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UNCLASSIFIED

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

ECUADOR

PROJECT PAPER

HEALTH AND FAMILY PLANNING

AMENDMENT NUMBER 1

AID/LAC/P-856
CR-664

PROJECT NUMBER: 518-0084

UNCLASSIFIED

ACTION MEMORANDUM TO THE ACTING MISSION DIRECTOR

FROM: GDO/HFPD: Ken Yamashita 

SUBJECT: Health and Family Planning Program. Grant Agreement No. 518-0084: Amend Project Paper to a) increase Life of Project budget; b) insert an endowment line item in budget; and c) insert a project administration line item in budget.

DATE: December 3, 1993

Refs: a) State 317427
b) Quito 04581
c) The USAID/W/RD/POP: BIG country strategy
d) CEMOPLAF's letter No. CEM-054-ECU-93 dated 02/11/93
e) APROFE's letter dated 12/11/92
f) CEMOPLAF's letter No. CEM-447-ECU-92 dated 12/10/92
g) State 157882
h) Armed Forces Letter dated 10/20/92
i) Municipality of Quito letter No. 899 dated 10/16/92
j) O/CONT's report dated 09/30/93
k) APROFE's letter dated 04/16/93

PROBLEM:

Your approval is required to amend Project Paper No. 518-0084 in order to accomplish the goal and purpose of the subject project. The four modifications that will comprise the amendment are 1) to include an endowment line item in the Private Voluntary Organization (PVO) service delivery component; 2) to separate the line item "Audit and Evaluation" to one for "Audit" and one for "Evaluation"; 3) to include a line item for project administration; and 4) to increase the Life of Project (LOP) budget by US\$4,500,000 for a new Life of Project total of US\$15,000,000.

BACKGROUND:

The Ecuadorean Health and Family Planning Program contains both a Project and Non Project Assistance component. The Program is scheduled to end on September 30, 1997.

The Project component for US\$8,000,000 was signed on August 30, 1991. This portion of the Program relates to PVO family planning service delivery for US\$5,500,000 and institutional support which includes technical assistance, purchase of contraceptive commodities and audit and evaluations for US\$2,500,000.

The service delivery institutions function through Cooperative Agreements with two separate PVOs; they are the Asociación de Pro-Bienestar de la Familia Ecuatoriana (APROFE) and the Centro Médico de Orientación y Planificación Familiar (CEMOPLAF). To date there have been six Amendments for each Cooperative Agreement to provide incremental funding for the Agreements. As of 09/30/93, US\$4,049,367 have been obligated for the two organizations.

Under the institutional support activity there are buy-ins to provide technical assistance through The Population Council and Johns Hopkins University/ Population Communication Services (JHU/PCS). There is also a buy-in to the Social Marketing for Change (SOMARC) project to implement and complement the level of funding for the contraceptive social marketing program which began in 1987 and ended in August 1993.

As part of the institutional support component contraceptive commodities have been procured for the different organizations involved in the project.

No evaluations have yet been carried out under this component. However, data from the institutions indicate that overall progress has met or exceeded expectations. For example, as reported in the last Semi-Annual review, overall levels of cost recovery on part of the two NGOs have reached approximately 50%.

Counterpart contribution and project audits have been carried out; none of the audits report any significant negative items.

On September 17, 1993, a Mission-wide meeting was held to review the proposed amendment. The decision was to approve the amendment subject to the following conditions:

1. Endowments. Although the concept of the endowment was approved at the meeting, the disbursements for the endowment will be subject to a number of conditions. The actual mechanisms for disbursement are detailed below, in the Discussion and Justification section, under "1) Endowment line item".

2. The Office of the Controller (O/CONT) requested that the audit and evaluation line items be separated out, and that a separate line item for "Project Administration" be included. Both are taken into account in the text of the proposed amendment as well as in the budget tables.

3. The A/DDIR requested that more detail be provided on the introduction of two new contraceptives, Depo-Provera and Norplant. Such a discussion is included under the Discussion and Justification section, part "3) Increase in LOP Budget", paragraph B "Contraceptives".

DISCUSSION AND JUSTIFICATION:

The performance of the family planning PVOs to date clearly demonstrates that there is no contradiction between increasing sustainability and increasing coverage. As has been mentioned in several semi-annual reports, the accomplishments of the PVOs have consistently exceeded established goals. The success of the PVOs

have been such that other family planning organizations in the region are constantly requesting technical assistance from them. USAID/W and other agencies have invited the two PVOs to numerous conferences and seminars as key resources.

The additional funds which are being requested in this amendment add to and strengthen USAID leverage in the achievement of project objectives. A significant percentage of the additional funding will go towards responding to the PVOs' aggressive and energetic strategies. The remainder of the funds will replace critical resources originally envisioned to be provided by USAID/W which are no longer available. The additional resources will have no impact on the Project Assistance Completion Date but will change certain project indicators. As can be seen by the amended Logical Framework (Attachment F.), the project targets, both in terms of coverage and sustainability, have been increased. GDO/HFPD is confident that the PVOs will rise to the challenge.

The success of the health and family planning project will have a major impact on the success of Strategic Objective 2 (Increase the use, effectiveness, and sustainability of selected health and family planning services). The original project paper considered this project to be possibly the last bi-lateral project in family planning. The original project paper clearly stated the need for continued USAID assistance with technical assistance and contraceptive procurement. With these additional funds it is likely that a significant percentage of the PVO requirements for contraceptives can be met with their own resources. USAID assistance in the future will then be limited even further, to limited technical assistance, procurement of some contraceptives, and responding to unique windows of opportunity.

1) INCLUSION OF AN ENDOWMENT LINE ITEM:

One of the main objectives of the project's sustainability strategy for APROFE and CEMOPLAF is the establishment of an endowment fund which meets all legal and statutory regulations. The original project paper envisioned the establishment of an endowment, but did not have a separate budget line item. Under the current project it is estimated that by the end of the project, the endowment fund for APROFE and CEMOPLAF will be capitalized in excess of US\$500,000 per organization. With a fund of this size, it is estimated that the PVOs will be able to support 10-20% of their operating costs through interest earnings. Both PVOs have demonstrated commitment toward the achievement of this 10-20% level of capitalization. Moreover, the organizations are confident that their rate of capitalization can be greater, and thus have officially requested additional funds for this purpose. The increased level of capitalization could support up to 30% of their operating costs through interest earnings by the end of the project. The endowment, in addition to other cost recovery strategies will enable APROFE

and CEMOPLAF to strengthen their sustainability strategy and increase their self sustainability target from the current 65% to 80% by the end of the project.

As per information received from USAID/W an endowment line item may now be incorporated into projects, and dollar based endowments utilizing DA funds can be established. USAID financial monitoring requirements would continue based on endowment guidelines currently being finalized in USAID/W. Attachment A includes an Endowment line item with a respective budget.

In order to ensure the legality and permanence of the endowment, the following mechanisms are proposed:

1. Assistance will be provided in order to establish endowments for both APROFE and CEMOPLAF. The endowments will each have a separate and independent Board of Directors, and will include all statutory and legal requirements.

2. Each organization will provide the Mission with a detailed proposal for the endowment. The proposal will include: a) the findings of the technical assistance, including names and affiliations of the proposed Board of Directors; b) a detailed financial plan which projects the capitalization of the fund, both principal and interest; c) specific arrangements and requirements for accessing the fund. In this sense, the proposal will specify that neither capital nor interest will be used at least until the termination of this project. The proposal will also specify the proposed use of funds, including the circumstances under which the interest portion of the fund can be accessed and under which the capital can be utilized; d) a financial strategy for the institution, which includes sources and percentages of cost recovery by income source, the percentage of total cost which will rely on the endowment for funding, and a plan for fund raising from other sources; and e) concrete examples of funding which is already being obtained from sources other than own revenue generation and USAID. Parenthetically, it should be noted that both CEMOPLAF and APROFE are moving ahead quickly in this regard. CEMOPLAF has contacted the Japanese Embassy and the Belgian Embassy about their program requirements. Both have responded positively. CEMOPLAF will be receiving a donation of a vehicle from the Japanese Government, and through a project agreement with the Belgian Government, will install a small family planning clinic in the Napo region. APROFE has received a grant from the Dutch Government for the purchase of a boat and provision of services along the Isla Puna. APROFE has also received a donation from an American philanthropist for the purchase of a mobile clinic. The van is already in country and providing services among the urban marginal areas of Guayaquil.

3. The Mission will review each institution's endowment proposal and will determine its feasibility. Once the Mission has accepted a proposal, the Mission will approve the disbursement of funds for the endowment. It should be noted that disbursement of funds for the endowment may be made directly into the endowment fund, or in the form of a matching grant, where the institution certifies that certain amounts of funds have been deposited into the fund, at which point USAID disburses equal amounts for programmatic expenses of the institution. A decision on which mechanism to use will be determined at the time each of the PVO proposals are reviewed.

4. Reporting requirements will be established in the process of reviewing and approving each institution's proposals. However, at a minimum, separate reports will be required on a regular basis at least until the end of this Project. As well, all funds will be subject to USAID auditing requirements.

5. Authority to approve the institution's proposal as well as disbursement of funds will remain with the Mission Director, with the clearances of the Deputy Director, PPD, the Legal Advisor, the Contracts Officer, and the Controller. Moreover, final approval will follow procedures established in the Mission Order on Endowments, which is being drafted by the USAID Legal Advisor with input from USAID/W.

Finally, the original health and family planning project paper included a detailed sustainability analysis which contains a debt swap intervention in order to allow APROFE and CEMOPLAF to reinforce their institutional strengthening strategy. Among the different scenarios of the sustainability analysis it was foreseen that if a debt swap occurred the endowment fund would experience a faster rate of capitalization. Summary graphs of the sustainability analysis are shown in Attachment G to this memorandum.

Unfortunately, the Ecuadorean debt swap program has not been open and there are strong indications that the program may be totally canceled.

Thus, the additional amount hereby requested for the endowment fund for APROFE and CEMOPLAF will substitute the original debt swap projections and the PVO's self sustainability stated target will be surpassed by the end of the project.

2) INCLUSION OF A LINE ITEM FOR PROJECT ADMINISTRATION

Recent indications from USAID/W, including the guidelines for the preparation of the Annual Budget Submission (ABS) point to significant reductions in the Mission's annual operating expense budget. Such cutbacks will seriously affect the Mission's ability to recruit qualified candidates in technical areas for project management. After discussions with O/CONT, it was decided that hiring a Foreign Service National (FSN) Project Manager with project funds was appropriate given that such a Project Manager would be committed full time only to the Health and Family Planning Project. The budget tables attached to this memo reflect the addition of a line item for Project Administration.

3) INCREASE LOP BUDGET:

The increase in the LOP budget will be on behalf of the Project Assistance component of the project. The two activities considered under this component are PVO service delivery and Institutional Support. The additional funding will be utilized for: A) PVOs support; B) Contraceptive Procurement; and C) Technical Assistance.

A. PVO Support:

A.1. APROFE's and CEMOPLAF's Endowment Funds:

Both APROFE and CEMOPLAF have formally requested of USAID/Ecuador in their 1993 annual workplans (See refs. e. and f.) that the endowment funds assigned to each organization in the amount of US\$500,000 per organization be increased. Given the success that the organizations have had to date, GDO/HFPD is confident that the PVOs could attain significantly greater levels of endowment fund capitalization. We are thus requesting that the funds assigned for the endowment fund be increased by US\$1,000,000 per organization. The first US\$500,000 per institution were incorporated into their regular operating budget, but disbursement was subject to evidence that the institution had utilized their own generated resources towards an endowment (either into a bank account or for purchase of their own centers). The additional US\$1.0 million that is being requested will appear as a separate line item. Disbursement of the amounts will be based on the process as was described in the previous section.

The provision of additional endowment funds in the amount of US\$1.0 million per organization will allow the two entities to capitalize their endowments more quickly and ensure the achievement of self-sufficiency goals by the end of the project. The requested amount is shown in Attachment A under the endowment line item.

A.2 APROFE's and CEMOPLAF's rate of expenditures:

There are US\$5,500,000 in DA funds contemplated as LOP budget for both APROFE and CEMOPLAF. Actual plus estimated expenditures for the two organizations based on their internal analyses indicates that approximately \$2.1 million have been spent. Thus, with approximately 33% of the LOP elapsed, almost 40% of the estimated budget has been expended. This faster rate of expenditure has been associated with a faster rate of End of Project Status (EOPS) achievement. A more thorough analysis which was carried out in conjunction with the March, 1993 accrual exercise determined that the expenditure rate for both organizations could have been even greater, due to the following reason:

There were not sufficient funds in field personnel, administrative support and educational equipment line items to cover the projected expenditures until March, 1993. Two months before the accrual exercise O/CONT began to disallow allowable expenses of these line items due to lack of funds under these line items. The two organizations were required to cover these expenses with funds from other line items and/or from counterpart funds which, in both cases, were not originally programmed.

Laboratory commodities have been programmed to be procured for both PVOs under the sustainability strategy, however due to constraints in the OYB levels procurement has been postponed. This has 1) delayed the full implementation of the laboratory cost recovery strategy; 2) not allowed the determination of real program expenditure figures due to lack of funds; 3) increased the price of the echography equipment; and 4) shown that the overall expenditure rate of APROFE and CEMOPLAF are higher than expected and could even be higher if obligation of funds would have been available in a timely manner.

To summarize, considering only the project component of the Program, it is estimated that as of September 30, 1993 with only two years elapsed in the LOP (33%), real expenditures by these two organizations exceeds approximately 40% of the overall budget. If the expenditures that would have taken place during the first quarter of this calendar year are included, then overall expenditures could approximate 45% of the overall budget.

A.3. APROFE's echography equipment

One of the key elements in addressing PVO institutional sustainability is the establishment of effective cross subsidies; that is, to improve the income generating capabilities of the PVO through non family planning service activities. These include laboratory services, small pharmacies and maternal and child health services (echography, immunizations, pediatric care, etc.).

Based on CEMOPLAF's experience with echography services, APROFE has realized during the past 18 months that these services are profitable and has requested that USAID purchase echography machines (see ref. k.). The cost of the requested equipment was not considered in APROFE's original Cooperative Agreement budget.

B. Contraceptives:

USAID/Ecuador has received instructions from USAID/W (see ref. g.) that Missions should procure all contraceptives for all recipients starting in 1994. At the time the Health and Population Project Paper was prepared this decision had not been made by USAID/W. Thus contraceptives which were donated by other institutions such as the International Planned Parenthood Federation (IPPF), The Pathfinder Fund, and Family Planning International Assistance (FPIA) were not budgeted in the Project Paper. The change in USAID/W policy forces the Project to cover all contraceptive costs for all the institutions starting in FY 1994.

New contraceptives such as Norplant and Depo-provera have been approved by FDA and have gained popularity in Ecuador. These new contraceptive methods will be introduced into the Ecuadorean family planning program to improve the program's quality and the choice of contraceptive method mix. Specific operations research studies related to quality of care and user acceptability will be carried out prior to inclusion of these methods in the family planning program. The Mission has requested additional information from USAID/W on details of product introduction. Programs such as Population Council/INOPAL, PATH/PIACT, and SOMARC have all had significant experience in introducing these two new contraceptives in other countries. The expertise has included pricing policies, market segmentation, advertising, and overcoming policy constraints. APROFE will introduce Norplant with the assistance of SOMARC and IPPF, and CEMOPLAF will introduce Depo-Provera with the assistance of the Population Council. Both organizations will carefully monitor the acceptance of the methods as well as negative reactions from outside entities. After several months of trial introduction, decisions will be made as to whether a full provision of the contraceptives should take place.

In addition, the Armed Forces and the Municipality of Quito have requested donations of contraceptive commodities. This request has been authorized by the Mission (see refs. h. and i.) having as a result increased contraceptive orders and costs. Attachment F contains a procurement plan for the purchase of contraceptives until 1997. Attachments A and E show the new funding levels under the contraceptives line item.

C. Technical Assistance:

USAID/Ecuador at the time of preparing the project paper understood that USAID/W central funds would match buy-ins under the technical assistance line item (see refs a. and b.). However, USAID/W informed the Mission that this was no longer the case due to overall budget constraints and RD/POP's desire to focus and concentrate central assistance to non-bilateral countries as well as to countries that have "significant" demographic problems including a minimum population of 20 million (see ref. c.). The total cost of the technical assistance considered in the project paper was US\$1,000,000 of which USAID/Ecuador planned to contribute 50% through buy-ins with RD/POP providing a match for the remaining 50%. The reduction of central funds implies that the project will suffer a shortfall in the amount of US\$500,000 for technical assistance. This will severely affect the provision of technical assistance. Furthermore, GDO/HFPD has reviewed the level of effort of the technical assistance component and believes that the scope of this activity needs to be expanded and re-programmed in certain buy-ins as described below. This expansion and re-programming will imply additional levels of funds beyond those originally planned (including the original RD/POP matching fund).

The specific technical assistance activities include:

C.1. Communications :

This buy-in is considered essential for the development and continuation of the communications strategies considered under the project paper. After an in depth analysis of the communications strategy GDO/HFPD recommends an expansion of the Information, Education and Communications campaign to include mass media channels to disseminate related family planning issues. Specific buy-ins will be for the Johns Hopkins Communications Project and the Futures Group Social Marketing Project. This recommendation has been made on the basis that the Ecuadorean family planning movement has experienced a level of maturity which allows a more open and real approach in communications over a medium term. At the same time, with the termination of the social marketing program with Fundacion Futura, both APROFE and CEMOPLAF have agreed to take over social marketing activities. This will enhance the overall family planning program quality and increase the demand for family

planning services in both the public and private sectors. This strategy will result in an increase in the technical assistance line item. A detailed SOW and budget for the Johns Hopkins University Communications Project activity is included as Attachment B to this Action Memorandum. The detailed SOW and budget for the social marketing activity will be prepared by APROFE and CEMOPLAF and will be approved by the Mission prior to finalizing its funding.

C.2. Options for Population Policy (OPTIONS):

The Consejo Nacional de Desarrollo (CONADE) has officially requested population policy research assistance. This strategy is considered an essential intervention related to the Mission's Policy Dialogue agenda and Policy Matrices. This buy-in, which was considered in the original project paper will provide technical support on research topics, dissemination strategies for formulation and implementation of a Policy Implementation Plan. GDO/HFPD has initiated this technical assistance since preparations are underway for the World Population Conference which will take place in 1994 and CONADE will have to present official documents including a medium term Population Policy Action Plan at this conference. Preliminary documents which contain CONADE's Action Plan were finalized and submitted in June. A final document submission is planned for the Spring of 1994.

C.3. National Health and Demographic Survey (DHS):

Under the project paper two national surveys have been planned; one for 1993/1994 and one for 1997. However funds for the surveys were not set aside in the original budget. Both surveys will be carried out in coordination with the Ministry of Health (MOH) through the Child Survival project with technical assistance from the Centers for Disease Control (CDC) as in 1987 and 1989. A CDC expert was in-country in June 1993 and began the survey process. The past two surveys have been carried out by CEPAR. Given their past experience and continued institutional capacity, USAID will contract the services of CEPAR for carrying out the survey this time as well. A preliminary assessment of CEPAR's capacity by the CDC consultant indicated that CEPAR continues to have an institutional advantage over other similar survey organizations in the country. Moreover, CEPAR is in the best position to utilize the survey results for policy analysis and policy dialogue. The cost of both surveys will be shared between the Health and Family Planning Project and the Child Survival Project. A detailed budget for this activity is included as Attachment C to this Action Memorandum.

C.4. CEMOPLAF's Management Information System (MIS):

As per O/CONT request CEMOPLAF has been receiving and will continue to receive technical assistance to improve their overall

administrative-financial information system. This process in addition to the technical assistance received in management information systems contemplates the purchase of computers and programs which has been solicited by CEMOPLAF and approved by the Mission (see ref d.). Attachment D contains a procurement plan for the purchase of hardware and software. In the near future APROFE will also receive similar technical assistance.

Attachment A shows the new funding levels under the technical assistance component per line item.

D. Amended Budget:

A summary of the new level of funding per line item of the Project Assistance component is as follows:

| | Original Budget | Additional needs | Revised Budget |
|----------------------|--------------------|---------------------|-------------------|
| CEMOPLAF | 2,509,330 | - | 2,509,330 |
| APROFE | 2,990,670 | 250,000 | 3,240,670 |
| Endowment | - | 2,000,000 | 2,000,000 |
| Contraceptives | 1,700,000 | 900,000 | 2,600,000 |
| Technical Assistance | 500,000 | 1,200,000 | 1,700,000 |
| Evaluations | 300,000 | (75,000) | 225,000 |
| Audits | - | 75,000 | 75,000 |
| Project Adm. | - | 120,000 | 120,000 |
| TOTAL | 8,000,000 | 4,500,000 | 12,500,000 |

(note: the total of US\$12,500,000 in addition to the NPA component of US\$2,500,000 adds to the new project total of US\$15,000,000)

A more detailed budget is provided in Attachment A.

All modifications and changes described in this Action Memorandum will strengthen the original goal and purpose of the project. It does not imply a change in its PACD, components and/or policy agenda.

RELATIONSHIP TO A.I.D. STRATEGY

Stabilizing world population growth is one of the four main objectives of A.I.D. A draft A.I.D. Strategy Document was prepared and circulated on October 5, 1993. In this strategy document, the chapter on population growth states, inter alia, that:

"Certain factors play a critical role in keeping nations poor: a lack of resources; a dearth of skills; and economic, social, and political systems that impede growth. Rapid population growth and poor health exacerbate every one of these conditions."

This amendment conforms to the A.I.D. strategy, and supports directly the achievement of Strategic Objective No. 2. If successful, the project will achieve levels of coverage, contraceptive use, and institutional self sustainability that will enable USAID to terminate bilateral support. With this amendment, USAID will further be able to reduce contributions in contraceptives. Thus, beyond the PACD, it is expected that USAID support will be limited to USAID centrally funded support in limited technical assistance and possibly a limited quantity of contraceptives. The Mission will be able to point to a true success story, combining development impact with institutional strengthening, within the context of a favorable policy environment.

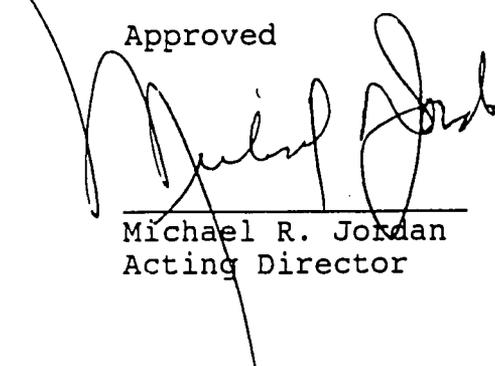
AUTHORITY:

Pursuant to Revised Delegation of Authority No. 752, you have the authority to amend project authorizations which does not result in a total of project funding of more than US\$100 million (Section IIB1) and does not present significant policy issues (Section IIB2).

RECOMMENDATION:

That you (1) sign below, indicating your approval of the contents of this Action Memorandum including the funding levels, and (2) sign authorization Amendment to the Health and Family Planning Project No. 518-0084. This Action Memorandum will serve as the Project Paper Amendment No. 1.

Approved

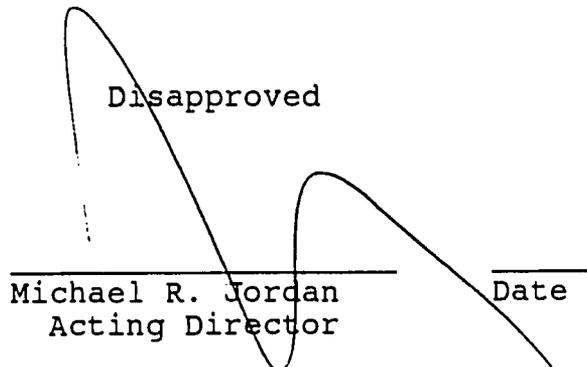


Michael R. Jordan
Acting Director

Date

1/6/94

Disapproved



Michael R. Jordan
Acting Director

Date

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Drafter: GDO:HFPD:KYamashita AK
CL: A/GDO:ELeddy AK
PPD:PMartínez pen 12/10
PPD:PGoddard POS 12/13

RCO:MStevenson AK 12/23
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ATTACHMENT A

NEW AMENDED BUDGET

Summary of Major Components and Institutions

| BUDGET ELEMENT | AID | | AID TOTAL | COUNTERPART LC | ESF-FUNDS LC | PROJECT TOTAL |
|--------------------------------|------------|----------|--------------|-------------------|-----------------|------------------|
| | FX | LC | | | | |
| PROJECT ASSISTANCE | 7,412.38 | 5,087.62 | 12,500.00 | 9,210.55 | 0.00 | 21,710.55 |
| ===== | | | | | | |
| PVO SERVICE DELIVERY | 2,662.38 ✓ | 5,087.62 | 7,750.00 | 9,210.55 | 0.00 | |
| ----- | | | | | | |
| CEMOPLAF | 260.99 | 2,248.34 | 2,509.33 | 3,912.61 | 0.00 | |
| APROFE | 401.39 | 2,839.28 | 3,240.67 | 5,297.94 | 0.00 | |
| ENDOWMENT | 2,000.00 | 0.00 | 2,000.00 | 0.00 | 0.00 | |
| ----- | | | | | | |
| INSTITUTIONAL SUPPORT | 4,300.00 ✓ | 0.00 | 4,300.00 | 0.00 | 0.00 | |
| ----- | | | | | | |
| CONTRACEPTIVES | 2,600.00 | 0.00 | 2,600.00 | 0.00 | | |
| TECHNICAL ASSISTANCE | | | | | | |
| PCS/SOMARC | 1,000.00 | 0.00 | 1,000.00 | 0.00 | | |
| OPTIONS | 150.00 | 0.00 | 150.00 | 0.00 | | |
| POPULATION COUNCIL | 100.00 | 0.00 | 100.00 | | | |
| FHI | 50.00 | 0.00 | 50.00 | | | |
| PROFIT | 50.00 | 0.00 | 50.00 | | | |
| DHS SURVEYS | 150.00 | 0.00 | 150.00 | 0.00 | | |
| MIS | 200.00 | 0.00 | 200.00 | 0.00 | | |
| ----- | | | | | | |
| EVALUATIONS | 225.00 | 0.00 | 225.00 | 0.00 | | |
| AUDITS | 75.00 | 0.00 | 75.00 | | | |
| PROJECT ADMINISTRATION | 150.00 | 0.00 | 150.00 | | | |
| ----- | | | | | | |
| NON PROJECT ASSISTANCE | 2,500.00 | 0.00 | 2,500.00 | 2,500.00 | | 5,000.00 |
| ===== | | | | | | |
| NATIONAL SOCIAL MEDICAL DIR. | 0.00 | 0.00 | 0.00 | 410.98 | | |
| SEGURO SOCIAL CAMPESINO | 0.00 | 0.00 | 0.00 | 460.52 | | |
| MINISTRY OF HEALTH | 0.00 | 0.00 | 0.00 | 700.00 | | |
| MINISTRY OF FINANCE | 0.00 | 0.00 | 0.00 | 428.50 | | |
| CONADE | 0.00 | 0.00 | 0.00 | 500.00 | | |
| NPA COMMODITIES | 2,500.00 | 0.00 | 2,500.00 | 0.00 | | |
| ----- | | | | | | |
| OTHER PROGRAM ASSISTANCE (ESF) | 0.00 | 0.00 | 0.00 | 60.32 | 3,066.02 | 3,126.34 |
| ===== | | | | | | |
| CEPAR | 0.00 | 0.00 | 0.00 | 0.00 | 2,776.72 | |
| ARCHBISHOPRIC OF CUENCA | 0.00 | 0.00 | 0.00 | 41.78 | 183.60 | |
| VICARIATE OF ESMERALDAS | 0.00 | 0.00 | 0.00 | 18.54 | 105.70 | |
| ----- | | | | | | |
| GRAND TOTAL | 9,912.38 | 5,087.62 | 15,000.00 | 11,770.87 | 3,066.02 | 29,836.89 |

PROJECT ASSISTANCE BUDGET

ESTIMATED NEW BUDGET

| BUDGET ELEMENT | ORIGINAL BUDGET | | | INCREASED THROUGH AMENDMENT No. 1 | | | NEW BUDGET | | |
|------------------------|-----------------|----------|--------------|-----------------------------------|------|--------------|------------|----------|--------------|
| | AID FX | LC | AID TOTAL | AID FX | LC | AID TOTAL | AID FX | LC | AID TOTAL |
| PROJECT ASSISTANCE | 2,862.38 | 5,137.62 | 8,000.00 | 4,500.00 | 0.00 | 4,500.00 | 7,362.38 | 5,137.62 | 12,500.00 |
| PVO SERVICE DELIVERY | 362.38 | 5,137.62 | 5,500.00 | 2,250.00 | 0.00 | 2,250.00 | 2,612.38 | 5,137.62 | 7,750.00 |
| CEMOPLAF | 260.99 | 2,248.34 | 2,509.33 | 0.00 | 0.00 | 0.00 | 260.99 | 2,248.34 | 2,509.33 |
| APROFE | 101.39 | 2,889.28 | 2,990.67 | 250.00 | 0.00 | 250.00 | 351.39 | 2,889.28 | 3,240.67 |
| ENDOWMENT | 0.00 | 0.00 | 0.00 | 2,000.00 | 0.00 | 2,000.00 | 2,000.00 | 0.00 | 2,000.00 |
| INSTITUTIONAL SUPPORT | 2,200.00 | 0.00 | 2,200.00 | 2,100.00 | 0.00 | 2,100.00 | 4,300.00 | 0.00 | 4,300.00 |
| CONTRACEPTIVES | 1,700.00 | 0.00 | 1,700.00 | 900.00 | 0.00 | 900.00 | 2,600.00 | 0.00 | 2,600.00 |
| TECHNICAL ASSISTANCE | | | | | | | | | |
| PCS/SOMARC | 200.00 | 0.00 | 200.00 | 850.00 | 0.00 | 850.00 | 1,050.00 | 0.00 | 1,050.00 |
| POPULATION COUNCIL | 100.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 100.00 | 0.00 | 100.00 |
| FHI | 50.00 | 0.00 | 50.00 | 0.00 | 0.00 | 0.00 | 50.00 | 0.00 | 50.00 |
| OPTIONS | 150.00 | 0.00 | 150.00 | 0.00 | 0.00 | 0.00 | 150.00 | 0.00 | 150.00 |
| DHS SURVEYS | 0.00 | 0.00 | 0.00 | 150.00 | 0.00 | 150.00 | 150.00 | 0.00 | 150.00 |
| MIS | 0.00 | 0.00 | 0.00 | 200.00 | 0.00 | 200.00 | 200.00 | 0.00 | 200.00 |
| EVALUATIONS | 300.00 | 0.00 | 300.00 | (75.00) | 0.00 | (75.00) | 225.00 | 0.00 | 225.00 |
| AUDITS | 0.00 | 0.00 | 0.00 | 75.00 | 0.00 | 75.00 | 75.00 | 0.00 | 75.00 |
| PROJECT ADMINISTRATION | 0.00 | 0.00 | 0.00 | 150.00 | 0.00 | 150.00 | 150.00 | 0.00 | 150.00 |

BEST AVAILABLE DOCUMENT

3/11/93

JHU/PCS Technical Assistance to Ecuador, FY93-97

- I. PROPOSED JHU/PCS ACTIVITIES FOR ECUADOR: 1993-97
- II. ECUADOR BUDGET SUMMARY SHEET: JHU/PCS TA FY 1993-97
- III. EXPLANATION OF PROPOSED ESTIMATED BUDGET FOR JHU/PCS BUY-IN FOR YEARS 1993-97
- IV. EXPLANATION OF PROPOSED ESTIMATED BUDGET FOR CENTRAL FUNDING CONTRIBUTION TO JHU/PCS TECHNICAL ASSISTANCE IN ECUADOR

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I. PROPOSED JHU/PCS ACTIVITIES FOR ECUADOR-1993-97

JHU/PCS technical assistance to the Ecuador's National Family Planning Program will focus on:

1. Assistance to the IEC Technical committee in the development of a sustained mass media campaign. The purpose of the campaign will be to reach audiences nationally with information aimed at reducing the barriers to family planning acceptance. Research conducted in Ecuador indicates that the main obstacle to family planning acceptance is misconceptions about methods and their effects. The campaign will attack these myths and rumors, and will also inform potential clients about the benefits of family planning and locally available services. Specific activities will include:
 - a. Audience research to identify the factors preventing couples across the country from seeking family planning services. Research with people who have never used or have abandoned a family planning method will be especially important in order to develop profiles of the target audience.
 - b. Strategic planning, concept positioning and message design with the primary objectives of:
 - Reversing prevailing negative attitudes and achieving contraceptive behavior change by attacking deeply ingrained misconceptions and rumors about modern methods. These messages will be targeted both to potential users as well as to service providers, who may have misconceptions of their own that stand in the way of contraceptive acceptance among clients;
 - Improving the image of service providers so that clients will view them as knowledgeable and caring;
 - Promoting current users as attractive, intelligent spokeswomen (and couples) for the benefits of family planning; and,
 - Marketing of family planning services and service providers across the country;
 - c. Media selection based on cost-effectiveness indicators and evaluation of each medium's strength's attributes and regional preferences;
 - d. Campaign production and dissemination, through a top advertising firm with technical guidance provided by the IEC Technical Committee and JHU/PCS;
 - e. Monitoring and evaluation of impact;
 - f. Review and replanning to continue the campaign each year.

2. Form partnerships with local media contacts to jointly produce enter-educate initiatives and position reproductive health themes in an entertaining manner in the mainstream media. Preliminary contacts have already been made and joint productions such as television dramas for youth, special segments for locally produced soap operas and talk shows have tremendous potential to get family planning messages out in a popular way.
3. Increased efforts in interpersonal communication and counseling training will be necessary to ensure that when new users come to clinics they receive only the highest quality service. JHU/PCS will work with the IEC technical committee to design and implement interpersonal communication training appropriate for service providers across the country
4. Ongoing technical assistance to the communication departments focusing primarily on the private sector family planning agencies will continue through 1997. Emphasis will be placed on: 1) upgrading the quality of information, education and communication (IEC); and 2) leveraging IEC to assist each agency in its effort to achieve self-sufficiency. This technical assistance will be provided periodically by JHU/PCS staff and on a permanent basis by the JHU/PCS Local Coordinator.
5. A major regional communication workshop will be held in 1994. Based on the JHU/PCS "Advances in Health Communication Workshop," the Andean workshop will train IEC specialists and coordinators from throughout the region in state-of-the-art health communication strategies and techniques.
6. The JHU/PCS Matching Grant will continue to encourage interinstitutional collaboration on IEC activities of mutual interest. For example, in 1993 the Matching Grant will support radio programs produced through a collaboration of five IEC Technical Committee member agencies.
7. A representative from one of the member agencies participating in the IEC Technical Committee will be selected each year to represent Ecuador at the JHU/PCS "Advances in Health Communication Workshop" held every June. This workshop provides in-depth training in health communication that will benefit the agency from which the participant is chosen, as well as strengthen the IEC Technical Committee with more highly trained participants.

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II. BUDGET FOR JHU/PCS ACTIVITIES IN ECUADOR, YEARS 1993-1997
(Life of the Project)

| BUY-IN: | 1993-1997 | | | | |
|-----------------------|----------------|----------------|----------------|----------------|---------------|
| | 1993 | 1994 | 1995 | 1996 | 1997 |
| I. Salaries & Fringe | 20,000 | 30,000 | 25,000 | 20,000 | 10,000 |
| II. Travel & Allow. | 15,360 | 40,000 | 35,000 | 25,000 | 15,000 |
| III. Consultants | 20,140 | 35,000 | 30,000 | 20,000 | 15,000 |
| IV. Equip. & Supplies | 0 | 8,000 | 0 | 0 | 0 |
| V. Other Dir. Costs | 35,409 | 75,000 | 40,000 | 35,000 | 15,000 |
| VI. Subcontracts | 0 | 128,340 | 75,000 | 15,000 | 0 |
| VII. Indirect Costs | 29,091 | 76,160 | 57,600 | 36,800 | 17,600 |
| Total | 120,000 | 393,000 | 262,600 | 151,800 | 72,600 |

| JHU/PCS CENTRAL FUNDS: | 1993-1997 | | | | |
|------------------------|---------------|---------------|---------------|---------------|---------------|
| | 1993 | 1994 | 1995 | 1996 | 1997 |
| I. Salaries & Fringe | 11,894 | 12,000 | 10,000 | 10,000 | 8,000 |
| II. Travel & Allow. | 3,592 | 6,000 | 4,000 | 4,000 | 2,150 |
| III. Other Dir. Costs | 7,000 | 15,000 | 8,000 | 7,000 | 5,000 |
| IV. Indirect Costs | 7,196 | 10,560 | 7,040 | 6,720 | 4,848 |
| Total | 29,682 | 43,560 | 29,040 | 27,720 | 19,998 |

BUDGET
SUMMARY

| BUY-IN: | | JHU/PCS CENTRAL FUNDS: | |
|---------|-------------|------------------------|------------|
| 1993: | 120,000 | 1993: | 29,682 |
| 1994: | 393,000 | 1994: | 43,560 |
| 1995: | 262,600 | 1995: | 29,040 |
| 1996: | 151,800 | 1996: | 27,720 |
| 1997: | 72,600 | 1997: | 19,998 |
| Total | ----- | Total | ----- |
| Buy-In: | \$1,000,000 | Central: | \$ 150,000 |

TOTAL FOR ECUADOR FY93-97: \$1,150,000

PROPOSED BUY-IN FY94-97: \$ 880,000

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III. EXPLANATION OF PROPOSED ESTIMATED BUDGET FOR JHU/PCS BUY-IN FOR YEARS 1993-97

I. SALARIES & FRINGE

1993: JHU/PCS program staff salaries including Alice Payne Merritt, Chief, Latin America Division Chief, and Liza Nickerson, Program Officer for Ecuador, Luis Ramiro Beltrán, Regional Communication Advisor, and Pilar Chiarito, Program Support Coordinator. Some administrative support is also considered in the salaries line item. Fringe benefits are calculated at the standard JHU rate.

1994-

1995: As activities expand to include a national mass media campaign and a regional workshop, a larger portion of the JHU/PCS Latin America staff will be dedicated to Ecuador. JHU/PCS program staff working on Ecuador will continue to include: Latin America Division Chief, Program Officer for Ecuador, Regional Communication Advisor, and Program Support Coordinator. Fringe benefits are calculated at the standard JHU rate.

1996-

1997: Maintenance and follow-up to the campaign and ongoing JHU/PCS activities will require reduced portions of staff time.

II. TRAVEL & ALLOWANCES

International and domestic travel are covered under this line item. The international travel is for ongoing technical assistance visits for staff and consultants, as well as for travel related to the mass media campaign, the Andean Health Communication workshop, and the Advances in Family Health Workshop in Baltimore. The cost of airfare for some visits will be shared with other JHU/PCS projects in the region when coordinated travel is possible. Specific travel projections:

- 1993: Approximately 7 trips
- 1994: Approximately 15 trips.
- 1995: Approximately 13 trips.
- 1996: Approximately 9 trips.
- 1997: Approximately 5 trips.

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III. CONSULTANTS

1993: JHU/PCS will maintain Lucia Kramer, Local Coordinator for Ecuador, part-time at an AID-approved rate. Assistance from local and international consultants will also be included as needed for training and program activities.

1994-

1995: As activities expand to include a national mass media campaign and a regional workshop, additional and higher-level assistance will be required from consultants, in addition to the Local Coordinator for Ecuador. Increased activities may also necessitate that the Local Coordinator work full-time.

1996-

1997: Maintenance and follow-up to the campaign and ongoing JHU/PCS activities will require reduced portions of consultants' time.

IV. EQUIPMENT & SUPPLIES

Equipment and supplies such as a computer for local operations and rental or purchase of a fax machine will be necessary to support the level of activities planned under JHU/PCS Technical Assistance in Ecuador. These purchases will be made in FY94.

V. OTHER DIRECT COSTS

A. Matching Grant- \$25,500--FY93; \$15,000--FY94; \$20,000--FY95; \$15,000--FY96.

Support for Enter-Educate ventures, new method and service promotional activities.

B. Andean Health Communication Workshop--\$45,000 (FY94 only)

A major regional communication workshop will be held to train IEC specialists and coordinators from throughout the region in state-of-the-art health communication strategies and techniques. The Quito Mission expressed strong interest in supporting a major training workshop of this kind.

C. Ongoing Communication Training--\$5,000--FY93-FY94 & FY97; \$10,000--FY95 & FY96. Local technical workshops.

D. Tuition for one person to represent Ecuador at the JHU/PCS "Advances in Health Communication Workshop"--\$5,000 per year for all years.

E. Telephone/fax/postage/shipping/photocopies--\$4,309--FY93; \$5,000--FY94-97.

IV. EXPLANATION OF PROPOSED ESTIMATED BUDGET FOR CENTRAL CONTRIBUTION TO JHU/PCS TECHNICAL ASSISTANCE IN ECUADOR

I. SALARIES & FRINGE

A portion of the salaries for the Project Director, a Finance/Admin. staff, and a Media\Materials Collection staff will be covered for the year.

II. TRAVEL & ALLOWANCES

One-to-two technical assistance visits to Quito will be covered in FY93-95.

III. OTHER DIRECT COSTS

A central contribution will be made to the IEC Matching Grant to support Enter-Educate ventures and new method and service promotion, especially for Depo Provera, vasectomy, reaching new audiences, etc.

A significant portion of costs for developing and implementing the Andean Communication workshop will be covered by central funding.

IV. INDIRECT COSTS

Indirect costs are calculated at the standard JHU/PCS rate of 32%.

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VI. SUBCONTRACTS

Mass Media Campaign-\$128,840--FY94; \$75,000--FY95; \$15,000--FY96.

A national mass media campaign aiming to reduce barriers to family planning acceptance, such as myths and fears, will be conducted. The integrated campaign, which will include television, radio and print components, will be coordinated through the IEC Technical Committee. Design and implementation of the campaign is expected to require the following subcontracts:

1. Formative research (1 subcontract)
2. Design and production of campaign and supporting materials (1-3 subcontracts)
3. Monitoring and evaluation (1 subcontract)

VII. INDIRECT COSTS

Indirect costs are calculated at the standard JHU rate of 32%.

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PRESUPUESTO (en sucres)

| | Nº | TIEMPO (meses) | SALARIO | SUBTOTAL | TOTAL |
|---|----|-------------------|-----------|------------|------------|
| A.- PERSONAL | | | | | |
| Investigador Principal | 1 | 13 | 1,200,000 | 15,600,000 | |
| Jefe de Operaciones | 1 | 4 | 700,000 | 2,800,000 | |
| Asistente de Investigación | 2 | 13 | 550,000 | 14,300,000 | |
| Muestrista | 1 | 2 | 700,000 | 1,400,000 | |
| Analista Programador | 1 | 5 | 800,000 | 4,000,000 | |
| Programador Asistente I | 1 | 5 | 500,000 | 2,500,000 | |
| Coordinadores | 4 | 1.5 | 350,000 | 2,100,000 | |
| Supervisoras | 14 | 1.5 | 300,000 | 6,300,000 | |
| Entrevistadoras | 60 | 1 | 230,000 | 13,800,000 | |
| Críticos-codificadores | 6 | 1 | 250,000 | 1,500,000 | |
| Digitadores | 6 | 1 | 250,000 | 1,500,000 | |
| Actualizadores | 15 | 1 | 250,000 | 3,750,000 | |
| Seguros | | | | 2,080,000 | |
| Beneficios Sociales | | | | 15,225,000 | 86,855,000 |
| B.- DISEÑO Y ACTUALIZACION DE LA MUESTRA | | | | | |
| Transporte actualizadores-instructores (S/.18000*3pasajes) | | | | 54,000 | |
| Viáticos actualizadores-instructores (S/.30000*3act.*1dfa) | | | | 90,000 | |
| Transporte actualizadores sedes (S/.10000*11pasajes) | | | | 110,000 | |
| Subsistencia actualizadores sedes (S/.10000*11act.*1dfa) | | | | 110,000 | |
| Subsistencia actualizadores traq,campo (S/.20000*15act.*20dfas) | | | | 6,000,000 | |
| Mapas y planos (S/.3500*4m ₂ *16 provincias) | | | | 224,000 | |
| Formularios auxiliares | | | | 100,000 | |
| Otros materiales (mochilas, fundas, lapiz, papel, etc) | | | | 350,000 | 7,038,000 |
| C.- PRUEBA PILOTO DE CUESTIONARIOS | | | | | |
| Subsistencias entrevistadoras (S/.5000*5ent.*3dfas) | | | | 75,000 | |
| Alquiler vehiculo (S/.100000*1venic.*1dfa) | | | | 100,000 | |
| Cuestionarios (S/.700*30cuest.) | | | | 21,000 | 196,000 |
| D.- CAPACITACION DE COORDINADORES, SUPERVISORAS Y ENTREVISTADORAS | | | | | |
| Subsistencias (S/.5000*94pers.*4dfas) | | | | 1,880,000 | |
| Viáticos (S/.30000*66pers.*3dfas) | | | | 5,940,000 | |
| Pasajes aéreos Instructores (S/.100000*4pasajes) | | | | 400,000 | |
| Pasajes terrestres Instructores (S/.6000*2pasajes) | | | | 12,000 | |
| Viáticos Instructores (S/.70000*5inst.*4dfas) | | | | 1,680,000 | |
| Movilización (S/.10000*5inst.*4dfas) | | | | 240,000 | |
| Cuestionarios (S/.700*500 cuestionarios) | | | | 350,000 | |
| Manuales (S/.2000*105 manuales) | | | | 210,000 | |
| Otros materiales (carpetas, papel, lápiz, etc) | | | | 300,000 | 11,012,000 |
| E.- OPERATIVO DE CAMPO | | | | | |
| Supervisión central: | | | | 800,000 | |
| - Pasajes aéreos (S/.100000*8pasajes) | | | | 24,000 | |
| - Pasajes terrestres (S/.6000*4pasajes) | | | | 1,680,000 | |
| - Viáticos (S/.70000*5inst.*4dfas) | | | | 240,000 | |
| - Movilización (S/.10000*5inst.*4dfas) | | | | 240,000 | |
| Viáticos Coordinadores, Supervisoras, Entrevistadoras (S/.15000*78pers.*22dfas) | | | | 25,740,000 | |
| Alquiler vehículos (S/.100000*15venic.*22dfas) | | | | 33,000,000 | |
| Cuestionarios (S/.700*11000 cuestionarios) | | | | 7,700,000 | |
| Materiales: | | | | 312,000 | |
| - Tablas apoya-manos (S/.4000*78tablas) | | | | 1,170,000 | |
| - Mochilas (S/.15000*78mochilas) | | | | 200,000 | |
| - Fundas plásticas (S/.500*400fundas) | | | | 200,000 | |
| - Otros materiales (lápiz, marcadores, cartones, cintas para embalaje, etc) | | | | 320,000 | |
| Transporte de materiales | | | | 400,000 | |
| Comunicaciones | | | | 400,000 | 71,986,000 |

| | | |
|---|-----------|--------------------|
| Materiales: | | |
| - Cintas (S/.35000*9cintas) | 315,000 | |
| - Papel Continuo (S/.55000*9cajas) | 495,000 | |
| - Diskettes (S/.40000*9cajas) | 360,000 | |
| - Papel impresor Laser (S/.10000*5cajas) | 50,000 | |
| - Toner impresor Laser (S/.300000*2) | 600,000 | |
| - Transparencias (S/.1600*200transp.) | 320,000 | 2,140,000 |
| | | |
| G.- INFORME | | |
| - Copias Informe preliminar (10 ejemplares) | 100,000 | |
| - Edición del informe final (1000 ejemplares) | 7,000,000 | |
| - Seminario de presentación | 1,000,000 | 8,100,000 |
| | | |
| H.- COSTOS ADMINISTRATIVOS(*) | | <u>28,100,000</u> |
| | TOTAL | <u>215,427,000</u> |

(*) Incluye equipos de procesamiento, periféricos y paquetes computacionales

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ENDEMAIN - 93 / REPRESENTACIONES Y REGION AMAZONICA
Y REGION AMAZONICA

PRESUPUESTO (en sucres)

| | Nº | TIEMPO (meses) | SALARIO | SUBTOTAL | TOTAL |
|--|----|-------------------|-----------|------------|-------------|
| A.- PERSONAL | | | | | |
| Investigador Principal | 1 | 15 | 1,200,000 | 18,000,000 | |
| Jefe de Operaciones | 1 | 5 | 700,000 | 3,500,000 | |
| Asistente de Investigación | 2 | 15 | 550,000 | 16,500,000 | |
| Muestrista | 1 | 2 | 700,000 | 1,400,000 | |
| Analista Programador | 1 | 6 | 800,000 | 4,800,000 | |
| Programador Asistente I | 1 | 6 | 500,000 | 3,000,000 | |
| Coordinadores | 4 | 2.5 | 350,000 | 3,500,000 | |
| Supervisores | 15 | 2 | 300,000 | 9,000,000 | |
| Entrevistadoras | 60 | 2 | 230,000 | 27,600,000 | |
| Críticos-codificadores | 6 | 1.5 | 250,000 | 2,250,000 | |
| Digitadores | 6 | 1.5 | 250,000 | 2,250,000 | |
| Actualizadores | 15 | 1 | 250,000 | 3,750,000 | |
| Seguros | | | | 2,570,000 | |
| Beneficios Sociales | | | | 17,700,000 | 115,320,000 |
| B.- DISEÑO Y ACTUALIZACION DE LA MUESTRA | | | | | |
| Transporte actualizadores-instructores (S/.18000*3pasajes) | | | | 54,000 | |
| Viáticos actualizadores-instructores (S/.30000*3act.*1dfa) | | | | 90,000 | |
| Transporte actualizadores sedes (S/.10000*11pasajes) | | | | 110,000 | |
| Subsistencia actualizadores sedes (S/.10000*11act.*1dfa) | | | | 110,000 | |
| Subsistencia actualizadores trab,campo (S/.20000*15act.*20dfas) | | | | 6,000,000 | |
| Mapas y planos (S/.3500*4m,*16 provincias) | | | | 224,000 | |
| Formularios auxiliares | | | | 100,000 | |
| Otros materiales (mochilas, fundas, lapiz, papel,etc) | | | | 350,000 | 7,038,000 |
| C.- PRUEBA PILOTO DE CUESTIONARIOS | | | | | |
| Subsistencias entrevistadoras (S/.5000*5ent.*3dfas) | | | | 75,000 | |
| Alquiler vehiculo (S/.100000*1venic.*1dfa) | | | | 100,000 | |
| Cuestionarios (S/.700*30cuest.) | | | | 21,000 | 196,000 |
| D.- CAPACITACION DE COORDINADORES, SUPERVISORAS Y ENTREVISTADORAS | | | | | |
| Subsistencias (S/.5000*94pers.*4dfas) | | | | 1,380,000 | |
| Viáticos (S/.30000*66pers.*3dfas) | | | | 5,940,000 | |
| Pasajes aéreos Instructores (S/.100000*4pasajes) | | | | 400,000 | |
| Pasajes terrestres Instructores (S/.6000*2pasajes) | | | | 12,000 | |
| Viáticos Instructores (S/.70000*6inst.*4dfas) | | | | 1,680,000 | |
| Mobilización (S/.10000*6inst.*4dfas) | | | | 240,000 | |
| Cuestionarios (S/.700*500 cuestionarios) | | | | 350,000 | |
| Manuales (S/.2000*105 manuales) | | | | 210,000 | |
| Otros materiales (carpetas, papel, lápiz, etc) | | | | 300,000 | 11,012,000 |
| E.- OPERATIVO DE CAMPO | | | | | |
| Supervisión central: | | | | | |
| - Pasajes aéreos (S/.100000*8pasajes) | | | | 800,000 | |
| - Pasajes terrestres (S/.6000*4pasajes) | | | | 24,000 | |
| - Viáticos (S/.70000*6inst.*4dfas) | | | | 1,680,000 | |
| - Mobilización (S/.10000*6inst.*4dfas) | | | | 240,000 | |
| Viáticos Coordinadores, Supervisoras, Entrevistadoras (S/.15000*79pers.*36dfas) | | | | 42,660,000 | |
| Alquiler vehículos (S/.100000*15vehfc.*36dfas) | | | | 54,000,000 | |
| Cuestionarios (S/.700*14500 cuestionarios) | | | | 10,150,000 | |
| Materiales: | | | | | |
| - Tablas apoya-manos (S/.4000*79tablas) | | | | 316,000 | |
| - Mochilas (S/.15000*79mochilas) | | | | 1,185,000 | |
| - Fundas plásticas (S/.500*40*fundas) | | | | 200,000 | |
| - Otros materiales (lápiz, marcadores, cartones,cintas para embalaje,etc) | | | | 320,000 | |
| Transporte de materiales | | | | 400,000 | |
| Comunicaciones | | | | 400,000 | 112,375,000 |

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F.- PROCESAMIENTO

Materiales:

| | | |
|--|---------|-----------|
| - Cintas (S/.35000*10cintas) | 350,000 | |
| - Papel Continuo (S/.55000*10cajas) | 550,000 | |
| - Diskettes (S/.40000*8cajas) | 320,000 | |
| - Papel impresor Laser (S/.10000*6cajas) | 60,000 | |
| - Toner impresor Laser (S/.300000*2) | 600,000 | |
| - Transparencias (S/.1600*200transp.) | 320,000 | 2,200,000 |

G.- INFORME

| | | |
|--|-----------|------------|
| - Copias informe preliminar (10 ejemplares) | 100,000 | |
| - Edición del informe final (1000 ejemplares) | 7,000,000 | |
| - Seminarios de presentación (Quito, Guayaquil, Cuenca y Ambato) | 6,000,000 | 13,100,000 |

H.- COSTOS ADMINISTRATIVOS(*)

39,261,000

TOTAL

301,002,000

(*) Incluye equipos de procesamiento, perifericos y paquetes computacionales

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UNITED STATES GOVERNMENT
memorandum

DATE: Abril 6, 1993  O/CONT-93-224
REPLY TO
ATTN OF: Jaime Vaca, O/CONT
SUBJECT: Equipo para CEMOPLAF
TO: Mario Vergara, GDO/FHD

En relación a la propuesta de CEMOPLAF, para la adquisición de Equipo para la automatización de la institución, quiero informarte que hemos mantenido varias reuniones de trabajo con el personal de sistemas de CEMOPLAF y la firma que contribuyó a la implementación del sistema contable. Como resultado de dichas reuniones hemos llegado al consenso de que el equipo necesario para este fin requerirá de un presupuesto de \$ 98.900 y es el que se encuentra detallado en la petición de CEMOPLAF.

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EC 3

February 24, 1993

GDO.H.084.93

MV
Mario Vergara, GDO/H

CEMOPLAF's Computer Commodities

Thomas Totino, Jaime Vaca, O/CONT

CEMOPLAF's letter CEM-054-ECU/93, dated on February 11, 1993

GDO/HFPD kindly requests O/CONT to review ref computer commodities and advise if commodities are suitable to program needs and if prices are the most convenient and competitive.

Thank you.

Drafter: GDO:HFPD:MVergara:sv
Clearance: GDO:HFPD:KYamashita (in draft)
file:pop\cemoplaf\computer.me

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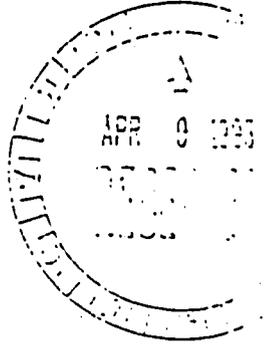
CEMOPLAF

CENTRO MEDICO
DE ORIENTACION Y
PLANIFICACION
FAMILIAR

CEM-186-ECU/93

Quito, 5 de abril de 1993

Señor Doctor
MARIO VERGARA
Especialista en
Proyectos de Salud
USAID
Presente.-



| |
|-----------------|
| REPLY DUE 4/15 |
| NO REPLY NEEDED |
| REPLIED BY |
| ON |
| DATE |
| FILE |

Estimado Doctor Vergara:

Adjunto a la presente encontrará el nuevo Plan de Presupuesto para la adquisición de equipos y programas para la nueva estructura contable/financiera de CEMOPLAF y que como le indicamos en un oficio anterior, incluye la automatización de toda la información de los centros clínicos, como herramienta básica para el fortalecimiento institucional.

Solicitamos a usted, hacer las gestiones necesarias, para que se haga realidad dicha adquisición.

Reiterando mis sinceros agradecimientos, me despido.

Atentamente,

TERESA DE VARGAS
DIRECTORA ADMINISTRATIVA



| |
|-----------------|
| ACTION: GDC - 2 |
| INFO |
| SIB |
| DD |
| PPD |
| EXO |
| CONT |
| ROC |
| ELA |
| ETIC |
| ANRO |
| GDO |
| GDO/HFP |
| GDO/EDI |
| KTUDU |
| XP - 3 |
| CA |
| EMB |
| WASPEDO |

TDEV/NFV

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PROCUREMENT PLAN
CONTRACEPTIVES

ATTACHMENT E

TOTAL CONTRACEPTIVE REQUIREMENTS (000'S)
(SIX YEARS)

| YEAR | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | TOTAL |
|--------------|----------|----------|----------|----------|----------|----------|-----------|
| CONDOM | 2,130.00 | 2,516.00 | 3,102.00 | 2,316.00 | 2,939.00 | 3,064.00 | 16,667.00 |
| IUD | 44.00 | 5.50 | 24.20 | 38.00 | 104.00 | 108.00 | 383.30 |
| ORALS | 130.30 | 454.30 | 630.00 | 702.00 | 721.00 | 742.00 | 3,380.60 |
| VAGINALS | 235.20 | 389.00 | 417.60 | 629.00 | 638.00 | 649.00 | 2,957.30 |
| MORPLANT | 0.00 | 0.00 | 2.00 | 2.20 | 2.50 | 3.00 | 9.70 |
| DEPO-PROVERA | | | | | | | |

US \$ COSTS (000'S)
PRODUCT COST + FREIGHT (10%)
(SIX YEARS)

| | | | | | | | TOTAL |
|--------------|--------|--------|--------|--------|--------|--------|----------|
| CONDOM | 118.07 | 164.19 | 132.55 | 165.72 | 172.93 | 180.32 | 983.79 |
| IUD | 48.40 | 5.94 | 25.69 | 104.03 | 110.40 | 114.64 | 409.10 |
| ORALS | 34.29 | 75.04 | 114.35 | 127.41 | 130.36 | 134.67 | 616.61 |
| VAGINALS | 28.67 | 22.32 | 42.95 | 64.59 | 65.62 | 66.75 | 290.39 |
| MORPLANT | 0.00 | 0.00 | 50.36 | 55.35 | 63.59 | 76.30 | 246.70 |
| DEPO-PROVERA | | | | | | | |
| TOTAL | 229.43 | 267.39 | 416.40 | 517.30 | 543.40 | 572.68 | 2,547.10 |

NOTES:

- To pay for part of 1992 contraceptives Mission carried out OYB transfer in the amount of US\$164,968 from population funds assigned for FY91.
- To complete payment of 1992 contraceptives Mission carried out OYB transfer in the amount of US\$64,460 from population funds assigned for FY92.
- To pay for part of 1993 contraceptives Mission carried out OYB transfer in the amount of US\$267,394 from population funds assigned for FY92.
- To complete payment of 1993 contraceptives AID/W will cover the amount of US\$32,339 which is not included in above table.
- As of November 1992 USAID/E had a positive balance of US\$11,364.59.
- Starting 1995 COF will begin to purchase all contraceptive commodities.
- Starting 1995 SSC and IESS will begin to purchase all contraceptive commodities in a declining manner.
- APROFE's contraceptives needs included starting 1994.
- DEPO-PROVERA is not included yet since Mission does not have OR results and is not yet approved under the MOH norms.
- Morplant insertion equipment costs not included in above table.

BEST AVAILABLE DOCUMENT

CONTRACEPTIVE REQUIREMENTS
 (6 SIX YEARS)
 CONDOMS (000'S)

| YEAR | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|----------|----------|----------|----------|----------|----------|----------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 276.00 | 448.00 | 492.00 | 540.00 |
| CEMOPLAF | 1,224.00 | 1,908.00 | 1,710.00 | 2,000.00 | 2,200.00 | 2,400.00 |
| COF | 672.00 | 612.00 | 690.00 | - | - | - |
| LESS | 186.00 | 96.00 | 426.00 | 356.00 | 238.00 | 119.00 |
| SSC | 48.00 | 0.00 | 0.00 | 12.00 | 9.00 | 5.00 |
| TOTAL | 2,130.00 | 2,616.00 | 3,102.00 | 2,316.00 | 2,939.00 | 3,064.00 |

US \$ COSTS (000.s)
 PRODUCT COST + FREIGHT (10%)

| | | | | | | |
|----------|--------|--------|--------|--------|--------|--------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 16.24 | 26.36 | 28.95 | 31.78 |
| CEMOPLAF | 67.35 | 119.75 | 100.53 | 117.70 | 129.47 | 141.24 |
| COF | 37.25 | 38.41 | 40.61 | 0.00 | 0.00 | 0.00 |
| LESS | 10.31 | 6.03 | 25.07 | 20.95 | 14.01 | 7.00 |
| SSC | 2.56 | 0.00 | 0.00 | 0.71 | 0.53 | 0.29 |
| TOTAL | 118.07 | 164.19 | 182.55 | 165.72 | 172.96 | 180.32 |

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CONTRACEPTIVE REQUIREMENTS
 5 SIX YEARS)
 '00'S (000'S)

| YEAR | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|----------|-------|------|-------|-------|--------|--------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 0.00 | 36.00 | 40.00 | 44.00 |
| MEMOPLAF | 27.00 | 0.00 | 14.30 | 42.00 | 47.00 | 53.00 |
| COF | 6.40 | 5.60 | 5.30 | - | - | - |
| LESS | 5.30 | 0.00 | 3.60 | 3.00 | 3.00 | 3.00 |
| JSC | 4.30 | 0.00 | 0.00 | 17.00 | 14.00 | 8.00 |
| TOTAL | 44.00 | 5.60 | 24.20 | 98.00 | 104.00 | 108.00 |

US \$ COSTS (000's)
 PRODUCT COST + FREIGHT (10%)

| | | | | | | |
|----------|-------|------|-------|--------|--------|--------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 0.00 | 38.21 | 42.46 | 46.71 |
| MEMOPLAF | 31.05 | 0.00 | 15.71 | 44.53 | 49.39 | 56.26 |
| COF | 7.36 | 5.94 | 6.16 | 0.00 | 0.00 | 0.00 |
| LESS | 6.67 | 0.00 | 3.32 | 3.18 | 3.18 | 3.18 |
| JSC | 5.52 | 0.00 | 0.00 | 18.05 | 14.36 | 8.49 |
| TOTAL | 48.40 | 5.94 | 25.69 | 104.03 | 110.40 | 114.64 |

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CONTRACEPTIVE REQUIREMENTS
(6 SIX YEARS)
OC (000'S)

| YEAR | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|----------|--------|--------|--------|--------|--------|--------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 109.20 | 231.00 | 309.00 | 340.00 |
| CSMOPLAF | 42.00 | 96.00 | 300.00 | 230.00 | 276.00 | 332.00 |
| COP | 63.60 | 64.30 | 49.20 | - | - | - |
| LESS | 25.20 | 120.00 | 171.50 | 131.00 | 38.00 | 44.00 |
| SSC | 0.00 | 174.00 | 0.00 | 60.00 | 48.00 | 26.00 |
| TOTAL | 130.80 | 454.30 | 630.00 | 702.00 | 721.00 | 742.00 |

US \$ COSTS (000's)
PRODUCT COST + FREIGHT (10%)

| | | | | | | |
|----------|-------|-------|--------|--------|--------|--------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 19.32 | 51.00 | 56.08 | 61.71 |
| CSMOPLAF | 11.01 | 15.34 | 54.45 | 41.75 | 50.09 | 60.26 |
| COP | 16.67 | 10.69 | 8.93 | 0.00 | 0.00 | 0.00 |
| LESS | 6.61 | 19.30 | 31.15 | 23.78 | 15.97 | 7.99 |
| SSC | 0.00 | 23.71 | 0.00 | 10.39 | 3.71 | 4.72 |
| TOTAL | 34.29 | 75.04 | 114.35 | 127.41 | 130.36 | 134.67 |

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CONTRACEPTIVE REQUIREMENTS
 (5 SIX YEARS)
 MT (000'S)

| YEAR | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|----------|--------|--------|--------|--------|--------|--------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 36.40 | 94.00 | 103.00 | 114.00 |
| CEMOPLAF | 144.00 | 216.00 | 331.20 | 490.00 | 500.00 | 515.00 |
| COF | 0.00 | 0.00 | 0.00 | - | - | - |
| LESS | 9.60 | 0.00 | - | - | - | - |
| SSC | 31.60 | 0.00 | 0.00 | 45.00 | 35.00 | 20.00 |
| TOTAL | 235.20 | 216.00 | 417.60 | 629.00 | 638.00 | 649.00 |

US \$ COSTS (000.s)
 PRODUCT COST + FREIGHT (10%)

| | | | | | | |
|----------|-------|-------|-------|-------|-------|-------|
| PROGRAM | | | | | | |
| APROFE | 0.00 | 0.00 | 3.39 | 9.67 | 10.59 | 11.72 |
| CEMOPLAF | 19.37 | 22.22 | 34.06 | 50.40 | 51.43 | 52.97 |
| COF | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| LESS | 1.32 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| SSC | 11.26 | 0.00 | 0.00 | 4.63 | 3.60 | 2.06 |
| TOTAL | 28.67 | 22.22 | 42.95 | 64.69 | 65.62 | 66.75 |

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| HEALTH AND FAMILY PLANNING (PROJECT 518-00840) LOGFRAME April 93 | | | |
|---|--|--|---|
| NARRATIVE SUMMARY | OBJECTIVELY VERRIFIABLE INDICATORS | MEANS OF VERIFICATION | IMPORTANT ASSUMPTIONS |
| <p>Goal The Broader objective which this project contriburtes:</p> <p>To Improve the health of mothers and children through reductions in high risk births and to promote the freedom and right of couples to choose the number and spacing of children they desire</p> | <p>Measures of Goal Achievements</p> <p>Reductions in morbidity and mortality of mothers and children, reductions in total fertility</p> | <p>Economic Surveys, Vital Statistics, Political Stability</p> | <p>Concerning long term value of Program/Project</p> <p>No natural disasters, including epidemics</p> <p>Continuation of democratic governments</p> <p>Continued GOE commitment to social development</p> <p>Continued donor support for short and medium term</p> |
| <p>Purpose:</p> <p>To increase the use, effectiveness, and sustainability of family planning services</p> | <p>Conditions that will indicate purpose has been met: EOPS</p> <ol style="list-style-type: none"> 1. Increase in contraceptive prevalence from 53% to 58% 2. Increase in prevalence of modern method from 40% to 50% 3. Increase in cost recovery and revenue generation on part of PVO's from 30% to 80% 4. Family planning services available at all public sector locations | <p>National, local surveys</p> <p>Financial Audits</p> <p>Site Audits</p> | <p>Affecting purpose to goal link</p> <p>That meeting women's demand for family planning results in improved health, their status, and ability to be a more active participant in the economy.</p> <p>That other policies related to education, agriculture, health, and economic participation are consonant with this project goals</p> |
| <p>Outputs:</p> <p>PVO sustainability and service delivery</p> | <p>Magnitude of outputs necessary and sufficient to achieve purpose.</p> <ol style="list-style-type: none"> 1. Capital endowment fund for CEMOPLAF and APROFE established and operational, capital endowment fund up to US\$3,000,000 by PACD. 2. Market oriented pricing strategies by CEMOPLAF and APROFE established and operational with IHO approach to financial management and accounting by year three. 3. Revenues attributable to PVO's labs, pharmacies and echography increase from 15% of all operational costs to 60% by PACD. 4. At least 65% of new users of family planning utilizing PVO's as source of services are under the age of 25 by PACD 5. Male utilization rates for family planning services increase by 100% by PACD. 6. A unified and well coordinated communication strategy in place by year two. Communication messages increase by 70% on specific family planning methods by PACD. | <p>Financial Reports</p> <p>Institutional Audits</p> <p>Financial Audit</p> <p>National Local Surveys</p> <p>Communications Evaluation</p> | <p>Affecting output to purpose linkages</p> <p>Public sector institutions willingness to develop and implement new policies in this area continues</p> <p>Downward trend in family size preference continues</p> <p>Public sector services will reach rural areas</p> <p>Pressures for pvo sustainability will not affect negatively their service coverage.</p> <p>Political environment for family planning will not deteriorate and will allow for continued mass media campaign</p> |

| INITIAL AND FAMILY PLANNING (PHEU) C NATIVE SUMMARY | IN 2004) LUSI HANE (June 1991) OBJECTIVELY VERIFIABLE INDICATORS | MEANS OF VERIFICATION | IMPORTANT ASSUMPTIONS |
|--|--|--|-----------------------|
| Public sector policies and service delivery | <ol style="list-style-type: none"> 1. A national population policy implementation plan, including the re-creation of the National Population Council by CONADEP, by year two 2. MSP and IFSS establish low items for maternal health and family planning services by year two 3. MOF supporting additional budgetary requests from MSP for maternal health and family planning activities, especially for supervision and training by year two 4. CEMEM purchasing 100% of contraceptive commodities required by MS by year four 5. IFSS purchasing with own budget 100% of contraceptive commodities required by Medicina Social and Seguro Campesino 6. Increased reliance on private sector by public sector entities, especially in the areas of logistics and training by year three 7. Farms and companies under Social Security regulations providing on-site family planning services by year three 8. Rural lines of MSP and Seguro Campesino providing all contraceptive methods with full range of stock and effective logistic system in place by PACO | <p>Focus Group, Institutional Evaluation</p> <p>Budget Report</p> <p>Financial Audits</p> <p>Logistics Assessment</p> <p>Financial Audit</p> <p>Institutional Audit</p> <p>Site Visits</p> | |

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| HEALTH AND FAMILY PLANNING (PROJECT 518-00840) LOGFRAME April 93 | | | |
|--|------------------------------------|----------------------------------|-----------------------------|
| NARRATIVE SUMMARY | OBJECTIVELY VERRIFIABLE INDICATORS | MEANS OF VERIFICATION | IMPORTANT ASSUPTIONS |
| Inputs | AID Contribution (000's) (FX) | AID Contribution (000's) (LC) | COUNTERPART (000's) (LC) |
| 1. PROJECT ASSISTANCE | | | |
| 1.1. PVO Service Delivery | | | |
| - APROFE | \$401.39 | \$2.889.28 | \$5.297.94 |
| - CEMOPLAF | \$260.99 | \$2.248.34 | \$3.912.61 |
| - ENDOWMENT | \$2.000.00 | | |
| 1.2 PROJECT SUPPORT | | | |
| - Contraceptives | \$2.700.00 | | |
| - Technical Assistance | \$1.700.00 | | |
| - Audits and Evaluation | \$300.00 | | |
| 2. NON PROJECT ASSISTANCE | | | |
| - MSP | | | \$700.00 |
| - MOF | | | \$498.50 |
| - CONADE | | | \$500.00 |
| - IESS (Dir. Nacional Médico Social) | | | \$410.98 |
| - IESS (Seguro Campesino) | | | \$460.52 |
| - MPA Commodities | \$2.500.00 | | |
| 3. OTHER PROGRAM ASSISTANCE (ESF) | | | |
| - CEPAR | | | \$2.776.72 |
| - ARCHBISHOP OF CUENCA | | | \$225.38 |
| - VACARIATE OF ESMERALDAS | | | \$124.24 |
| 4. TOTAL | \$9.862.38 | \$5.137.62 | \$14.836.89 |

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purposes.

c. Sustainability Analysis

As part of the detailed financial analysis prepared for the Project Paper, the USAID/Controller's Office together with outside consultants prepared a feasibility study of financial sustainability on part of the family planning PVO's. The EOPS for the project establishes a level of cost recovery of 65%. Cost recovery in this instance is defined as the proportion of total operating costs (excluding contraceptive commodities) which are covered by revenues generated by service fees, cross subsidies, etc. They do not include donor input nor use of the endowment fund (either interest or principal). The 65% figure was based on past trends in levels of recovery plus a significant increase due to project inputs and the assumption that the endowment fund would cover approximately 15-25% of costs and donor input would cover the remaining 10-20%. The key assumptions are:

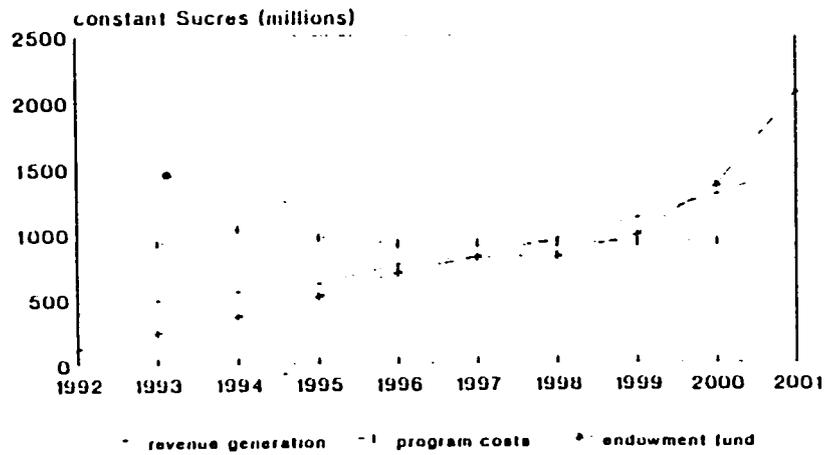
1. Program Costs. These were based on PVO estimates as provided to the Mission. The costs include all costs (less contraceptive commodities) associated with the program. Increases in costs over the years are based on increased service delivery and inflation adjusted input costs. The costs do not vary from scenario to scenario.
2. Revenues (Cost Recovery). These revenues include income generated from service fees, cross subsidies, etc., as well as donations from other donors. Own income generation is based on past trends projected on a logistic curve, adjusted for inflation. Note that USAID contribution is not included in this amount, nor is the interest/principal from the endowment.
3. Capital Fund (Cost Recovery Fund or Capital Endowment Fund). The capital endowment is assumed to capitalize at approximately US\$100,000 per year for five years. The rate of return on the endowment is assumed at a net 3% per year. The principal plus interest are not tapped until after the project ends.

The variables for the scenarios are as follows:

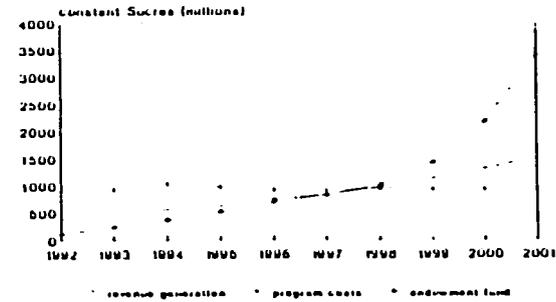
1. Debt Swap. Should a debt swap occur, it would be in the first year of the project only, for an approximate amount of US\$700,000. Excess income from the debt swap is utilized to capitalize the endowment at a faster rate. Two possibilities are examined; one with and one without a debt swap.
2. Level of cost recovery. While the EOPS requires a level of cost recovery of 65%, there are a variety of assumptions, (such as economic stability, political stability, etc.) which could alter the final cost recovery levels substantially. Three possibilities are examined: the baseline recovery level of 65%, a cost recovery level of 80%, and a cost recovery level of 50%.

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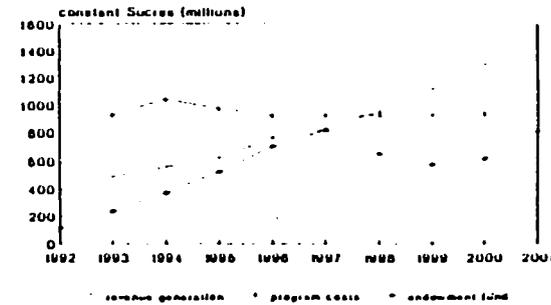
SUSTAINABILITY:CEMOPLAF NO SWAP AND RECOVERY 65%



SUSTAINABILITY:CEMOPLAF NO SWAP AND RECOVERY 80%



SUSTAINABILITY:CEMOPLAF NO SWAP AND RECOVERY 50%

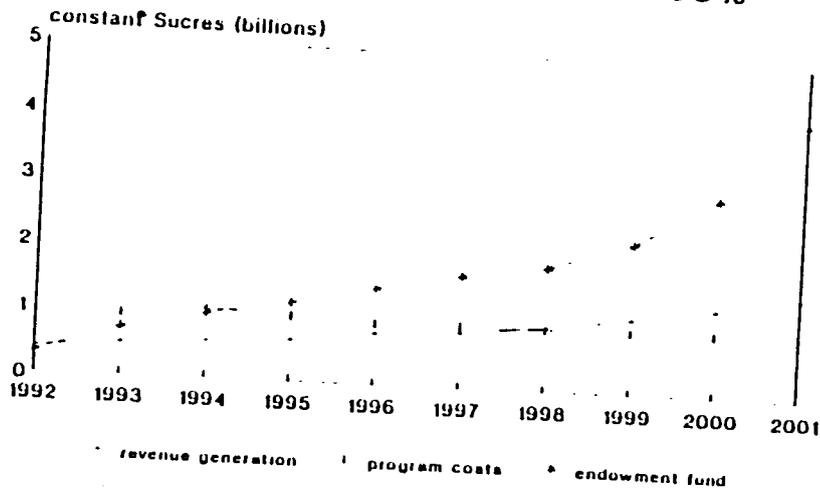


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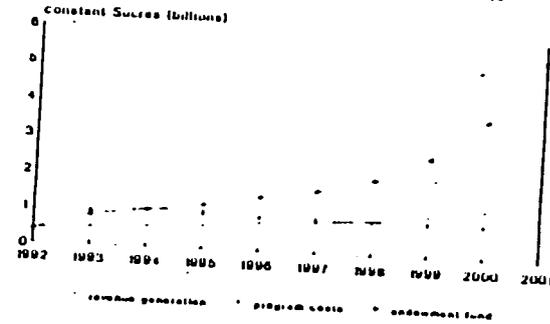
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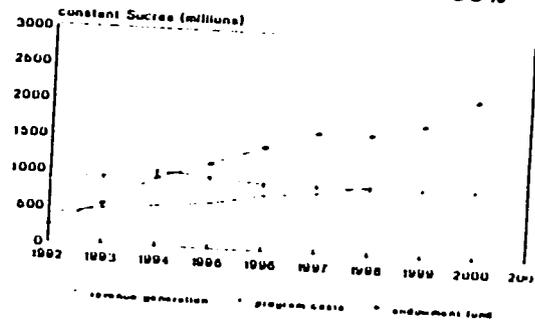
SUSTAINABILITY:CEMOPLAF W/SWAP AND RECOVERY 65%



SUSTAINABILITY:CEMOPLAF W/SWAP AND RECOVERY 80%



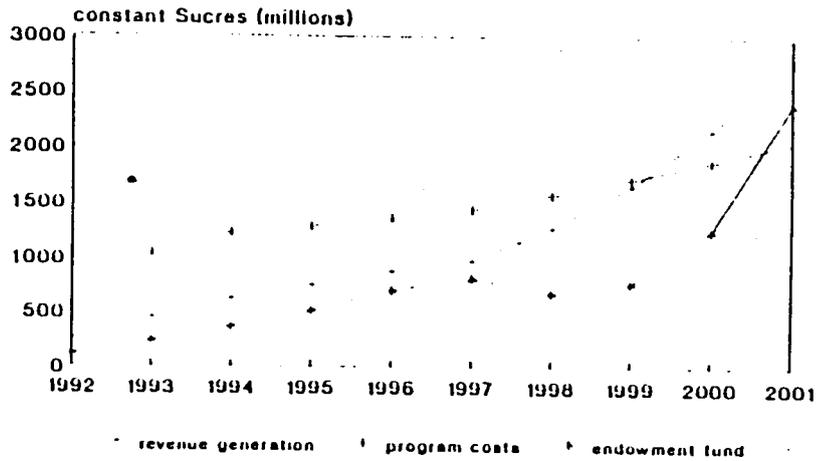
SUSTAINABILITY:CEMOPLAF W/SWAP AND RECOVERY 50%



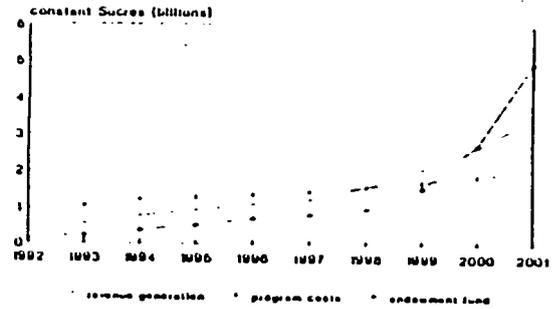
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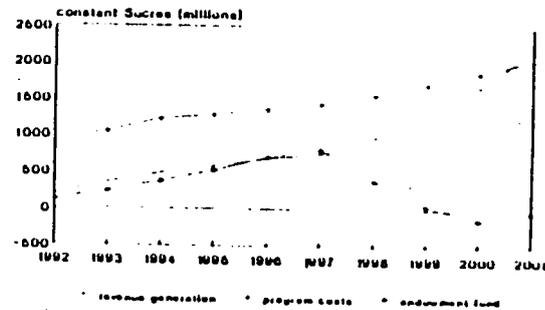
**SUSTAINABILITY: APROFE
NO SWAP AND RECOVERY 65%**



**SUSTAINABILITY: APROFE
NO SWAP AND RECOVERY 80%**



**SUSTAINABILITY: APROFE
NO SWAP AND RECOVERY 50%**

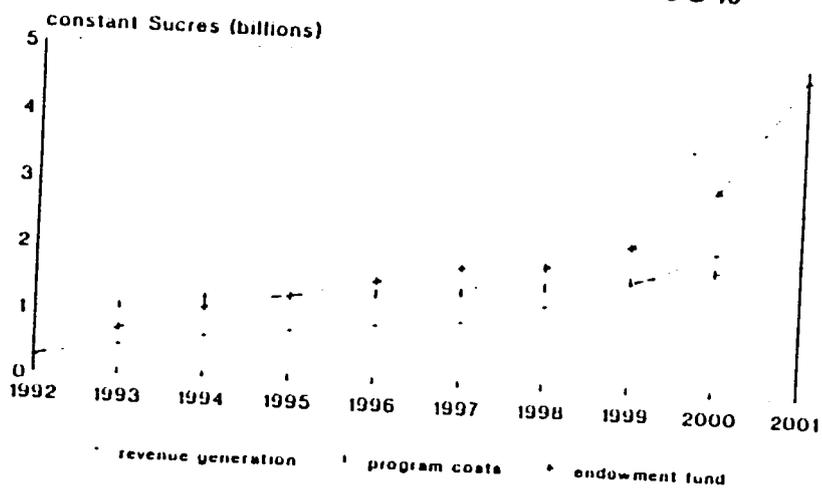


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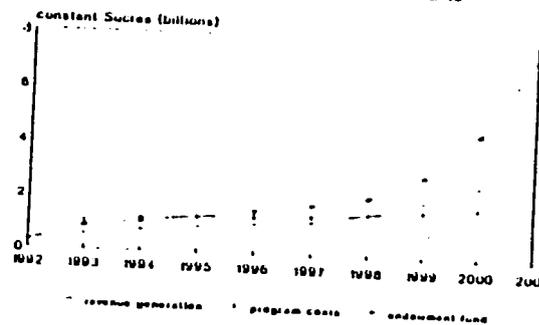
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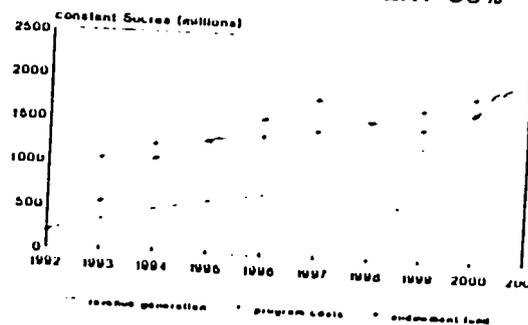
SUSTAINABILITY: APROFE W/SWAP AND RECOVERY 65%



SUSTAINABILITY: APROFE SWAP W/RECOVERY 80%



SUSTAINABILITY: APROFE W/SWAP AND RECOVERY 50%



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Cost recovery in this instance is defined as the proportion of total operating costs (excluding contraceptive commodities) which are covered by revenues generated by service fees, cross subsidies, etc. They do not include donor input nor use of the endowment fund (either interest or principal). The 65% figure was based on past trends in levels of recovery plus a significant increase due to project inputs and the assumption that the endowment fund would cover approximately 15-25% of costs and donor input would cover the remaining 10-20%. The key assumptions are:

1. Program Costs. These were based on PVO estimates as provided to the Mission. The costs include all costs (less contraceptive commodities) associated with the program. Increases in costs over the years are based on increased service delivery and inflation adjusted input costs. The costs do not vary from scenario to scenario.
2. Revenues (Cost Recovery). These revenues include income generated from service fees, cross subsidies, etc., as well as donations from other donors. Own income generation is based on past trends projected on a logistic curve, adjusted for inflation. Note that USAID contribution is not included in this amount, nor is the interest/principal from the endowment.
3. Capital Fund (Cost Recovery Fund or Capital Endowment Fund). The capital endowment is assumed to capitalize at approximately US\$100,000 per year for five years. The rate of return on the endowment is assumed at a net 3% per year. The principal plus interest are not tapped until after the project ends.

The variables for the scenarios are as follows:

1. Debt Swap. Should a debt swap occur, it would be in the first year of the project only, for an approximate amount of US\$700,000. Excess income from the debt swap is utilized to capitalize the endowment at a faster rate. Two possibilities are examined; one with and one without a debt swap.
2. Level of cost recovery. While the EOPS requires a level of cost recovery of 65%, there are a variety of assumptions, (such as economic stability, political stability, etc.) which could alter the final cost recovery levels substantially. Three possibilities are examined: the baseline recovery level of 65%, a cost recovery level of 80%, and a cost recovery level of 50%.

For each of the organizations (APROFE, CEMOPLAF), six scenarios were prepared:

1. 65% Cost Recovery with a Debt Swap
2. 65% Cost Recovery without a Debt Swap
3. 80% Cost Recovery with a Debt Swap
4. 80% Cost Recovery without a Debt Swap
5. 50% Cost Recovery with a Debt Swap
6. 50% Cost Recovery without a Debt Swap.

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For each of the organizations (APROFE, CEMOPLAF), six scenarios were prepared:

1. 65% Cost Recovery with a Debt Swap
2. 55% Cost Recovery without a Debt Swap
3. 80% Cost Recovery with a Debt Swap
4. 80% Cost Recovery without a Debt Swap
5. 50% Cost Recovery with a Debt Swap
6. 50% Cost Recovery without a Debt Swap.

The results of these projections are shown in graph form on the next two pages. Some key results are worth pointing out:

1. The increase in program costs over time is somewhat more moderate for CEMOPLAF than for APROFE. This has a clear impact on the sustainability of the institution.
2. It is more important that the organizations achieve their cost recovery targets than for the debt swap to take place. Indeed, even if there is no debt swap, if the organizations achieve their cost recovery targets, then they will achieve sustainability, although in the initial years after USAID funding ends they will need to tap the endowment fund.
3. Regardless of debt swap, if the cost recovery levels reach only 50% then both organizations will have a hard time reaching sustainability. In the case of APROFE, if there is a debt swap under these conditions, their endowment income will be tapped substantially.

To summarize, these analyses show the importance of both debt swap and cost recovery occurring simultaneously. Scenario one clearly shows the overwhelming success of the project should both occur. On the other hand, as scenario four shows, if debt swaps do not occur and if the cost recovery program of the organizations are not successful (either for project related reasons or for political /external factors), then the PVO's will clearly need additional support, or will need to curtail activities sharply.

One of the project monitoring elements will be to update these projections on a semi-annual basis, comparing actual with projected, and estimating the levels of cost recovery and endowment fund necessary to meet program targets. This section analyses the self-sustainability of APROFE and CEMOPLAF under certain financial conditions. The key sensitive variables in this analysis, as explained below and in the annexed cash flow tables and graphs, are the debt swap operation and a high probability of cost recovery.

B. Economic

Several levels and complexities of analyses were carried out as part of the Economic Analysis; the two most significant for this project were those related to the MSP related savings due to births averted, and the determinants of MSP family planning service availability.

There are two principal types of savings which the births averted will generate for the MSP: 1) savings in recurrent costs stemming from the reduced