceptive social marketing, medically supported CBD, and private health practitioner sub components, USAID will utilize a funding mechanism which will be the most effective in terms of USAID staff requirements and cost effective project management.

USAID will amend the three letters of Agreement entered into with the Church organizations, which will submit annual plans and funding requirements to USAID for approval. The same method of an advance and reimbursements will be utilized as with the other public and private implementing entities.

All contraceptive supplies will be provided through various cooperating agencies and funded through SI/POP. All contraceptive methods will be offered on a voluntary basis consistent with the requirements of AID policy determination 70.

## 2. USAID monitoring

Under the general guidance of the USAID's Office of Health and Population, the Mission's Population Officer will manage the project. He will be assisted by a Personal Services Contractor and, as in the original project, he will be able to draw heavily on the administrative capacity of IPPF/WHR/QCO for management of the private sector components.

In addition to general oversight functions, the project manager will be responsible for tracking performance of the subprojects, maintenance of project and subproject schedules, and annual performance reviews associated with the Mission's decisions concerning incremental funding. In concert with the Office of the Controller, he will maintain records of expenditures in

order to ascertain that scheduled expenditures are being made in a timely fashion.

The project manager is expected to draw heavily on IPPF/WHO/QCO personnel to obtain information on the performance of participating private sector organizations. They will meet monthly to discuss the status of subprojects. Additionally, the project manager will make regular site visits to facilities in all parts of the country.

### C. Evaluation Plan

The progress of this project toward meeting its objectives and targets will be carefully monitored by a number of means including twelve quarterly project reviews, project performance reviews following the first and third years of implementation and a scheduled national contraceptive prevalence survey. In addition, the Mission will contract with non-project funds for an assistant project manager to aid the Population Officer in monitoring project implementation.

Supplementary to the schedule of events listed above, outside contractors will conduct two formal evaluations. The first of these evaluations will examine: 1) progress toward achieving the purpose of the project, to increase demand for and availability of family planning services; 2) the experience of the project regarding the links between project outputs and purpose (I.e. do the outputs accomplish what they are supposed to?); and 3) the management performance of the implementing agencies. The evaluation will make recommendations regarding execution of the balance of the project.

Included under the second category of topics to be examined will be a review of implementing agency efficiency and cost-effectiveness in delivery of contraceptive services. Resources to be considered in this analysis should include not only the specific funding under this bilateral program but also resources from central AID funding. In addition, the evaluation will examine the progress of the participating private non-profit organizations toward self-sufficiency.

The second and final evaluation will be a major retrospective analysis of AID population and family planning support (both bilateral and central) since the beginning of this project. In addition to the increase in contraceptive use during that period, the evaluation will examine the evolution and development of the indigenous institutional base for family planning service delivery, changes in prevailing public policy and private attitudes toward family planning since the beginning of the project, and comparison of the relative cost-effectiveness of service delivery systems. The evaluation should also provide information and recommendations for the development of an AID population and family planning program strategy in Ecuador through the year 2000, as appropriate.

The costs of the evaluations, to be financed from the Mission's Project Design and Support funds for FY 1988 and FY 1991, are estimated at US\$75,000 and US\$145,000, respectively.

D. Conditions and Covenants

In addition to the standard conditions and covenants, the project agreements will contain the following:

IPPF/WHR

Prior to any disbursement, or the issuance of any commitment documents to finance activities under the Private Health Practitioners Program IPPF shall, except as A.I.D. may otherwise agree in writing, furnish in form and substance satisfactory to A.I.D., agreements with any organization or organizations selected to carry out the private health practitioners program, setting forth the terms and conditions of participation in the project and the administrative relationship of these organizations with IPPF.

IPPF shall covenant that, unless A.I.D. otherwise agrees in writing, it will submit to A.I.D., in form and substance satisfactory to A.I.D., annual work plans for the balance of calendar year 1987 and for each subsequent calendar year, prepared by APROFE, CEMOPLAF and CEPAR, and the organizations selected to carry out the private health practitioners program. These work plans shall include the number and kinds of activities planned by quarter, output targets, and a quarterly budget for each institution and program.

(7007D)

KEY FAMILY PLANNING INDICATORS 1982-1987

The following table shows the increase of contraception use between the years 1982 and 1987, the source of the services and the change in methods used. It is interesting to note that acceptance rate for voluntary surgical contraception increased 34%, and IUD insertions increased 8%, while the use of oral contraceptives decreased by 26%. These figures show a shift to more effective contraception methods.

	1982	1987
Knowledge of contraceptive methods	87%	88%
Use of contraceptive methods	40%	44%
Use of contraceptives by residence		
Urban	52.9%	53.3%
Rural	26.7%	32.6%
Type of method used		
Voluntary surgical contraception	31.2%	34%
IUD	16.5%	22%
Oral	25.7%	19.1%
Vaginals	4.9%	2.8%
Condom	2.7%	1.5%
Natural and other	7.0%	14.0%
Organization providing		
MOH	36.0%	33.3%
APROFE	6.0%	9.9%
1/ CEMOPLAF	3.0%	1.9%
1/ MOD		2.0%
IESS	3.5%	4.8%
2/ Pharmacies	26.7%	30.5%
2/ Physician	24.8%	
Other		10.0%

1/ These two services providers' outputs combined under "other" in the 1982 survey.

2/ These two service provider's outputs were combined in the 1982 survey.

PROJECT DESIGN SUMMARY

Logical Framework

A-1

<u>INITIATIVE SUMMARY</u>	<u>OBJECTIVELY VERIFIABLE INDICATORS</u>	<u>MEANS OF VERIFICATION</u>	<u>IMPORTANT ASSUMPTIONS</u>
Goal: to assist Ecuador in its efforts to decrease its population growth rate so as to improve the quality of life of the population.	1) Decrease in the crude birth rate from 36.7 in 1986 to 35 by 1991.  2) Increase in a) per capita GNP b) life expectancy c) literacy, and  3) decrease in infant mortality.	1) Vital statistics registration.  2) GNP, life expectancy literacy and infant mortality statistics.	1) Increased contraceptive prevalence will result in a decrease in the crude birth rate.  2) Resources saved as a result of a reduced population growth rate will be invested in activities increasing productivity, income and quality of life.

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PROJECT DESIGN SUMMARY

Logical Framework

B-1

<u>NARRATIVE SUMMARY</u>	<u>OBJECTIVELY VERIFIABLE INDICATORS</u>	<u>MEANS OF VERIFICATION</u>	<u>IMPORTANT ASSUMPTIONS</u>
<p>Purpose:</p> <p>1) to increase the demand for family planning and the availability of information and services which meet that demand.</p>	<p>1) Increase in active family planning users from 44% of women in union in May 1987 to 46% by the end of 1991.</p>	<p>1) Contraceptive prevalence survey.</p>	<p>1)a) That increase in the services provided by the organizations assisted by the project will result in increased contraceptive use.</p> <p>1)b) That the increase in contraceptive use resulting from the project will not be offset by reductions in use elsewhere.</p>
<p>2) to encourage the development of a national population policy; and</p>	<p>2) A national population policy.</p>	<p>2) Existence of a GOE population policy document.</p>	
<p>3) to increase the self-sufficiency of project supported non-profit family planning organizations.</p>	<p>3) Annual earned income of non-profits increased as follows: APROFE from \$85,000 a year to \$100,000 in 1991, 25% of budget. CEMOPLAF from \$45,000 to \$65,000, 40% of budget. CEPAK from \$10,000 to \$20,000, 2% of budget.</p>	<p>3) Non-profits' accounts.</p>	

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PROJECT DESIGN SUMMARY

Logical Framework

C-1 Output

DESCRIPTIVE SUMMARY

1) Clinics and health posts will be increased in rural areas and coverage will expand in both urban and rural areas.

OBJECTIVELY VERIFIABLE OBJECTIVES

1) a) APROTE will expand coverage in 12 existing clinics and establish 1 additional clinic increasing CYP from 52,941 in 1986 to 78,123 in 1991 (186,000 new users.)

and motivated personnel will  
1) b) CENOPRAF will provide F.P. and Pap smear services in 3 laboratories and 6 clinics increasing CYP from 15,761 in 1986 to 44,529 in 1991 (113,000 new users.)

1) c) Family planning services outlets in IESS/CSS will increase from 450 to 900 by the end of project increasing CYP to 42,160 in 1991 (70,200 new users.)

participating government agen-

1) d) IESS/MSD will increase facilities where F.P. services are available for 25-50 in 1991 increasing coverage from 31,600 CYP in 1986 to 49,375 in 1991 (40,300 new users.)

1) e) The three church programs will provide natural FP services in 10 locations serving 8,000 clients.

MEANS OF VERIFICATION

1) Quarterly progress reports and annual work plans provided to Mission by implementing agencies, service statistics on FP, and site visits.

IMPORTANT ASSUMPTIONS

1) a)&b) (1) The non-profit family planning organizations will continue to have capable and motivated leadership.

1) a)&b) (2) Enough capable

be available to bring about the planned growth in operations by participating institutions.

1) a)-e) The GOE will maintain at least a permissive attitude toward family planning, permitting private and public sector family planning activities to continue and grow.

1) c)-e) Key positions in the

cies, e.g. the Director of the CSS, will continue to be occupied by persons favorable to family planning.

PROJECT DESIGN SUMMARY

Logical Framework

C-2 Outputs

<u>NARRATIVE SUMMARY</u>	<u>OBJECTIVELY VERIFIABLE INDICATORS</u>	<u>MEANS OF VERIFICATION</u>	<u>IMPORTANT ASSUMPTIONS</u>
2) Increase in community based distributors and private practitioners providing contraceptives and family planning services.	2) a) Number of distributors increased from 722 in 1986 to 1240 in 1991, and providing 25,000 CYP. (35,400 new users.)  2) b) 210 private doctors and midwives providing family planning and basic health care in their offices, and providing 12,000 CYP. (17,100 new users.)	a) Quarterly reports by implementing agency to AID. Site visits. Service statistics.	2) a) Community based distributors can be recruited, trained, and supported in rural areas.  2) b) Private practitioners will become involved in family planning after receiving training and equipment and will remain as providers during the project and after it ends.)  2) a)&b) An increased number of better trained distributors and practitioners will achieve increased CYP.

PROJECT DESIGN SUMMARY

Logical Framework

C-3 Outputs

NARRATIVE SUMMARY

3) An effective nationwide contraceptive social marketing program, supported by market research and an advertising campaign.

OBJECTIVELY VERIFIABLE INDICATORS

3) a) Oral contraceptives and condoms will be provided by a local pharmaceutical distributor to 1,800 pharmacies increasing sales to 170,000 orals and 1,000,000 condoms a year.

3) b) Market research conducted.

3) c) Mass media messages developed and disseminated.

3) d) Messages effectively reaching special target groups such as rural areas and under 25s.

MEANS OF VERIFICATION

3) a) (1) Monthly sales figures provided by local distributor.

3) a) (2) Research to determine impact on overall contraceptive sales of reduced price condoms and general marketing campaign. See 3rd assumption).

3) b) Report of market research findings

3) c) National advertising campaigns beginning in 1988. 1991 contracted.

IMPORTANT ASSUMPTIONS

3) a) (1) Market forces will permit sales of low cost condoms and retailers will push these low cost items.

3) a) (2) Market sufficiently large to accommodate significant quantities of contraceptives under contraceptive social marketing.

3) a) (3) Improved marketing of contraceptives and reduced price condoms will result in increased overall contraceptive sales over market growth that otherwise occur i.e. not just one product replacing another.

PROJECT DESIGN SUMMARY

Logical Framework

C-4 Outputs

NARRATIVE SUMMARY

4) A unified approach to family planning information, education and communication efforts providing themes keyed to public understanding and cultural acceptance resulting in more effective promotion of FP use.

OBJECTIVELY VERIFIABLE INDICATORS

4) a) I.E.C. Coordinating committee formed and active Committee including representatives of project implementing agencies.

4) b)-f) APROFE will produce and broadcast 457,600 radio spots and mini-soap operas.

4) c) CEMOLAF will produce and broadcast 150,000 radio spots.

4) d) CEPAR will conduct 120 seminars, workshops on population in related matters.

4) e) IESS/MSD will produce materials for handouts in its clinics.

4) f) Message effectively reaching rural areas and under 25s.

MEANS OF VERIFICATION

4) a) Attendance at IE&C meetings by IPPF, and AID staff periodically.

4) b)-f) Quarterly reports to Mission on progress of material production and number of events. Newspaper and magazine clippings, and audio messages monitored by USAID staff.

4) g) Evaluation/research on impact of advertising addressed to various target groups.

IMPORTANT ASSUMPTIONS

4) a) (1) Coordination will result in more effective advertising.

4) a) (2) More and better advertising will result in increased contraceptive prevalence.

4) a) (3) Improved marketing of contraceptives and reduced price of condoms will result in increased contraceptive sales.

PROJECT DESIGN SUMMARY

Logical Framework

C-5 Outputs

<u>INDICATIVE SUMMARY</u>	<u>OBJECTIVELY VERIFIABLE INDICATORS</u>	<u>MEANS OF VERIFICATION</u>	<u>IMPORTANT ASSUMPTIONS</u>
5) Applied research in family planning operations and related matters, prevalence surveys, population and demographic data processing useful for planning and implementation.	5) Two research projects a year conducted for a total of 12 research projects by 1991.	5) Published research reports.	5) Research topics will be timely and results will be applied to family planning/population activities.

C-6 Outputs

6) Improvement in program management.	6) a, both private and public family planning service providers will utilize micro-computer hardware and software to upgrade their accounting, logistics and service statistics.	6) a) Periodic site visits, quarterly reports, computer programs in use.	6) Improved management will result in improved cost effectiveness.
	6) b) Improved manuals and policies.	6) b) Manuals and policies.	
	6) c) Detailed annual work plans.	6) c) Work plans.	
	6) d) Performance meets work plan targets.	6) d) Quarterly and annual reports.	

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PROJECT DESIGN SUMMARY

Logical Framework

D-1 Inputs

<u>NARRATIVE SUMMARY</u>		<u>OBJECTIVELY VARIABLE INDICATORS</u>	<u>MEANS OF VERIFICATION</u>	<u>IMPORTANT ASSUMPTIONS</u>
<u>AID INPUTS</u>		<u>COUNTERPART</u>		
TOTAL	COUNTERPART L.C.	TOTAL		
66	0	66	Project progress report.	AID can supply required quantity and quality of resources in a timely manner.
638	207	845		
1,073	121	1,194	Host country implementing agencies will provide necessary skilled and motivated personnel.	
5,726	3,686	9,406		
270	0	270		
627	0	627		
<u>8,400</u>	<u>4,006</u>	<u>12,406</u>		

PRIVATE HEALTH PRACTITIONERS COMPONENT

Program throughout this initiative will involve support for doctors and nurse/midwives, either just beginning private practice, or practicing in low density population or where patient flow is limited due to the low economic status of the people in the area.

The purpose of this sub-component would be to interest private medical professionals to become more involved in basic health care, particularly MCH/FP; as well as expanding the service availability and array of contraceptive methods available to the population of Ecuador.

Basically, as the program is planned, the professionals would be contacted either through newspaper advertising or the physicians and midwives organizations to ascertain their interest in the program. Those interested would receive training in family planning and basic outreach techniques and the equipment, supplies and FP promotional materials needed to initiate services, and would be supported by the project as appropriate during the first year of services.

The project would provide the equipment and supplies necessary for the health professional to provide family services and in some cases that needed it for general health care.

It would provide training in family planning techniques, maternal child health and methods of taking his services out into the community. After completing the training courses, the participating professional would sign a contract agreeing to provide the required service for a stated period. After the contract is signed, the professional will receive the equipment and the implementing agency will provide medical backup and supplies.

Payments for services rendered would be made monthly upon submission to the agency overseeing the project of a list of patients receiving service and the type of service provided.

If the patient load decreases greatly, the professional would be dropped from the program and be required to return the equipment provided. Patients would be contacted on a sample basis as a means of monitoring services provided.

The participating professional would agree to have his name, address, office hours and types of services he provides published.

In the initial, experimental phase of the program 70 to 80 professionals will participate. If the program is successful it will be increased if additional funding is available.

The average charge of an office call in Ecuador, according to the Boyue report is US\$7.03. This probably is less in lower income areas. The amount of effort the professional agrees to devote will vary according to local

conditions and the number of family planning patients to whom he is going to provide services. The yield in terms of patient flow should be in the neighborhood of 40 clients served/month of which at least 20 should be family planning acceptors. If the professional accepts 20 family planning acceptors per month with IUD insertions and other medically applied methods providing a longer CYP, the impact should be in the neighborhood of 150 CYP per doctor. If 80 doctors participate this means that 12,000 CYP will be provided. Of course, the other health benefits of the program would also be considerable.

The estimated cost of training and support to the 70 to 80 professionals is US\$47,000 per year.

This program, as it is experimental, will require close monitoring by the implementing agency.

In general, this approach has long range implications by building skills in the medical profession and allowing the professionals to build up clientele in subsistence areas.

TABLE 1

PROJECTED BUDGET FOR  
PRIVATE PHYSICIAN/MIDWIFE PROJECT BY YEAR\*

	1988	1989	1990	1991	TOTAL
Services	13	13	13	13	52
Training	8.7	8.6	8.6	8.6	34.5
Supervision & Administrative support	4.63	4.62	4.62	4.63	18.5
Equipment & Supply	20	20	20	20	80
	46.33	46.23	46.23	46.23	185

\* Budget based on 20 participating professionals trained and equipped each year.

CBD EXPANSION COMPONENT

The Mission will support the expansion of community based distribution in the rural areas in addition to those programs currently being supported by Pathfinder fund and FPIA. This decision is based on need for services, as noted in the 1987 contraceptive prevalence study and the significantly lower number of users in rural areas than in urban.

There has been a number of years of experience with CBD in Ecuador and the results of an on-going operational research project in the sierra directed towards developing a service delivery model will be applied to maximize effectiveness.

The following paragraphs describe the current status of CBD activities in Ecuador.

Study recently completed\* indicated that the cost to establish and maintain a CED distributor ranged from US\$213 to US\$221 after payback. This includes training, equipping, resupply and supervision costs. In 1987 the average output per distributor was approximately 20 CYP. The cost per CYP was estimated to be US\$10.77 ranging from US\$7 in urban areas to US\$14 in rural areas.

A comparison with clinic based operations in terms of cost effectiveness indicates a cost of US\$11.05 CYP in CEMOPLAF and US\$5.09 in APROFE..

There is a cost recovery element in the CBD operations in the case of CEMOPLAF 20% of the total cost is recovered, APROFE recoups 9.1%.

The Rosen Report also estimates the total current cost of the operation of CBD programs at US\$154,821, after cost recovery. Both the donors, (FPIA and Pathfinder Fund) and the implementing agencies, (APROFE and CEMOPLAF) have stressed effectiveness and efficiency of operation, for example not positioning distribution in low density population areas, having clinic personnel as part time supervisors etc.

The two organizations (APROFE and CEMOPLAF) have different program structures. APROFE supervises and resupplies distributors through doctor assisted mobile teams, which provide medical supervision. CEMOPLAF uses four supervisors who work out of CEMOPLAF clinics. They promote sales and supervise the distributors handling resupply and collecting proceeds.

The two institutions implementing CBD operate in different parts of the country in both urban and rural areas. The following table illustrates the current status.

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\* Analysis of Ecuador's Community based Distribution of Contraceptives (CBD) Programs. Projection of Demographic Impact and Cost of Expansion. James E. Rosen. April 1987.

C B D

TABLE 1

CURRENT STATUS OF CBD IN ECUADOR

BY INSTITUTION AND RESULTS IN CYP (1987)

INSTITUTION	No. DISBRIBUTORS	CYP PER DISTRIBUTOR	TOTAL CYP
APROFE	520	17.6	9,152
CEMOPLAF	202	25.8	5,220
		TOTAL CYP	14,372

Source: Analysis of Ecuador's Community based Distribution of  
Contraceptives Programs and Projection of Demographic Impact and  
Cost of Expansion. James E. Rosen. April 1987.

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This component will link private doctors and nurse midwives to the distribution system in rural areas. This will take the form of distributors not only selling contraceptives but also referring customers to selected trained doctors and nurse/midwives for services not available at the distribution points, such as I.U.D.s. They would also refer clients for other primary health care services, such as infant immunizations and general health problems. The doctors will be requested to provide free medical services to the CBD distributors in return for the referral services.

This would have three positive effects. It would increase the variety and availability of contraceptive methods. It would also provide a place where rural people could obtain medical care while increasing the number of clients the practicing doctor or midwife serves, thus increasing his or her income and commitment to work in the area.

The associated doctors and midwives would receive training and medical equipment such as IUD kits and will be required to maintain patient records.

This model will be applied on a small scale at first, expansion depending on its effectiveness, and changes in design will be encouraged. It may be necessary to adapt parts of the two CBD operations to local conditions.

In any case, in order to successfully carry out this component, special efforts will be made to ensure an efficient supply and medical backup, as well as enough well trained people to provide appropriate information on method selection. Other necessary elements incorporate good counseling techniques, motivation of distributors and service providers and an affordable pricing system.

The following table indicates the projected expansion and the out put. It assumes a steady expansion by year.

The projected costs of operating the program over the life of the project is based on current estimates of US\$230 per distributor and US\$300 per doctor/midwife. Taking these costs into account, the total cost to USAID would be approximately US\$589,000. In terms of cost effectiveness as measured in CYP the cost per CYP would be US\$13.54. This is reasonable considering that the program will be operating in rural areas.

The following tables show the breakdown of costs by activity for both categories of personnel.

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TABLE 2

PROJECTED EXPANSION OF PROJECT SUPPORTED CBD  
IN RURAL AREAS BY NUMBER OF DISTRIBUTORS  
DOCTORS AND MIDWIVES BY YEAR AND RESULTS IN CYP 1987-1991

Year	No. New doctors and midwives	Total by year	No. New distri- butors	Total by year	CYP/pro- vider	Total CYP/YR	Total cost/ per year
1988	35	35	140	140	20	3,500	64,925
1989	35	70	140	280	20	7,000	106,225
1990	35	105	140	420	20	10,500	142,525
1991	25	130	100	520	20	13,000	165,325
						TOTALS	34,000
479,000							

TOTAL COST PER CYP US\$14.10

TABLE 3

ESTIMATED SUPPORT COSTS BREAKDOWN FOR  
CBD DISTRIBUTORS BY PER CENT BY ACTIVITY

ACTIVITY	COST	PER CENT COST
Training	88,000	18.4%
Supervision	187,000	39.1%
Equipment and Supplies	119,000	24.8%
Administration and Support	85,000	17.7%
TOTAL	479,000	100%

PROJECT BUDGETS

NON-PROFIT

APROFE  
CEMOPLAF  
CBD  
CEPAR  
IPPF  
Churches

FOR-PROFIT

Contraceptive Social Marketing  
Private Health Practitioners

GOV'T

IESS/MSD  
IESS/CSS

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Table 1 - Budget Plan - Project Totals

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
<b>Uses</b>					
Tech Assistance	36.00	0.00	0.00	0.00	36.00
In-Country Training	0.00	614.39	0.00	207.24	821.63
Intl Training	24.00	0.00	0.00	8.10	32.10
Advert. & Promotion	0.00	820.00	0.00	0.00	820.00
Supervisors & Promotion	59.53	397.93	0.00	158.75	616.26
Dir/Off/Lab Eq & Mat	375.98	204.61	0.00	31.47	612.06
Oper. & Equip. Maint.	0.00	52.15	0.00	19.00	71.15
Educ. Equip. & Mat.	26.92	465.23	0.00	90.44	582.59
Distribution Network	0.00	0.00	0.00	1,841.30	1,841.30
Research	0.00	270.19	0.00	0.00	270.19
Field Personnel	669.57	2,640.88	0.00	1,257.53	4,567.98
Admin. Support	320.86	431.49	0.00	394.36	1,146.71
Severance Costs	0.00	333.11	0.00	0.00	333.11
Contingency	90.03	537.08	0.00	0.00	627.11
<b>Subtotal</b>	<b>1,632.94</b>	<b>6,767.06</b>	<b>0.00</b>	<b>4,009.19</b>	<b>12,409.19</b>
<b>Total (US\$X1000)</b>	<b>FX+LC=</b>	<b>8,400.00</b>	<b>FX+LC=</b>	<b>4,009.19</b>	<b>12,409.19</b>

Table 3 - Annual Financial Plan - Project Totals

Year	1987	1988	1989	1990	1991	410 Contrib	Local Contrib	Total Costs
Uses								
Tech Assistance	7.00	15.00	17.00	12.50	14.50	66.00	0.00	66.00
In-Country Training	19.71	146.47	124.17	183.56	138.48	614.39	207.24	321.43
Intl Training	0.00	6.00	6.00	6.00	6.00	24.00	6.10	32.10
Advert. & Promotion	90.00	200.00	220.00	210.00	100.00	320.00	0.00	320.00
Superv. & Promotion	19.69	77.90	109.98	119.11	130.33	457.51	153.75	611.26
Off./Off/Lab Eq& Mat	29.90	292.75	96.24	79.62	62.16	530.59	31.47	512.06
Oper. & Equip. Maint.	3.14	9.42	13.77	13.73	12.09	52.15	19.00	71.15
Equip. Equip. & Mat.	45.07	86.24	157.33	135.97	67.79	492.15	90.44	592.59
Distribution Network	0.00	0.00	0.00	0.00	0.00	0.00	1,341.30	1,341.30
Research	42.25	67.40	67.99	53.90	33.65	270.19	0.00	270.19
Field Personnel	305.54	762.67	839.17	923.79	479.28	3,310.45	1,257.53	4,567.98
Admin. Support	92.72	185.62	187.57	141.96	144.46	752.35	394.36	1,146.71
Severance Costs	0.00	0.00	0.00	0.00	333.11	333.11	0.00	333.11
Contingency	17.16	158.34	187.10	202.74	61.77	627.11	0.00	627.11
Subtotal (US\$X1000)	672.18	2,009.81	2,026.07	2,067.38	1,604.06	3,400.00	4,003.19	12,408.19

Table 1 - Budget Plan - APRCPE

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
<b>USES</b>					
Tech Assistance	0.00	0.00	0.00	0.00	0.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	23.95	0.00	8.00	31.95
Supervis. & Production	0.00	42.36	0.00	23.80	66.16
Util. Equip. & Mat.	23.60	12.26	0.00	11.90	47.76
Oper. & Equip. Maint.	0.00	10.00	0.00	9.00	19.00
Educ. Materials	0.00	93.73	0.00	21.90	115.63
Field Personnel	0.00	1,109.26	0.00	53.00	1,162.26
Admin. Support	0.00	69.45	0.00	127.60	197.05
Severance Costs	0.00	121.17	0.00	0.00	121.17
Contingency	0.00	69.22	0.00	0.00	69.22
<b>Subtotal</b>	<b>23.60</b>	<b>1,551.40</b>	<b>0.00</b>	<b>255.20</b>	<b>1,830.20</b>
<b>Total</b>	<b>FX+LC=</b>	<b>1,575.00</b>	<b>FX+LC=</b>	<b>255.20</b>	<b>1,830.20</b>

Table 2 - Annual Financial Plan - AFROFE

Year	1987	1988	1989	1990	1991	UN Contrib	Local Contrib	Total Costs
<hr/>								
Uses								
<hr/>								
Tech. Assistance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
In-Country Training	2.01	5.70	6.48	6.53	3.23	23.95	8.00	31.95
Int. Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	2.08	5.05	15.54	13.03	5.56	42.31	27.50	68.15
Clin. Equip. & Mat.	25.72	3.34	3.44	2.61	0.75	35.55	11.50	47.76
Oper. & Equip. Maint.	0.00	0.00	4.00	4.00	2.00	10.00	9.00	19.00
Educ. Equip. & Mat.	18.35	17.00	24.50	21.00	12.98	93.73	21.50	115.67
Field Personnel	88.73	246.43	278.38	318.20	177.52	1,109.26	57.00	1,162.26
Admin. Support	12.01	13.18	17.16	18.14	8.86	59.45	127.50	197.35
Severance Costs	0.00	0.00	0.00	0.00	121.17	121.17	0.00	121.17
Contingency	7.45	14.54	17.48	19.15	10.60	59.22	0.00	59.22
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Subtotal (US\$1000)	156.35	305.24	366.98	402.66	343.77	1,575.00	255.20	1,850.20

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Table 1 - Budget Plan - DEMOPLAF

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Less					
Tech Assistance	0.00	0.00	0.00	0.00	0.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	24.68	0.00	18.05	42.73
Supervis. & Promotion	0.00	34.33	0.00	36.09	70.42
Clin. Equip. & Mat.	40.83	14.02	0.00	18.63	73.47
Oper. & Equip. Maint.	0.00	30.36	0.00	9.99	40.35
Educ. Equip. & Mat.	0.00	59.98	0.00	34.14	94.12
Field Personnel	0.00	637.99	0.00	92.19	730.18
Admin. Support	0.00	105.04	0.00	79.66	184.70
Severance Costs	0.00	101.95	0.00	0.00	101.95
Contingency	0.00	50.82	0.00	0.00	50.82
Subtotal	40.83	1,059.17	0.00	288.75	1,388.75
Total	FX+LC=	1,100.00	FX+LC=	288.75	1,388.75

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Table 2 - Annual Financial Plan - DEMOPLAF

Year	1987	1988	1989	1990	1991	410 Dollars	Local Dollars	Total Dollars
Uses								
Tech. Assistance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
In-Country Training	3.56	7.87	7.56	3.67	2.06	24.68	18.15	42.73
Intl. Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	3.04	10.50	10.22	5.50	5.07	74.77	76.09	70.42
Clinc. Equip. & Mat.	1.30	17.86	30.09	3.47	1.55	54.35	18.67	73.16
Oper. & Equip. Maint.	3.14	5.62	6.87	6.73	7.00	30.76	9.89	40.35
Educ. Equip. & Mat.	6.00	17.88	18.21	14.77	3.12	59.98	34.14	94.12
Field Personnel	58.78	152.22	173.03	193.18	50.78	677.89	92.19	730.18
Admin. Support	14.68	26.52	27.96	16.27	19.61	105.04	79.56	184.70
Severance Costs	0.00	0.00	0.00	0.00	101.95	101.95	0.00	101.95
Contingency	4.50	11.98	13.70	12.18	3.46	50.82	0.00	50.82
Subtotal (US\$1000)	94.50	251.45	287.64	255.73	210.68	1,100.00	293.75	1,333.75

Table 1 - Budget Plan - CBD Distributors Program

Source	-00		Counterpart Contrib. 0.		Total
	FY	LC	FY	LC	
Uses					
Tech Assistance	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	38.00	0.00	0.00	38.00
Supervis. & Promotion	0.00	137.00	0.00	0.00	137.00
Offic. Equip. & Mat.	24.19	94.81	0.00	0.00	119.00
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00
Field Personnel	0.00	0.00	0.00	0.00	0.00
Admin. Support	0.00	85.00	0.00	0.00	85.00
Subtotal	24.19	454.81	0.00	0.00	479.00
Total	FX+LC=	479.00	FX+LC=	0.00	479.00

Table 2 - Annual Financial Plan - CSD Distributors Program

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<hr/>								
Uses	<hr/>							
Tech Assistance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	23.60	23.60	23.60	17.20	88.00	0.00	88.00
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	0.00	20.30	40.60	55.90	70.20	137.00	0.00	137.00
Off. Equip. & Mat.	0.00	12.30	24.50	36.70	45.50	119.00	0.00	119.00
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Field Personnel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Admin. Support	0.00	8.70	17.50	26.30	32.50	85.00	0.00	85.00
<hr/>								
Subtotal (US\$X1000)	0.00	64.90	106.20	142.50	165.40	479.00	0.00	479.00

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Table 1 - Budget Plan - CEFAR

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Uses					
Tech Assistance	0.00	0.00	0.00	0.00	0.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	91.19	0.00	0.00	91.19
Supervis. & Promotion	0.00	32.72	0.00	0.00	32.72
Research	0.00	52.69	0.00	0.00	52.69
Oper. & Equip. Maint.	0.00	11.80	0.00	0.00	11.80
Educ. Equip. & Mat.	0.00	152.30	0.00	29.40	181.70
Field Personnel	0.00	426.26	0.00	0.00	426.26
Admin. Support	0.00	110.89	0.00	0.00	110.89
Severance Costs	0.00	77.49	0.00	0.00	77.49
Contingency	0.00	44.29	0.00	0.00	44.29
Subtotal	0.00	999.63	0.00	29.40	1,029.03
Total	FX+LC=	999.63	FX+LC=	29.40	1,029.03

Table 2 - Annual Financial Plan - CEPAR

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<b>Uses</b>								
Tech Assistance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
In-Country Training	10.69	18.88	19.82	20.49	21.31	91.19	0.00	91.19
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	5.18	7.59	6.28	6.65	7.02	32.72	0.00	32.72
Research	7.25	12.39	12.99	13.19	6.87	52.69	0.00	52.69
Oper. & Equip. Maint.	0.00	2.80	2.90	3.00	3.10	11.80	0.00	11.80
Educ. Equip. & Mat.	15.62	33.65	34.05	34.34	34.64	152.30	29.40	181.70
Field Personnel	50.77	114.01	119.65	125.61	16.22	426.26	0.00	426.26
Admin. Support	14.69	25.08	23.22	23.63	24.27	110.89	0.00	110.89
Severance Costs	0.00	0.00	0.00	0.00	77.49	77.49	0.00	77.49
Contingency	5.20	10.72	10.94	11.34	6.09	44.29	0.00	44.29
<b>Subtotal (US\$X1000)</b>	<b>109.40</b>	<b>225.12</b>	<b>229.85</b>	<b>238.25</b>	<b>197.01</b>	<b>999.63</b>	<b>29.40</b>	<b>1,029.03</b>

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Table 1 - Budget Plan - IPPF/WHR

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Uses					
Tech Assistance	50.00	0.00	0.00	0.00	50.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	59.58	39.72	0.00	0.00	99.30
Clin. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00
Field Personnel	509.57	170.00	0.00	0.00	679.57
Admin. Support	187.96	33.17	0.00	0.00	221.13
Subtotal	307.11	242.89	0.00	0.00	1050.00
Total	FX+LC=	1050.00	FX+LC=	0.00	1050.00

Table 2 - Annual Financial Plan - IPPF/NHR

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<hr/>								
Uses								
Tech Assistance	5.00	12.50	12.50	10.00	10.00	50.00	0.00	50.00
In-Country Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	10.00	21.00	22.00	22.70	23.60	99.30	0.00	99.30
Clin. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Field Personnel	67.30	141.50	149.40	157.10	163.77	679.57	0.00	679.57
Admin. Support	22.50	46.20	48.60	50.20	53.63	221.13	0.00	221.13
<hr/>								
Subtotal (US\$X1000)	105.30	221.20	232.50	240.00	251.00	1,050.00	0.00	1,050.00

Table 1 - Budget Plan - Contraceptive Social Marketing

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Research	0.00	217.50	0.00	0.00	217.50
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	0.00	0.00	0.00	0.00
Advert. & Promotion	0.00	820.00	0.00	0.00	820.00
Clin. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00
Distribution Network	0.00	0.00	0.00	1,841.30	1,841.30
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00
Field Personnel	160.00	0.00	0.00	0.00	160.00
Admin. Support	132.90	0.00	0.00	0.00	132.90
Subtotal	292.90	1,037.50	0.00	1,841.30	3,171.70
Total	FX+LC=	1,330.40	FX+LC=	1,841.30	3,171.70

Table 2 - Annual Financial Plan - Contraceptive Social Marketing

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<u>Uses</u>								
Research	35.00	55.00	55.00	45.00	27.50	217.50	0.00	217.50
In-Country Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Advert. & Promotion	90.00	200.00	220.00	210.00	100.00	320.00	0.00	320.00
Clin. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distribution Network	0.00	0.00	0.00	0.00	0.00	0.00	1,841.30	1,841.30
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Field Personnel	18.00	38.00	40.00	42.00	22.00	160.00	0.00	160.00
Admin. Support	28.60	58.60	45.70	0.00	0.00	132.90	0.00	132.90
Subtotal (US\$X1000)	171.60	351.60	360.70	297.00	149.50	1,330.40	1,841.30	3,171.70

Table 1 - Budget Plan - Private Health Practitioners

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
-----					
Uses					
-----					
Tech Assistance	0.00	0.00	0.00	0.00	0.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	52.00	0.00	0.00	52.00
Supervis. & Promotion	0.00	34.50	0.00	0.00	34.50
Clin. Equip. & Mat.	29.50	50.50	0.00	0.00	80.00
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00
Field Personnel	0.00	0.00	0.00	0.00	0.00
Admin. Support	0.00	18.50	0.00	0.00	18.50
-----					
Subtotal	29.50	155.50	0.00	0.00	185.00
-----					
Total	FX+LC=	185.00	FX+LC=	0.00	185.00

Table 2 - Annual Financial Plan - Private Health Practitioners

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<b>Uses</b>								
Tech Assistance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	13.00	13.00	13.00	13.00	52.00	0.00	52.00
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	0.00	3.70	3.60	3.60	3.63	34.50	0.00	34.50
Offn. Equip. & Mat.	0.00	20.00	20.00	20.00	20.00	80.00	0.00	80.00
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Educ. Equip. & Mat.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Field Personnel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Admin. Support	0.00	4.63	4.63	4.62	4.62	18.50	0.00	18.50
Subtotal (US\$X1000)	0.00	46.33	46.23	46.22	46.22	185.00	0.00	185.00

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Table 1 - Budget Plan - The Archdiocese of Cuenca

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Uses					
Tech Assistance	6.00	0.00	0.00	0.00	6.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	8.15	0.00	0.00	8.15
Supervis. & Promotion	0.00	5.55	0.00	40.00	45.55
Clinical Materials	0.00	4.01	0.00	0.00	4.01
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00
Educ. Materials	0.00	18.60	0.00	0.00	18.60
Field Personnel	0.00	155.36	0.00	0.00	155.36
Admin. Support	0.00	3.43	0.00	20.00	23.43
Severance Costs	0.00	17.50	0.00	0.00	17.50
Contingency	0.00	9.00	0.00	0.00	9.00
Subtotal	6.00	221.60	0.00	60.00	287.60
Total	FX+LC=	227.60	FX+LC=	60.00	287.60

Table 2 - Annual Financial Plan - the Archdiocese of Cuenca

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<u>Uses</u>								
Tech Assistance	0.30	0.50	2.50	0.50	2.50	3.00	0.00	6.00
In-Country Training	0.45	1.60	2.10	2.60	1.40	3.15	0.30	3.15
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.30
Supervis. & Promotion	0.38	1.10	1.20	1.37	1.50	5.55	40.00	45.55
Clinical Equipment	0.38	1.10	1.20	1.33	0.00	4.01	0.00	4.01
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Educ. Materials	1.10	3.50	4.50	5.90	3.60	18.40	0.00	18.60
Field Personnel	12.46	35.50	39.70	43.70	24.00	155.36	0.00	155.36
Admin. Support	0.23	0.70	0.80	0.80	0.90	3.43	20.00	23.43
Severance Costs	0.00	0.00	0.00	0.00	17.50	17.50	0.00	17.50
Contingency	0.00	3.00	3.00	3.00	0.00	9.00	0.00	9.00
Subtotal (US\$X1000)	15.00	47.00	55.00	59.20	51.40	227.60	60.00	287.60

Table 1 - Budget Plan - The Archdiocese of Guayaquil

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Uses					
Tech Assistance	6.00	0.00	0.00	0.00	6.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	15.00	0.00	0.00	15.00
Supervis.& Promotion	0.00	8.00	0.00	7.00	15.00
Clin. Equip.& Mat.	0.00	4.00	0.00	0.00	4.00
Office Materials	0.00	15.00	0.00	3.00	18.00
Educ. Materials	0.00	27.00	0.00	5.00	32.00
Field Personnel	0.00	94.00	0.00	0.00	94.00
Admin. Support	0.00	0.00	0.00	15.20	15.20
Severance	0.00	9.00	0.00	0.00	9.00
Contingency	0.00	6.00	0.00	0.00	6.00
Subtotal	6.00	178.00	0.00	30.20	214.20
Total	FX+LC=	184.00	FX+LC=	30.20	214.20

Table 2 - Annual Financial Plan - the Archdiocese of Guayaquil

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<u>Uses</u>								
Tech Assistance	2.00	0.00	2.00	0.00	2.00	6.00	0.00	6.00
In-Country Training	3.00	6.00	2.00	4.00	0.00	15.00	0.00	15.00
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	0.00	0.00	2.00	2.00	4.00	8.00	7.00	15.00
Clinical Equipment	1.00	0.00	1.00	0.00	2.00	4.00	0.00	4.00
Office Materials	1.00	2.00	3.00	5.00	4.00	15.00	3.00	18.00
Educ. Materials	4.00	6.00	5.00	6.00	6.00	27.00	5.00	32.00
Field Personnel	9.00	20.00	23.00	27.00	15.00	94.00	0.00	94.00
Admin. Support	0.00	0.00	0.00	0.00	0.00	0.00	15.20	15.20
Severance	0.00	0.00	0.00	0.00	9.00	9.00	0.00	9.00
Contingency	0.00	2.00	2.00	2.00	0.00	6.00	0.00	6.00
Subtotal (US\$X1000)	20.00	36.00	40.00	46.00	42.00	184.00	30.20	214.20

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Table 1 - Budget Plan - The Vicariate of Esmeraldas

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
<b>Uses</b>					
Tech Assistance	4.00	0.00	0.00	0.00	4.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	5.50	0.00	0.00	5.50
Supervis. & Promotion	0.00	0.00	0.00	15.00	15.00
Clinical Materials	0.00	6.00	0.00	0.00	6.00
Clin./Office Equip.	0.00	4.00	0.00	0.00	4.00
Educ. Materials	0.00	5.50	0.00	0.00	5.50
Field Personnel	0.00	48.00	0.00	0.00	48.00
Admin. Support	0.00	6.00	0.00	7.50	13.50
Severance	0.00	6.00	0.00	0.00	6.00
Contingency	0.00	5.00	0.00	0.00	5.00
<b>Subtotal</b>	<b>4.00</b>	<b>86.00</b>	<b>0.00</b>	<b>22.50</b>	<b>112.50</b>
<b>Total</b>	<b>FX+LC=</b>	<b>90.00</b>	<b>FX+LC=</b>	<b>22.50</b>	<b>112.50</b>

Table 2 - Annual Financial Plan - the Vicariate of Esmeraldas

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<b>Uses</b>								
Tech Assistance	0.00	2.00	0.00	2.00	0.00	4.00	0.00	4.00
In-Country Training	0.00	2.50	2.00	1.00	0.00	5.50	0.00	5.50
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis.& Promotion	0.00	0.00	0.00	0.00	0.00	0.00	15.00	15.00
Clinical Materials	0.00	2.00	2.00	2.00	0.00	6.00	0.00	6.00
Clin./Office Equip.	0.00	2.00	2.00	0.00	0.00	4.00	0.00	4.00
Educ. Materials	0.00	2.50	2.00	1.00	0.00	5.50	0.00	5.50
Field Personnel	0.00	15.00	16.00	17.00	0.00	48.00	0.00	48.00
Admin. Support	0.00	2.00	2.00	2.00	0.00	6.00	7.50	13.50
Severance Costs	0.00	0.00	0.00	6.00	0.00	6.00	0.00	6.00
Contingency	0.00	2.00	2.00	1.00	0.00	5.00	0.00	5.00
<b>Subtotal (US\$X1000)</b>	<b>0.00</b>	<b>30.00</b>	<b>28.00</b>	<b>32.00</b>	<b>0.00</b>	<b>90.00</b>	<b>22.50</b>	<b>112.50</b>

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Table 1 - Budget Plan - IESS (Medico Social Directorate)

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
-----					
Uses					
-----					
Tech Assistance	0.00	0.00	0.00	0.00	0.00
Int'l Training	24.00	0.00	0.00	8.10	32.10
In-Country Training	0.00	33.80	0.00	36.80	70.60
Supervis. & Promotion	0.00	13.75	0.00	23.70	42.45
Clinical Equipment	30.11	0.00	0.00	0.00	30.11
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00
Educ. Equipment	26.92	0.00	0.00	0.00	26.92
Educ. Materials	0.00	46.92	0.00	0.00	46.92
Field Personnel	0.00	0.00	0.00	139.80	139.80
Off. Equipment	11.40	0.00	0.00	0.00	11.40
Admin. Support	0.00	0.00	0.00	0.00	0.00
Contingency	0.00	15.00	0.00	0.00	15.00
-----					
Subtotal	92.43	109.47	0.00	213.40	415.30
-----					
Total	FX+LC=	201.90	FX+LC=	213.40	415.30

Table 2 - Annual Financial Plan - IESS (Medico Social Directorate)

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
Tech Assistance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	9.30	7.45	10.27	6.73	63.80	36.90	70.63
Intl Training	0.00	6.00	6.00	6.00	6.00	24.00	6.10	32.10
Supervis. & Promotion	0.00	3.35	3.54	3.36	3.20	13.75	25.70	42.45
Off. Equipm.	0.00	3.55	7.39	7.15	6.52	30.11	0.00	39.11
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Educ. Equipm.	0.00	5.70	6.50	7.12	7.60	26.92	0.00	26.92
Educ. Materials	0.00	0.00	31.52	15.40	0.00	46.92	0.00	46.92
Field Personnel	0.00	0.00	0.00	0.00	0.00	0.00	139.80	139.80
Off. Equipment	0.00	11.40	0.00	0.00	0.00	11.40	0.00	11.40
Admin. Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contingency	0.00	5.00	5.00	5.00	0.00	15.00	0.00	15.00
Subtotal (US\$X1000)	0.00	49.60	67.90	54.30	39.10	201.90	213.40	415.30

Table 1 - Budget Plan - IESS (Campesino Program)

Sources	AID		Counterpart Contrib.		Total
	FX	LC	FX	LC	
Tech Assistance	0.00	0.00	0.00	0.00	0.00
Int'l Training	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	272.12	0.00	144.39	416.51
Supervis. & Promotion	0.00	0.00	0.00	8.16	8.16
Clin. & Lab. Equip.	216.35	0.00	0.00	0.94	217.29
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00
Educ. Materials	0.00	61.23	0.00	0.00	61.23
Field Personnel	0.00	0.00	0.00	972.54	972.54
Admin. Support	0.00	0.00	0.00	144.40	144.40
Contingency	0.00	49.10	0.00	0.00	49.10
<b>Subtotal</b>	<b>216.35</b>	<b>382.45</b>	<b>0.00</b>	<b>1270.43</b>	<b>1869.23</b>
<b>Total</b>	<b>FX+LC=</b>	<b>598.80</b>	<b>FX+LC=</b>	<b>1270.43</b>	<b>1869.23</b>

Table 2 - Annual Financial Plan - IESS (Campesino Program)

Year	1987	1988	1989	1990	1991	AID Contrib	Local Contrib	Total Costs
<hr/>								
Uses	<hr/>							
Tech Assistance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
In-Country Training	0.00	60.02	40.16	98.44	73.50	272.12	144.39	416.51
Int'l Training	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supervis. & Promotion	0.00	0.00	0.00	0.00	0.00	0.00	3.14	3.14
Off. & Lab. Equip.	0.00	212.20	1.09	1.36	1.70	214.35	0.94	217.29
Oper. & Equip. Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Educ. Equip. & Mat.	0.00	0.00	30.80	30.43	0.00	61.23	0.00	61.23
Field Personnel	0.00	0.00	0.00	0.00	0.00	0.00	972.54	972.54
Admin. Support	0.00	0.00	0.00	0.00	0.00	0.00	144.40	144.40
Contingency	0.00	13.00	14.00	14.00	8.10	49.10	0.00	49.10
<hr/>								
Subtotal (US\$X1000)	0.00	285.22	86.05	144.23	83.30	598.80	1,270.43	1,869.23

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POPULATION AND FAMILY PLANNING

518-0026

METHODS OF IMPLEMENTATION AND FINANCING

<u>ITEM</u>	<u>METHOD OF IMPLEMENTATION</u>	<u>METHOD OF FINANCING</u>	<u>AMOUNT (US\$000)</u>
Technical Assistance			
U.S.	Cooperative Ag. (CA)*	Letter of Credit (LOC)	50
Third country	Host Country Arrangement (HCA)**	Host Country Reimbursement (HCR)	16
Training			
U.S.	Part. Trng. (PIO/P)	Direct Payment by AID (DP)	6
In country	CA	LOC	280
	HCA	HCR	334
Third country	Inv. Travel (T.A.)	DP	18
Equipment			
Clinical	CA	LOC	290
Office	AID procurement	DP	260
Laboratory	HCA	HCR	30
Educational	CA	LOC	306
	AID procurement	DP	27
	HCA	HCR	159
Supervision	CA	LOC	1,215
Promotion	HCA	HCR	63
Oper. and Equipment Maintenance	CA	LOC	52
Research	CA	LOC	270
Field Personnel	CA	LOC	3,013
	HCA	HCR	297
Administrat. Support	CA	LOC	1,043
	HCA	HCR	42

\* The private sector IPPF, APROFE, CEMOPLAF, CEPAR, CSM and PHP activities will all be implemented under the IPPF Cooperative Agreement.

\*\* The public sector IESS (Social Security) and Church activities will be implemented respectively under separate agreements with the host country.

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The GOE will engage in three types of AID-financed transactions under the Project, procurement of technical assistance, procurement of commodities and payment of per diems to trainees. (Other HCA transactions listed in the Summary Table, namely the payment of field personnel and administrative support, will not involve the GOE, only private sector, church, organizations.) The Government requires three offers for any procurement action. GOE project expenditures will be financed by an advance of funds, deposited in a separate bank account, which will be replenished periodically on presentation of signed receipts.

I concur that the above methods of implementation and financing represent the Mission's plan, and that the methods of financing comply with the Agency's approved methods according to the Payment Verification Policy Implementation Guidance dated December 30, 1983.



Robert K. Clark  
Controller  
USAID/Ecuador

PROCUREMENT

a. Community Based Distribution and private practitioners sub-components

<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>AMOUNT</u>	<u>DATE OF PURCHASE</u>	<u>PURCHASING MECHANISM</u>
<u>Office medical equipment</u>				
-IUD Insertion Kits No. 6	55	US\$ 3,850	1988	PIO/C
-Thermometers, Stethoscope -Sphygmomanometers, -Hysterometers, baby scales	20	US\$ 8,000	1988	PIO/C
		<u>US\$11,850</u>		
Same as 1988			1989	PIO/C
		<u>US\$11,850</u>		
Same as 1988			1990	PIO/C
		<u>US\$11,850</u>		
-IUD Insertion Kit No. 6	45	US\$ 3,150	1991	PIO/C
-Miscellaneous same as 1988	20	US\$ 8,000		
		<u>US\$11,150</u>		
		<u>US\$46,700</u>		

b. Catholic Churches

Waiting room equipment	7	US\$22,000	1988	Local purchase
			1991	Local purchase
<u>Clinical equipment</u>				
-thermometers, etc.	7	US\$10,000	1989	Local purchase
			1991	Local purchase

<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>AMOUNT</u>	<u>DATE OF PURCHASE</u>	<u>PURCHASING MECHANISM</u>
<u>Educational materials on natural family planning methods</u>				
-Charts pamphlets	80,000	US\$19,400/yr	1988	Local purchase
		US\$77,600	1991	Local purchase
	<u>TOTAL</u>	<u>US\$129,000</u>		
c. <u>IESS/MSD</u>				
<u>Educational materials</u>	30,000	21,520	1989	Local purchase
Local production posters, pamphlets, slides and recorded messages	38,000	25,400	1991	Local purchase
	<u>Subtotal</u>	<u>46,920</u>		
<u>Clinical equipment</u>				
-IUD Insertion Kits No. 3	25	5,000	1988	PIO/C
-Emergency/Gyn. Kits No. 2	21	3,640	1988	PIO/C
-IUD Insertion Kits No. 6	100	7,000	1989	PIO/C
-IUD Insertion Kits No. 3	4	800	1989	PIO/C
-Medical and laboratory supplies	36	7,150	1990	Local purchase
-Emergency/gyn kits		6,520	1991	PIO/C
	<u>Subtotal (US\$)</u>	<u>30,110</u>		
<u>Office equipment</u>				
Microcomputer 512K: dual drive, printer and software	1	11,400	1988	PIO/C
	<u>Subtotal</u>	<u>11,400</u>		

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<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>AMOUNT</u>	<u>DATE OF PURCHASE</u>	<u>PURCHASING MECHANISM</u>
<u>Educational equipment</u>				
-Camera	1	500		
-Movie projectors	8			
-Movie screens	8			
-Slide projectors	8	5,250	1988	PIO/C
-Movie projectors	5			
-Slide projectors	5			
-Movie screens	5	5,250	1989	PIO/C
-Movie projectors	5			
-Slide projectors	5			
-Movie screen	5			
-Overhead projectors	10	7,400	1990	PIO/C
-Movie projectors	8			
-Movie screens	8			
-Overhead projectors	14	7,600	1991	PIO/C
		<u>26,000</u>		
		<u>Subtotal</u>		
		<u>TOTAL</u>		
		114,430		
d. <u>IESS/CSS</u>				
<u>Laboratory equipment</u>				
-Portable slide	420	16,800	1988	Local purchase
-Slide storage box	900	9,000	1988	
-Slide fixing spray cans	900	7,650	1988	
		<u>33,450</u>		
		<u>Subtotal</u>		
<u>Clinical equipment</u>				
-IUD Insertion Kit No. 6	900	65,000	1988	PIO/C
-GYN/Emergency Kits No. 2	72	12,680		PIO/C
-IUD Insertion Kit No. 3	90	18,000	1988	PIO/C
-110V Gooseneck Lamp	420	21,000	1988	PIO/C

<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>AMOUNT</u>	<u>DATE OF PURCHASE</u>	<u>PURCHASING MECHANISM</u>
-Containers for sterile dressings	420	15,120	1988	Local purchase
-Sterilizers (auto clave)	420	37,800	1988	PIO/C
<u>Subtotal</u>		<u>169,600</u>		
<u>General equipment</u>				
-Portable Generators 110V	15	11,940	1988	PIO/C
<u>Subtotal</u>		<u>11,940</u>		
<u>Education materials</u>				
-Posters, pamphlets, training manuals	29,000	30,800	1989	Local purchase
<u>Subtotal</u>	28,500	<u>30,430</u>	1990	Local purchase
<u>TOTAL</u>		<u>276,220</u>		

5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable generally: (A) FAA funds generally; (B)(1) Development Assistance funds only; or (B)(2) the Economic Support Fund only.

A. GENERAL CRITERIA FOR COUNTRY ELIGIBILITY

1. FY 1987 Continuing Resolution Sec. 526. Has the President certified to the Congress that the government of the recipient country is failing to take adequate measures to prevent narcotic drugs or other controlled substances which are cultivated, produced or processed illicitly, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully?
  
1. FAA Sec. 481(h). (This provision applies to assistance of any kind provided by grant, sale, loan, lease, credit, guaranty, or insurance, except assistance from the Child Survival Fund or relating to international narcotics control, disaster and refugee relief, or the provision of food or medicine.) If the recipient is a "major illicit drug producing country" (defined as a country producing during a fiscal year at least five

metric tons of opium or 500 metric tons of coca or marijuana) or a "major drug-transit country" (defined as a country that is a significant direct source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government), has the President in the March 1 International Narcotics Control Strategy Report (INSCR) determined and certified to the Congress (without Congressional enactment, within 30 days of continuous session, of a resolution disapproving such a certification), or has the President determined and certified to the Congress on any other date (with enactment by Congress of a resolution approving such certification), that (a) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to prevent illicit drugs produced or processed in or transported through such country from being transported into the United States, and to prevent and punish drug profit laundering in the country, or that (b) the vital national interests of the United States require the provision of such assistance?

3. Drug Act Sec. 2013. (This section applies to the same categories of assistance subject to the restrictions in FAA Sec. 481(h), above.) If

recipient country is a "major illicit drug producing country" (as defined for the purpose of FAA Sec 481(h)), has the President submitted a report to Congress listing such country as one (a) which, as a matter of government policy, encourages or facilitates the production or distribution of illicit drugs; (b) in which any senior official of the government engages in, encourages, or facilitates the production or distribution of illegal drugs; (c) in which any member of a U.S. Government agency has suffered or been threatened with violence inflicted by or with the complicity of any government officer; or (d) which fails to provide reasonable cooperation to lawful activities of U.S. drug enforcement agents, unless the President has provided the required certification to Congress pertaining to U.S. national interests and the drug control and criminal prosecution efforts or that country?

4. FAA Sec. 620(c). If assistance is to a government, is the government liable as debtor or unconditional guarantor of any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies and (b) the debt is not denied or contested by such government?
5. FAA Sec. 620(e)(1). If assistance is to a government, has it (including government agencies or subdivisions)

taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities?

6. FAA Sec. 620(a), 620(f), 620D; FY 1987 Continuing Resolution Secs. 512, 560. Is recipient country a communist country? If so, has the President determined that assistance to the country is important to the national interests of the United States? Will assistance be provided to Angola, Cambodia, Cuba, Iraq, Syria, Vietnam, Libya, or South Yemen? Will assistance be provided to Afghanistan without a certification?
7. FAA Sec. 620(j). Has the country permitted, or failed to take adequate measures to prevent, the damage or destruction by mob action of U.S. property?
8. FAA Sec. 620(l). Has the country failed to enter into an investment guaranty agreement with OPIC?
9. FAA Sec. 620(o); Fishermen's Protective Act of 1967, as amended, Sec. 5. (a) Has the country seized, or imposed any penalty or sanction against, any U.S. vessel because of fishing activities in international waters? (b) If so, has any deduction required by the Fishermen's Protective Act been made?

10. FAA Sec. 620(q); FY 1987  
Continuing Resolution Sec.  
518. (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1987 Continuing Resolution appropriates funds?
  
11. FAA Sec. 620(s). If contemplated assistance is development loan or from Economic Support Fund, has the Administrator taken into account the percent of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment?  
(Reference may be made to the annual "Taking into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.)
  
12. FAA Sec. 620(t). Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption?

13. FAA Sec. 620(u). What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the AID Administrator in determining the current AID Operating Year Budget? (Reference may be made to the Taking into Consideration memo.)
14. FAA Sec. 620A. Has the President determined that the recipient grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism or otherwise supports international terrorism?
15. ISDCA of 1985 Sec. 552(b). Has the Secretary of State determined that the country is a high terrorist threat country after the Secretary of Transportation has determined, pursuant to section 1115(e) (2) of the Federal Aviation Act of 1958, that an airport in the country does not maintain and administer effective security measures?
16. FAA Sec. 666(b). Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA?
17. FAA Sec. 669, 670. Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment,

materials, or technology, without specified arrangements or safeguards, and without special certification by the President? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? (FAA Sec. 620E permits a special waiver of Sec. 669 for Pakistan.)

18. FAA Sec 670. If the country is a non-nuclear weapon state, has it, on or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device?
19. ISDCA of 1981 Sec. 720. Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Assembly of the U.N. on Sept. 25 and 28, 1981, and failed to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the Taking into Consideration memo.)
20. FY 1987 Continuing Resolution Sec. 528. Has the recipient country been determined by the President to have engaged in a consistent pattern of opposition to the foreign policy of the United States?
21. FY 1987 Continuing Resolution Sec. 513. Has the duly elected Head of Government of the country been deposed by military coup or decree?

B. FUNDING SOURCE CRITERIA FOR  
COUNTRY ELIGIBILITY

1. Development Assistance Country  
Criteria

FAA Sec. 116. Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?

2. Economic Support Fund Country  
Criteria

FAA Sec. 502B. Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

PROJECT CHECKLIST

(Pertains to Activities in Project Paper Supplement No. 1)

A. GENERAL CRITERIA FOR PROJECT

- |   |   |
|---|---|
| 1. <u>FY 1987 Continuing Resolution Sec. 523; FAA Sec. 634A.</u><br>Describe how authorization and appropriations committees of Senate and House have been or will be notified concerning the project.  | A Congressional Notification for the FY-87 obligation was submitted.                |
| 2. <u>FAA Sec. 611(a)(1).</u> 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?   | Yes. Such plans and cost estimates are set forth in Project Paper Supplement No. 1. |
| 3. <u>FAA Sec. 611(a)(2).</u> 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 such action required.  |
| 4. <u>FAA Sec. 611(b); FY 1987 Continuing Resolution Sec. 501.</u> 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 principals, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, <u>et seq.</u> )? (See AID Handbook 3 for guidelines.) | N/A.  |

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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. The Project is Ecuador specific .
7. FAA Sec. 601(a). Information and conclusions on whether project 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. The Project will foster private initiative through its support to three private sector family planning organizations, through training and support for private health practitioners and through support for commercial sales of contraceptives.
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 Some goods and services under the project will be supplied by the U.S. private sector.

and the services of U.S. private enterprise).

9. FAA Sec. 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. About 32% of the add-on cost will be met by host country institutions. Ecuador is not an excess currency country.
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 Section 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 the 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 N/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?

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 textile, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?

N/A.

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

An initial Environmental Examination was performed for the original project and received a negative threshold decision. This add-on only entails the expansion of the types of activities described in the IEE. Therefore, further environmental

examination is not required.

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 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(g)(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 N/A.

expenditure of project funds  
(either dollars or local  
currency generated therefrom)?

17. FY 1987 Continuing Resolution  
Sec. 532. Is disbursement of  
the assistance conditioned  
solely on the basis of the  
policies of any multilateral  
institution? N/A.

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project  
Criteria

- a. FAA Sec. 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 insuring wide  
participation of the poor  
in the benefits of  
development on a sustained  
basis, using the  
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
- (a) The project will have a direct impact on the quality of life of the poor by improving the accessibility and affordability of family planning services and information. This will involve expansion of these services into secondary cities and rural areas through cost effective delivery systems. By encouraging smaller families, the project directly promotes the integration of women into the economy and improves their economic and social status within the country.

the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

- b. FAA Sec. 103, 103A, 104, 105, 106, 120-21. Does the project fit the criteria for the source of funds (functional account) being used? Yes. This assistance is being made available for family planning activities under Sec. 104 of the FAA and fits the criteria for this type of funding.
- 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 Sec. 110, 124(d). Will the recipient country provide at least 25% 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)? Host country institutions will provide about 32% of the costs of this add-on.
- 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.

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.

Demand for family planning services exceeds 80% of eligible women in Ecuador, while less than 50% are receiving such services. The project will be carried out largely through local institutions and their development will be supported by the project. The project will also support human resources development through training in private and public sector organizations and strengthen private and public management systems and technical capacity.

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.

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?

Yes. Programs of the Catholic Church, which will be supported under the add-on, offer information concerning natural family planning methods only.

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)?

The add-on does not contemplate any set-asides.

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? N/A.

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 N/A.

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(including temporary haul roads for logging or other attractive industries) which pass through relatively undegraded forest lands; (c) the colonization of forest lands; or (d) the construction of dams or other water 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)

This section not applicable to add-on which is grant funded.

a. FAA Sec. 122(b): Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest.

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?
  - 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?
3. Economic Support Fund Project Criteria
- 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?
  - b. FAA Sec. 531(e). Will this assistance be used for military or paramilitary purposes?
  - 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 the 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?

- 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?

STANDARD ITEM CHECKLIST  
(Pertinent to Project Paper Supplement No. 1)

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? N/A.
4. FAA Sec. 604(e); ISDCA of 1980 Sec. 105(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 N/A.

international markets in one of these areas? (Exception for those 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 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.
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.  
No use of Federal agency resources is contemplated under the add-on.
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.

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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? Yes.

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 inspection (unless otherwise provided by law or Executive order)? Yes.

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. FVA Sec. 122(b). If development loan repayable in dollars, its interest rate at least 2 percent per annum N/A for grant funded add-on.

during a grace period and at least 3 percent per annum thereafter?

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.
4. Will arrangements preclude use of financing: Yes.
  - a. FAA Sec. 104(f); FY 1987 Continuing Resolution Sec. 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?
  - b. FAA Sec. 483. To make reimbursements, in the form of cash payments, to

persons whose illicit drug  
crops are eradicated?

- 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.
- 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? Yes.
- 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.

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STATE 215735

ANNEX IX  
Page 1 of 1 page

ACTION AID2 INFO DCM/3

VZCZCQTOE17  
PP RUEHCT  
LE RUEHC #5735 1952126  
ZNR UUUUU ZZH  
F 142125Z JUL 87  
FM SECSTATE WASHDC  
TO AMEMBASSY QUITO PRIORITY 5877  
BT  
UNCLAS STATE 215735

LOC: 077 115  
15 JUL 87 2128.  
CN: 33294  
CHRG: AID  
DIST: AID

REPLY DUE	7-17-87
<input type="checkbox"/> NO REPLY NEEDED	
<input type="checkbox"/> REPLIED BY	
ON	
Date	Initials
FILE:	

AIDAC

E.O. 12356: N/A

TAGS:

SUBJECT: ECUADOR FAMILY PLANNING PROJECT (S18-3026),  
EXTENSION OF PACD

ON JULY 13, 1987 THE DAA/LAC APPROVED AN EXTENSION OF  
THE PACD FOR THE ECUADOR POPULATION AND FAMILY PLANNING  
PROJECT FROM DECEMBER 31, 1987 TO SEPTEMBER 28, 1991.  
SHULTZ

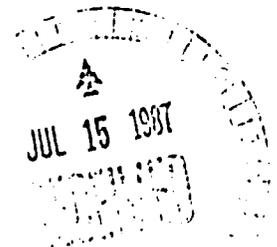
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ACTION: *F-HIS* <sup>2</sup> STATE 215735

DIR	
D/DIR	
O/PE	
RLA	
O/DP	✓
EXO	
O/CONT	✓
O/DR	✓
GDO	
RCO	
RDO	
FHD	
U/H	
RF 2	
M&R	
EMS	
WASH.	



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