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AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES A.I.D. MISSION TO EL SALVADOR
c/o AMERICAN EMBASSY
SAN SALVADOR, EL SALVADOR, C.A.

ACTION MEMORANDUM FOR THE MISSION DIRECTOR

TO: Kenneth C. Ellis, DIR
FROM: Terrence Tiffany, SO3 Team Leader
SUBJECT: Approval of new "Healthy Salvadorans" Activity
No. 519-0430, under Strategic Objective No. 3,
Sustainable Improvements in Health of Women and
Children Achieved

I. ACTION

This Action Memorandum requests your approval of (1) new Healthy Salvadorans Activity No. 519-0430, at a funding level not to exceed \$37,450,000, for a five-year period, from FY 1998 to FY 2003; and (2) amendment to the result package document "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs" to include funding in the amount of \$1,916,500 from the new infectious diseases account/directive, which will be allocated directly to field support (OYB transfer).

II. BACKGROUND

Work on the design of the three child survival, reproductive health and policy Results Packages (RPs), which together form the basis for this activity, began in early 1997 and culminated with Mission approval of the RPs in August 1997. Extensive consultation regarding the structure and content of the RPs took place among USAID/El Salvador staff and extended SO Team members, partners and customers during that time period. Subsequently, a four person outside team of experts was contracted to design the New Activity Document (NAD) for the activity based upon the RPs, their analysis of the current condition of the Salvadoran health sector and guidance from the SO3 Team. Between January 12 and February 20, 1998, the design team held numerous discussions and meetings with the USAID/El Salvador SO3 team, SO2 team members, partner institutions, stakeholders, key political figures, and donor organizations. These included formal appointments during the analysis phase of the design process as well as many follow-up contacts to secure additional information and refine the design. The team also reviewed a very extensive number of documents provided by USAID/El Salvador and other institutions.

Following delivery of the draft NAD to USAID/El Salvador by the design team, the SO3 team made further changes and revisions to the document in order to ensure its conformance with USAID design requirements and with priorities for substantive areas of work proposed under the activity.

III. DISCUSSION

This New Activity Document (NAD) consists of a description and suggested implementation arrangements for a new activity No. 519-0430 entitled "Healthy Salvadorans" in support of Strategic Objective No. 3 "Sustainable Improvements in the Health of Women and Children Achieved". This new activity incorporates approved Results Package (RP) No. 3.1: "Increased use of Appropriate Child Survival Practices and Services", RP No. 3.2: "Increased Use of Appropriate Reproductive Health Practices and Service", and RP No. 3.3: "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs". The activity is fully supportive of the USAID/El Salvador mission strategy document, "Sustainable Development and Democracy in El Salvador 1997-2002". The total cost of this five year effort is \$37,450,000. Funding will be made available through a strategic objective grant agreement (SOAG) and subsequent amendments. Several procurement mechanisms will be used to contract services to carry out the activity. These mechanisms will be described under the SOAG.

The purpose of the activity is to improve the quality and access to reproductive health and child survival services by the rural poor and to improve the policy framework and institutional systems that support and sustain these services. The fundamental goal is to achieve sustainable improvements in the health of women and children living in rural areas of the country. This will be achieved through a combination of technical support (including research and training), along with a limited amount of commodity support to the Ministry of Health (MOH) and other public and private implementing agencies over a five-year period beginning in FY 1998.

The activity builds upon the successes of many years of USAID assistance to the Salvadoran health sector and more closely integrates the major child survival (CS), reproductive health (RH) and policy elements of that assistance, while at the same time maintaining USAID's principal focus on improving the health of women and children living in the poorest rural areas of the country. The activity will continue to support selective ongoing public and private activities essential for improving the quality and coverage of health care. It will also support new interventions, emphasizing those key areas needed to overcome

current constraints and barriers to expanding access and improving the quality of child survival and reproductive health services. For example, it will place new emphasis on community level activities as well as targeting adolescents and men to maximize impact.

Policy and health reform is also a major new area of emphasis for this activity, which will seek to both significantly reform and strengthen existing preventive and primary health delivery systems, while expanding assistance to encompass the overall legislative and policy framework for health care in El Salvador. The overall result of policy initiatives will be an improved legal and institutional framework for organizing, financing and delivering health services, which will in turn result in the improved health status of rural women and children.

IV. MISSION REVIEW

On March 17, 1998 a Mission Review was held to review the new "Healthy Salvadorans" Activity No. 519-0430. A number of issues were discussed and some clarifications were also made. Following is a brief discussion of the issues, and the conclusions and recommendations provided for each issue:

Issue No. 1 - Role of the Salvadoran NGOs in implementation of the activity

Discussion: The main issue discussed was how to ensure continuation of coverage for the population currently being served by these NGOs when their funding from USAID terminates this year. The SO3 team outlined several alternatives to ensure provision of these services which will be discussed with the MOH:

1. Expanding outreach of the MOH with their actual personnel by reassigning staff (e.g. malaria workers);
2. Hiring new health promoters; and
3. Subcontracting with NGOs.

Resolution: After discussing this issue extensively it was agreed that the Mission needs to:

1. Identify the deficit areas (current NGO service areas not also served by MOH personnel);
2. Discuss with the NGOs probable levels of continuing assistance by them in these areas following termination of USAID support at the end of 1998;

3. Calculate the comparative cost for providing basic maternal and child health care (basic package) through the MOH and through the NGOs.

The above information will be used as the basis for the discussion with the MOH on how it plans to deliver services to the deficit areas and to agree with the MOH on a plan of action which may include the three alternatives. A special covenant will be added to the SOAG to require that the MOH prepare such a plan, to be implemented no later than mid 1999.

In addition, it is agreed that, given the probability that the MOH would not be able to extend coverage to these new areas in time to completely avoid a loss of basic health services to the estimated 440,000 people who depend on USAID-supported NGOs for these services, this activity would reserve a limited amount of funding (transition support) for the NGOs to cover up to 100,000 people until such time as new arrangements could be made to completely fill the gap.

Issue No. 2 - Funding for the Health Policy Area

Discussion: A concern was expressed in relation to the difficulty in working in the Health Policy area and the relatively high amounts of financing planned for this area. The SO3 team explained that there is no particular difficulty, but that the work proposed under the activity has not been done before, and that the funding estimated for this area is mainly for training, research and technical assistance.

Resolution: It was agreed that this activity should include an approach for getting interested civil society groups/NGOs involved in the discussion and follow-up of health policy issues, and that some resources should be set aside for this. The SO3 and SO2 teams will meet to discuss the resources they have available for advocacy training and to build some popular support to avoid duplication of efforts.

It was also agreed that the SO3 team will continue current efforts to finalize a matrix on support for health reform by USAID and other donors. This will be very helpful in our discussion with the MOH regarding what we will fund under this activity and to direct them to other donors for areas that we are not planning to finance.

Comments, Clarifications and Other Resolutions:

1. USAID/El Salvador must be convinced and knowledgeable that the institutions we are financing are following USAID's regulations regarding family planning methods, especially in regards to sterilization, and that the institutions (MOH, Social Security, Demographic Association) have written/informed consent from their patients.
2. The SO3 team should continue discussion with the MOH regarding cost recovery. It was suggested a study be made soon to see if the MOH policy for free services makes sense.
3. It was suggested a provision on disposition of property be included in the SOAG to avoid confusion at the end of the grant on who should get the equipment purchased under this activity.
4. Since the MOH will be the principal implementor under the SOAG, its capability for host country contracting has to be investigated.
5. Concerns were raised regarding counterpart contribution; should the MOH be responsible for providing the full 25% contribution? It was agreed that the SO3 team, RLA, and CONT will meet to discuss this issue and come up with the language to be included in the NAD and the SOAG.
6. No funds will be obligated for this activity until the Congressional Notification (CN) has been delivered to the required Congressional Committees, and the statutory time period has expired.
7. On August 1, 1997 the Initial Environmental Examination determinations were submitted to USAID/Washington. No funds will be obligated until the Mission has received favorable responses to these determinations.

V. NEW INFECTIOUS DISEASES ACCOUNT/DIRECTIVE

FY 1998 includes funding for a new program area in infectious diseases (additional to HIV/AIDS and ongoing child survival activities addressing diseases such as acute respiratory infections and diarrheal diseases). The objective of this new strategy of the Agency is to reduce the threat of infectious diseases of major public health importance.

The result package document for RP 3.3 "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs" will be amended to include funding in the amount of \$1,916,500 from the new infectious diseases account/directive. The funds will be allocated directly (OYB transfer) to field support to provide technical assistance and training to expand, strengthen and upgrade the MOH's epidemiological surveillance capacity, with special emphasis on tuberculosis surveillance and response. Funding will also be used to undertake research to identify the nature and extent of drug resistance to treatment of tuberculosis as well as other factors which inhibit successful treatment.

VI. AUTHORITY

Under ADS 103.5.14b(1) you have been delegated the general authority set forth in ADS section 103.5.8b(1) to implement approved strategic, special or support objectives; except for signing section 632(a) interagency agreements or exercising the authorities specifically excluded by ADS section 103.5.8b(3). None of the excluded authorities are applicable to your approval of this activity. The strategic objective, as well as the results framework, for this activity were approved by the AA/LAC as part of the Strategic Plan for USAID/El Salvador and are included in the management contract between the AA/LAC and USAID/El Salvador. This activity also incorporates three health results packages approved by the Mission on August 7, 1997.

VI. RECOMMENDATION

We recommend that you approve the "Healthy Salvadorans" Activity No. 519-0430, at a funding level not to exceed \$37,450,000, for a five-year period under Strategic Objective No. 3, "Sustainable Improvements in Health of Women and Children Achieved", and in support of intermediate results 3.1: "Increased use of Appropriate Child Survival Practices and Services", 3.2: "Increased Use of Appropriate Reproductive Health Practices and Service", and 3.3: "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs".

By approving this, please note that you are also approving an amendment to the result package document for RP 3.3 "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs" to include funding in the amount of \$1,916,500 from the new infectious diseases account/directive, which will be allocated directly (OYB transfer) to field support to provide technical assistance and training, and to undertake research in this area.

APPROVED:

Kenneth C. Ellis

DISAPPROVED:

DATE:

16 April, 1998

Attachment:

Healthy Salvadorans New Activity Document

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USAID/EL SALVADOR

**STRATEGIC OBJECTIVE No. 3:
Sustainable Improvements in Health
of Women and Children Achieved**

**HEALTHY SALVADORANS
(*Salvadoreños Saludables, SALSA*)**

ACTIVITY No. 519-0430

NEW ACTIVITY DOCUMENT (NAD)

SO3 RESULTS PACKAGES

- No. 3.1: Increased use of appropriate child survival practices and services**
- No. 3.2: Increased use of appropriate reproductive health practices and services**
- No. 3.3: Enhanced policy environment to support sustainability of child survival and reproductive health programs**

March 17, 1998

LIST OF ACRONYMS AND ABBREVIATIONS

ADS	Salvadoran Demographic Association (<i>Asociación Demográfica Salvadoreña</i>)
ADHU	Association for Human Development (<i>Asociación para el Desarrollo Humano</i>)
AIDS	Acquired Immune Deficiency Syndrome
ANSAL	Health Sector Assessment (<i>Análisis del Sector Salud</i>)
APSISA	Health System Support Project (<i>Apoyo a los Sistemas de Salud</i>)
ARCH	Applied Research in Child Health Project
ARI	Acute Respiratory Infection
ASAPROSAR	Salvadoran Association for Rural Health (<i>Asociación Salvadoreña Pro-Salud Rural</i>)
BASICS	Basic Support for Institutionalizing Child Survival Project
CALMA	Support Center for Breastfeeding (<i>Centro de Apoyo a la Lactancia Materna</i>)
CDC	Center for Prevention and Disease Control
COMURES	Corporation of Municipalities of the Republic of El Salvador
COPE	Client-Oriented, Provider Efficient methodology
CPR	Contraceptive Prevalence Rate
CS	Child Survival
CSSP	Public Health Council (<i>Consejo Superior de Salud Pública</i>)
CYP	Couple Years of Protection
ESF	Economic Support Funds
FESAL	National Family Health Survey
FHI	Family Health Services
FP	Family Planning
FPMD	Family Planning Management Development
FUSAL	Salvadoran Health and Development Foundation (<i>Fundación Salvadoreña para la Salud y el Desarrollo</i>)
FUNDESOS	Foundation for Social Development (<i>Fundación para el Desarrollo Social</i>)
FX	Foreign Exchange
FY	Fiscal Year
GNP	Gross National Product
GOES	Government of El Salvador
GTZ	German international cooperation agency
HIV	Human Immunodeficiency Virus
HMO	Health Maintenance Organization
ICC	Intersectoral Health Coordination Committee
IDB	Inter-American Development Bank
IEC	Information/Education/Communication
IMCI	Integrated Management of Childhood Illness
IR	Intermediate Result

ISDEM	Salvadoran Institute for Municipal Development (<i>Instituto Salvadoreño de Desarrollo Municipal</i>)
ISSS	Salvadoran Social Security Institute (<i>Instituto Salvadoreño del Seguro Social</i>)
IUD	Intra-Uterine Device
KAP	Knowledge/Attitudes/Practice
LC	Local Currency
MCH	Maternal and Child Health
MOE	Ministry of Education
MOH	Ministry of Public Health and Social Assistance
NAD	New Activity Document
NGO	Non-Governmental Organization
OMNI	Opportunities for Micronutrients Interventions
PAHO	Pan American Health Organization
PASCA	C.A. Regional HIV/AIDS Project (<i>Proyecto Acción SIDA en Centroamerica</i>)
PHC	Primary Health Care
POP	Population
PRIME	Primary Providers' Training and Education in Reproductive Health Project
PROSAMI	Maternal Health and Child Survival Project (<i>Proyecto de Salud Materna y Supervivencia Infantil</i>)
PVO	Private Voluntary Organization
RH	Reproductive Health
RP	Results Package
SALSA	Healthy Salvadorans (<i>Salvadoreños Saludables</i>)
SETEFE	Technical Secretariat for External Financing (<i>Secretaría Técnica de Financiamiento Externo</i>)
SNF	National Secretariat for the Family, (<i>Secretaría Nacional de la Familia</i>)
SO	Strategic Objective
SOAG	Strategic Objective Agreement
STD	Sexually Transmitted Diseases
TBA	Traditional Birth Attendant
UNFPA	United Nations Fund for Population Activities
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development

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I. INTRODUCTION.

This New Activity Document (NAD) consists of a description and suggested implementation arrangements for a new activity in support of Strategic Objective No. 3 (SO3): "Sustainable Improvements in the Health of Women and Children Achieved". This new activity, SALVADOREÑOS SALUDABLES (SALSA), incorporates approved Results Packages (RPs) No. 3.1: "Increased use of Appropriate Child Survival Practices and Services", RP No. 3.2: "Increased Use of Appropriate Reproductive Health Practices and Service" and RP No. 3.3: "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs". SALSA is fully supportive of the USAID/El Salvador mission strategy document, "Sustainable Development and Democracy in El Salvador 1997-2002". The total cost of this five year effort is approximately \$37.5 million dollars.

SALSA builds upon the successes of many years of USAID assistance to the Salvadoran health sector and more closely integrates the major Child Survival (CS), Reproductive Health (RH) and policy elements of that assistance, while at the same time maintaining USAID's principal focus on improving the health of women and children living in the poorest rural areas of the country. SALSA will continue to support selective ongoing public and private activities essential for improving the quality and coverage of health care. SALSA also will support new interventions, emphasizing those key areas needed to overcome current constraints and barriers of expanding access and improving the quality of CS and RH services. For example, SALSA will place new emphasis on community level activities as well as targeting adolescents and men to maximize impact.

Policy and health reform is also a major new area of emphasis for SALSA. SALSA will seek to both significantly reform and strengthen existing preventive and primary health delivery systems, while expanding assistance to encompass the overall legal and policy framework for health care in El Salvador. New health policy and research initiatives with the Asamblea Legislativa and Salvadoran university community will underpin and make more sustainable the health systems delivery efforts of major implementing agencies such as the Ministry of Public Health and Social Assistance (MOH). The overall result of policy initiatives will be an improved legal and institutional framework for organizing, financing and delivering health services, which will in turn result in the improved health status of rural women and children.

The timing and phasing of each SALSA intervention will be determined at the Strategic Objective Grant Agreement (SOAG) stage based upon need, readiness of the implementing organization, and status of existing external USAID or other donor support for each activity. For example, there will be no need for SALSA support for MOH Family Planning (FP) activities until mid 1999, since a new and comprehensive FP assistance effort with the MOH was recently launched under the APSISA project, whereas there is a need and willingness on the part of the Health

Committee of the National Assembly to initiate this new policy activity as soon as possible.

II. PROBLEM STATEMENT

Fundamental problems facing the health sector include: 1) poor health status of the population, especially the rural poor and among vulnerable groups such as women and children, 2) underfinancing and maldistribution of financial and human health resources, 3) inadequate coverage, quality and effectiveness of public and private health care delivery systems, 4) inadequate legal and policy framework to support sustainable health care.

1. Health Status

Although the health of the Salvadoran population has improved significantly in recent years, health status, especially of the rural population, still falls below acceptable levels. At about 35 per thousand live births, infant mortality remains high, as does maternal mortality at an estimated 68 deaths per hundred thousand births occurring in health facilities. Preventable illnesses from diarrhea and respiratory diseases together account for the large majority of cases of illness and death among children under 5 years of age. Although reliable data on nutritional status is lacking, most health professionals maintain that malnutrition continues to be a serious problem, especially among the rural poor, and is a major contributing factor to excessive child mortality and morbidity. The MOH reports that malnutrition is under reported in El Salvador but data for the region shows that of the 500,000 children under 5 who die each year in Latin America, 19% of the deaths are related to malnutrition (Panamerican Health Organization, PAHO).

Although fertility has been declining, high population growth remains a problem in terms of both its negative health impact as well as its deleterious effect on broader areas of social and economic development. An important factor among the constraints to development in El Salvador is the pressure of population on the country's small and fragile resource base (population density is 280 persons per square kilometer, the highest in Latin America). The population problem is especially acute in rural areas (which accounts for approximately 50% of the total population) where lack of access to effective contraception contributes to total fertility close to 5 children per woman of reproductive age. A substantial gap remains in the percentage of women expressing a desire to limit their family size and those actually practicing FP in order to do so.

High rates of maternal morbidity and mortality are directly related to pregnancy problems. A large number of women (62%) who deliver in health facilities or at home never receive prenatal care; for many the first contact with a health facility or provider is during delivery. Pregnancies among teens, a high risk health group, are

also very high, accounting for about thirty percent of all pregnancies in El Salvador. About 12% of deliveries in El Salvador are not attended by trained personnel, increasing the risk of death of the mother or the baby from complications. The demand for post partum care is even lower than the demand for prenatal care (78.8% of rural women do not use this service). Low post partum care does not allow early problem detection, which contributes to increased numbers of preventable maternal and neonatal deaths. Finally, the incidence of HIV/AIDS has been increasing. HIV positive cases nearly doubled from 4.6 seroprevalence in 1996 to 8.9 in 1997.

2. Health Care Financing

Factors such as high population growth, increasing demands of the rural poor for basic health and social services, rising health costs and declining revenues from tax collections, together with the historic weakness of the health sector in competition with other sectors for public financing, all conspire to keep health sector expenditures far below adequate levels. According to the Inter-American Development Bank (IDB), the Government of El Salvador (GOES) devoted only 1.4% of Gross National Product (GNP), representing 11.7% of the national budget, to health in 1996. Total health spending in 1995, including social security and the private sector, increased the health percentage to 4.9%, but this figure is still far below the Latin American average of 6.2%. A recent PAHO study on national health expenditures in Latin America presents a somewhat different picture. According to the PAHO study, El Salvador falls in the middle range of Central American countries in terms of health expenditures as a percent of GNP -- above Honduras, Guatemala and Nicaragua but below Costa Rica and Mexico. However, the study also points out that none of the countries with health expenditures less than \$200 per capita (including El Salvador) have been able to meet the WHO targets contained in the "Health for All by the Year 2000" plan.

In addition, the Salvadoran health care budget is disproportionately skewed towards maintaining an expensive hospital system at the expense of primary and preventive health care. This is also a problem shared by most Latin American countries and one difficult to resolve given the low overall level of health expenditures relative to the needs of the population and high costs of medical care, as well as the political imperative of maintaining an adequate curative care capacity. PAHO has stated its intention to carry out a study in El Salvador of the feasibility of shifting some hospital resources to primary care. Such a study would be a valuable point of departure for future dialogue with the GOES and the MOH on this issue.

3. Health Care Delivery

Major weaknesses in El Salvador's public and private health care delivery systems also limit the improvements in health status which would otherwise result from better and expanded health care. Most Salvadoran NGOs with health programs have strong

community roots, but suffer from resource constraints that limit their outreach, managerial effectiveness and capacity to deliver sustainable, high-quality primary care. Uncertain funding limits the NGO's ability to do long term strategic planning and coordination. On the other hand, institutional weaknesses also limit the quality and effectiveness of MOH to deliver health care services, especially in rural areas. These weaknesses include: overcentralization of decision making, overconcentration of financial and human resources in urban areas and in curative rather than primary and preventive areas of health care, absence of performance standards based upon achievement of results, absence of adequate management and epidemiological data for decision making, inappropriate and restrictive policies and practices that limit the provision of health services, inadequate systems for information and logistics management and lack of trained medical staff in improved methods of health care delivery.

With respect to health services coverage, it is estimated that there are over 100 indigenous NGOs providing some form of health care in El Salvador. Currently USAID is directly supporting 30 of these NGOs which serve a rural population in excess of 400,000. USAID also provides major funding to a large FP NGO, the Salvadoran Demographic Association (SDA). In general, although the quality of care among these 30 NGOs varies, it can be said that most of them perform at least as well or better than their MOH counterparts. Nevertheless, it is the MOH, with its extensive network of 385 hospitals and clinics, 1,500 community health promoters and 3,000 traditional birth attendants scattered throughout the country, that is by far the major source of Maternal and Child Health (MCH) care for rural residents. Estimates range, for example, from over 60% of rural residents who receive their FP services from MOH sources, to over 90% who receive their child health care from MOH sources. Although overall coverage from both NGOs and MOH sources is fairly extensive, gaps in coverage leave an estimated 30% of the rural population without ready access to health care from any source.

4. Legal and Policy Framework

In addition to poor health status, inadequate health financing and institutional weaknesses in the health care delivery system, the health sector also suffers from the absence of an adequate overall legal and policy framework to support sustainable health care. Legislation is lacking, for example, that would underpin constitutional guarantees to access to health care or give special emphasis to vulnerable groups such as women and children. In addition, although studies such as the 1994 Health Sector Assessment (ANSAL), have pointed to the benefits of measures such as universal compulsory health insurance, legislative action is necessary to make this or other sustainable health financing measures a reality. There is also little coordination among major health care providers such as the MOH, the Salvadoran Social Security Institute (ISSS), autonomous groups such as the military, teachers and others, with the result that each independently establishes and implements its own policies and

programs. The result is inefficient use of scarce health resources. Also, in the past, a lack of donor coordination contributed to inefficient use of resources. Finally, there is a lack of well-targeted studies and research to inform the policy process by identifying key health problems along with workable plans and recommendations for their resolution.

III. PURPOSE STATEMENT

The purpose of SALSA is to improve the quality and access to RH and CS services by the rural poor and to improve the policy framework and institutional systems that support and sustain these services. The fundamental goal is to achieve sustainable improvements in the health of women and children living in rural areas of the country. This will be achieved through a combination of technical support (including research and training), along with a limited amount of commodity support to the Ministry of Health (MOH) and other public and private implementing agencies over a five-year period beginning in FY98.

IV. RELATIONSHIP TO USAID/EL SALVADOR'S STRATEGY

SALSA directly supports Strategic Objective No. 3 (SO3): "Sustainable Improvement in the Health of Women and Children Achieved", through all three of the Intermediate Results (IRs) which contribute to this SO: IR 3.1, "Increased use of appropriate child survival practices and services"; IR 3.2, "Increased use of appropriate reproductive health practices and services"; and IR 3.3, "Enhanced policy environment to support sustainability of child survival and reproductive health programs". The activity also directly supports all sub-results under these IRs. While sub-IR 3.1.4, "Increased access to water and sanitation systems", is covered by a separate, non-SALSA activity, this activity will also contribute to CS through reduction of health problems from diarrheal and other water-borne diseases and will be closely coordinated with SALSA.

SALSA will also contribute to the Mission's SO2, "More inclusive and effective democratic processes in El Salvador." A proposed study on the feasibility of direct municipal involvement in managing local health services, and a possible pilot activity (depending on the results of the study), supports the municipal development program under SO2's IR 2.3, "Increased participation in strengthened local government." Strengthened community health committees and other measures to increase citizen involvement also contribute to this result. Proposed research into how to better integrate attention to domestic violence into health services (including case registry and referral to the judicial system) will also contribute to IR 2.4, "More effective legal/judicial protection for all citizens."

Since there is a direct and very important link between improving access to potable water in rural areas (SO4) and improving child survival, SALSA will coordinate its activities closely with SO4 to ensure that synergy is maximized in areas where both activities operate. SO3 team representatives will actively participate as members of the overall SO4 team as well as SO4 results packages.

The activity also shares in SO3's interdependence with the Mission's SO1, "Expanded access and economic opportunity." It both benefits from increased economic opportunity--for example, increased income facilitates access to health services--and contributes to it, by reducing the economic and social burden caused by preventable illness and premature death. Healthier people are more productive and better able to take advantage of educational and economic opportunities. SO3 will work closely with SO1 to assure primary health services are available for the beneficiaries of the early childhood education results package as unhealthy children cannot achieve maximum development.

V. PROPOSED INTERVENTIONS

SALSA consists of three distinct but interrelated and complementary results packages (RPs) or components: CS, RH, and policy, each encompassing an array of interventions. SALSA builds on the results achieved through past and current USAID-supported health activities. These activities have provided support for rural Primary Health Care (PHC) through both the MOH and NGOs, together with substantial support for institutional development of the MOH through the former VISISA and current APSISA projects, including logistical and other key systems, drugs, equipment and facilities. This support has been effective in improving both coverage and quality of services. SALSA builds upon this base and continues many interventions begun under prior activities, but focuses primarily on technical assistance and training to improve services, and research needed to support operational and policy decisions. In addition, it expands work in health reform, including support for establishing a stronger and more sustainable legal, policy and regulatory framework to underpin and make sustainable improvements in the quality and coverage of the health care delivery system.

1. Child Survival (CS).

Since the principal CS problems--acute respiratory infections (ARIs), diarrheal disease, and malnutrition-- are largely preventable, the interventions proposed under this component of SALSA focus on health promotion, education and preventive actions in the rural poverty areas where these problems are most acute, emphasizing community level involvement and participation.

Expected Areas of Assistance

The CS component supports Intermediate Result 3.1 (increased use of appropriate child survival practices and services) and its sub-IRs on integrated management of childhood diseases (IMCI), improved health habits and increased services by community health promoters. Proposed interventions concentrate on three areas key to improved CS: 1) reduction of diarrheal disease, respiratory infections, and other common childhood illnesses; 2) improved nutritional status; and 3) research to assess the prevalence, impact, and prevention of poorly understood causes of infant and child morbidity and mortality such as birth defects and congenital abnormalities; and violence, abuse and accidents.

1A. Integrated Management of Childhood Diseases (IMCI)

IMCI is the principal long-term strategy which will be employed to address CS problems in El Salvador. It is a strategy aimed at achieving significant and sustainable reductions in morbidity and mortality from the major illnesses affecting infants and children under 5 years of age. This approach emphasizes comprehensive prevention and treatment of these illnesses at the clinic, community and household level. Among other things, IMCI requires development of both enhanced managerial as well as medical skills of health workers, community education and training to increase knowledge and treatment of childhood illnesses (including when to seek treatment from health care providers), better pharmaceutical supply and management, quality review of health facilities and better monitoring and analysis of morbidity and mortality.

Supported strongly by the Pan American Health Organization (PAHO), United Nations Children's Fund (UNICEF), USAID and other donors, El Salvador has been established as the Central American Regional Center for IMCI. SALSA, in close coordination with PAHO, will provide training, technical assistance and limited commodity support to assist the MOH implement its plan for gradual introduction of IMCI in all MOH health units nationwide. Currently, the MOH is developing the protocols for implementation of IMCI, which will be introduced to four health centers in 1998. Thereafter, the plan is to extend IMCI to 33 municipalities in seven departments, before eventually extending it throughout the country. USAID/ES is assisting the MOH to accelerate the process of adapting the materials to the community level.

1B. Other Child Survival Interventions.

Although IMCI is a demonstrably effective methodology for improving CS, it is a complex, costly and lengthy process that will not be fully in place for at least three to five years. Therefore, during this period, SALSA will also continue to support specific parallel CS interventions now being carried out by the MOH and NGOs

which have proven their effectiveness such as nutrition education, health promotor training in treating respiratory infections and diarrheal disease, etc. USAID will work with the MOH to assure that health promoters are effectively utilized and prioritized their time for women in reproductive age and children. In addition, because poorly understood factors such as birth defects and congenital abnormalities, accidents, violence and abuse are shown to have a major impact on child mortality and morbidity, SALSA will support new research to determine how and to what extent these factors affect CS, as well as the extent to which they could be mediated through public health interventions.

Finally, SALSA will closely coordinate activities with the SO 3 water and sanitation project, including providing additional technical assistance, training and other resources as needed in water and sanitation target communities to ensure that CS benefits are maximized from the synergy of these two projects. Where possible, water committees will become health committees to determine how the community can identify its health problems and work towards solutions.

2. Reproductive Health (RH).

This key component of SALSA focuses primarily on: preventive, educational and formational interventions and research to improve RH and use of FP, though some contraceptive supply support is also contemplated. This component will be carried out in an integrated manner with the CS component in all areas of common intervention, particularly promotion, education and training.

Expected Areas of Assistance

The RH and RH component supports Intermediate Result 3.2 (increased use of appropriate reproductive health practices and services). The proposed interventions support areas which are basic to improving RH: 1) pre-natal, delivery, and post-partum care; 2) family planning; 3) prevention of sexually transmitted diseases (STDs) and HIV/AIDS; and 4) research and coordination activities in support of RH. All interventions are focused on underserved poor rural areas, and cover dimensions common to all components: service coverage and quality, sustainability, community participation, and coordination.

2A. Pre-natal, Delivery and Post-partum Care

Assistance will be provided to the MOH and NGOs in the following areas: a) training for primary health care providers (physicians, nurses, auxiliaries) in early detection of obstetric risks and pre-natal control; including the promotion of breastfeeding and FP; in safe childbirth techniques, including identification and treatment of high risk cases and raising awareness of women and especially adolescents regarding the importance of having a delivery attended by trained personnel; and in post-partum control,

including effectively motivating new mothers to get post-partum checkups in order to reduce complications and improve care of the newborn and raise women's awareness of the importance of birth spacing. b) Training for health promoters and midwives in how to counsel mothers and families in early detection of pregnancy, proper care, and appropriate referral to health and family planning services. This training will also cover counseling pregnant women on the importance of their own nutrition, breast feeding, immunizations, and care of the newborn. Such training will be closely integrated with CS activities. c) Community education and training in order to increase public knowledge and awareness of the importance of RH activities implemented by primary health units and promoters in relation to the community. Particular emphasis will be to reach men in their capacity as community and family decision-makers, on the importance of early pre-natal care, giving birth in a health facility, post-partum care, and family planning for the health of both mothers and babies. Among other geographic areas, these training and other RH activities will encompass the 33 municipalities targeted for IMCI implementation.

2B. Family Planning (FP).

The MOH and the Salvadoran Demographic Association (ADS), with USAID assistance, have recently launched major efforts to improve the quality and coverage of family planning services in rural El Salvador. In addition, USAID has continued to support NGO organizations such as PROSAMI and the Social Security Institute (ISSS) in the form of contraceptive supplies. USAID has worked with the MOH to expand the roles of promoters to provide access to FP via direct provision of a wider variety of contraceptives. Finally, a new USAID-supported effort has been initiated through Family Health International (FHI) to train physicians in order to overcome existing medical barriers to more widespread contraceptive use.

Given the recent implementation of these new efforts which will continue well into 1999, significant additional SALSA support for FP will not be needed until 1999. Nor is it possible to precisely identify the nature of that future assistance at this time. Nevertheless, in order for El Salvador to meet the substantial FP needs of the rural poor, while in the process help the country achieve a population growth rate more consistent with sustainable economic and social development, it is expected that FP program support for the MOH and selected NGOs will continue to be required throughout the life of the SALSA project. Specific areas that are likely to receive SALSA support include:

- a) Training for primary care personnel including promoters and midwives to improve quality of service. Such training would include the provision of qualitative information, education and counseling in FP (e.g. information on choice of methods, advantages, disadvantages, side effects, etc.) and delivery of a wide range of modern temporary methods of contraception, special counseling for men and women to improve contraceptive acceptance and use

and to promote more male involvement with reference to FP to help overcome some men's opposition to contraceptive use by their partners. Special emphasis will be placed on training, education and outreach programs for vulnerable populations such as adolescents in order to reduce excessive unwanted pregnancies in this high risk group.

- b) Community Information, Education and Communication (IEC) related to FP and RH programs to both promote behavior change and expand the community's knowledge and facilitate access to FP services, as well as to overcome opposition by influential local leaders.
- c) Special emphasis training and education for vulnerable populations such as adolescents in order to reduce excessive unwanted pregnancies in this high risk group.
- d) Ensure adequate contraceptive supplies for the major FP providers. This includes the provision of contraceptives to FP NGOs and to the MOH as needed on a declining basis over the life of the project.

2C. Sexually Transmitted Diseases (STDs), Human Immunodeficiency Virus (HIV) and Acquired Immune Deficiency Syndrome (AIDS).

Since the problem of STDs and HIV/AIDS transmission is growing rapidly and has received relatively little attention from USAID/El Salvador thus far, this will be an activity which will receive early attention from SALSA. HIV/AIDS activities will be closely coordinated with and designed to complement regional HIV/AIDS activities in El Salvador being carried out through the USAID PASCA project. SALSA activities will include:

- a) Training of MOH primary care physicians and nurses in HIV/AIDS counseling and early detection, management, and treatment of STDs, using the syndromic approach proposed by PAHO (this approach consist of a diagnosis of a group of signs and symptoms, for its immediate treatment, without the use of clinical laboratory). Efforts will be made to integrate this training into the FP program.
- b) Technical assistance to the MOH for improving epidemiological surveillance for STDs and HIV/AIDS through the first primary level of health services.
- c) Technical and financial assistance to the MOH to implement community-level educational programs on STDs and HIV/AIDS. Such programs will make use of effective but lower cost communications means, through organized community groups, community leaders, and local radio.

2D. Research and Coordination Activities

SALSA will support studies and operational research on overcoming barriers to FP use, increasing preventive measures to avoid STDs and HIV infection, how to increase male involvement in FP and responsible parenthood programs, how to more effectively prevent unwanted births and reduce abortions, as well as other topics important to improving RH practices.

SALSA will also support, with the collaboration and coordination of other health donors and local health organizations, the next (year 2002) round of the National Family Health Survey (FESAL), which has been an important instrument for planning and decision making in the area of CS and RH.

In addition, SALSA will provide technical assistance to help reestablish the National RH Committee which will bring together government, private, and donor institutions to coordinate RH and FP plans and programs. At the same time, the Committee will help eliminate duplication of activities and obtain better coverage and quality of services.

3. Policy and Health System Modernization

This component of SALSA will contribute to the development of a more appropriate legal and policy framework including: policies and budget allocations that favor primary health care and place greater emphasis on the health needs of needy women and children, improved cost recovery and cost-sharing mechanisms, modernization of health structures and systems; and more effective coordination of policies, plans and resources within the health sector. These expected results will support improved service quality and coverage at the programmatic level needed to meet the health care needs of poor rural children and women.

Expected Areas of Assistance

This component supports Intermediate Result 3.3; "Enhanced Policy Environment to Support Sustainability of CS and RH Programs" along with sub-IRs related to increasing coverage and expenditures devoted to primary health care. SALSA provides support in four major policy areas: 1) development of a legislative and regulatory framework along with policies and budgetary priorities favorable to improved maternal and child health care; 2) reform and modernization of the health care delivery system; 3) policy research to support reform and modernization of the health system and of health service delivery; and 4) coordination among key health sector decision-makers and among donor agencies, to enhance effective use of health resources.

3A. Legislative, Regulatory, Policy, and Budgetary Framework.

Members of the Public Health Committee of the National Assembly have requested technical assistance and training from SALSA to strengthen the capacity of their Committee to research and draft appropriate legislation giving priority to the health needs of the rural poor. Proposed areas for technical assistance include development of a longer term national health policy which emphasizes prevention and basic health services and adjusts the current budgetary allocations to favor primary care and development of a maternal and child health (MCH) policy which establishes MCH as a high priority and assigns it an adequate share of the health budget. Examples of other areas in which legislative action might be supported include legislation to give the MOH a greater role in determining health personnel needs and coordinating personnel supply and demand with public and private educational/training institutions; revision of the Health Code; and legislation to facilitate municipal and community involvement in health service decisions, delivery and support. Longer term policy issues which might be considered include national health insurance to cover basic health needs, including subsidies for the poor; privatization of MOH hospitals to relieve the recurrent cost burden; and fiscal reform to increase the resources available for health. SALSA assistance to the Health Committee will be closely coordinated with SO 2's broader efforts to help improve the efficiency and effectiveness of the work of the National Assembly.

In addition, SALSA will provide modest levels of financing as needed to strengthen and support civic participation on behalf of the NGOs and other elements of civil society, which may be needed to support the passage of new health legislative and policy initiatives of this component.

3B. Reform and Modernization of the Health Care Delivery System.

SALSA will continue the work done by APSISA to help the MOH decentralize health service delivery, coordinating assistance with other donors to maximize results and avoid duplication of effort. An important area for collaboration, together with PAHO, the IDB and other donors, is strengthening the decentralization process now being implemented through the use of management agreements (*compromisos de gestion*) between the MOH central and departmental levels, and between the latter and the local health systems (*sistemas sanitarios*). The research planned below on municipal and community involvement could be useful in indicating whether and how this structure might be broadened to permit a stronger role for municipalities and communities in health service decisions, in holding service providers accountable for results, and sharing the cost of health services. (for example, municipalities or communities could agree to build and/or maintain health infrastructure or pay promoters). Technical assistance to the MOH, the municipalities, and the communities could support these processes.

Since the process of decentralization is both difficult and lengthy, SALSA assistance will be needed beyond APSISA for additional training in strategic planning as well as financial, personnel, logistics and data management for staff at the departmental and local levels, in order to implement decentralized decision-making. Departmental level technical assistance is also needed to help develop a more supportive and decentralized supervision system for service delivery personnel, including health promoters (both those belonging to the MOH and to NGOs). The "field management teams" now being developed in at least one department (Ahuachapan) might provide a useful model. Another model that will be explored is the COPE (Client Oriented Provider Efficient) methodology for self-evaluation and problem-solving. Technical assistance will also be provided to review and strengthen referral and counter-referral systems between the primary and secondary levels, particularly for maternal-child health care. Particular attention will be given to how referrals by promoters and midwives are handled, and to strengthening working relationships between communities, promoters, midwives, and health service establishments.

Major emphasis from SALSA will continue to be placed on assisting the MOH and other service providers design and implement effective cost recovery systems, taking into account the current policy of providing free preventive services to children under age 12 and free RH and FP services to women. This is a complicated issue, heavily influenced by economic, cultural and ideological factors. It is expected that extensive research, experimentation and negotiation will be needed in order to produce an acceptable consensus on cost recovery.

3C. Policy Research.

Heretofore, USAID has done little to support specific operations and program-related health policy research to inform and guide the development of new policies and programs for improved health care delivery. SALSA will place major emphasis on such research likely to have important practical outcomes in terms of enhanced health care for the rural poor. Although the research agenda still needs further elaboration, likely areas of study would include the following:

- a) Study of the feasibility of involving municipalities in the financing, oversight and provision of health services. In addition to determining how the role of local government could be strengthened under the current decentralization process, the study would explore the legal and practical feasibility of possible local government funding and implementation mechanisms to support contracting or direct provision of health services by local government.
- b) Study of the feasibility of different means of covering the cost of health services for the majority population (those without access to current health insurance systems) such as pre-paid health insurance (with provisions to cover the poor) through mechanisms such as health maintenance organizations

(HMOs) vouchers to cover services for the poor, and other such alternatives. The study would compare the costs and advantages/disadvantages of such schemes with the current system, and identify the type and level of subsidies which would be needed to ensure access by the rural poor.

- c) Study of the requirements for different types of public health professionals (physicians, nurses, auxiliary nurses, pharmacists, laboratory technicians, etc.) to meet the preventive and primary care needs of the population. The study would examine past attempts at medical manpower coordination among universities, other training institutions, the MOH and the Ministry of Education (MOE), and propose a more effective system to determine personnel needs and match supply to demand. The study would also explore the role of personnel incentives (both monetary and non-monetary) to encourage health professionals to work in underserved rural areas of the country.

3D. Health Sector and Donor Coordination.

SALSA, in consultation with the IDB and other donors with strong interests in health sector coordination, will support the activation of an Intersectoral Health Coordinating Committee (ICC) and provide the support necessary to ensure that it functions effectively. Ideally, the ICC will represent health sector institutions (MOH, ISSS, NGOs), university health and medicine faculties, other health training institutions, and professional associations and unions, and will also include key institutions related to or which influence the health sector, such as the Ministry of Finance, the MINED, the Secretaría Nacional de la Familia (SNF), the Health Committee of the National Assembly, and health sector donors (through the coordinating committee described below). If the municipalities become involved in health service delivery, they would also be represented, through a mechanism such as the association of mayors (Corporation of Municipalities of the Republic of El Salvador, COMURES). SALSA assistance necessary to support the work of the ICC will include long- and short-term technical assistance, visits to exchange experience with similar bodies in other countries, and policy and/or technical research such as outlined above.

In addition to facilitating health sector coordination among key Salvadoran health agencies and related institutions, SO3 will continue to ensure that SALSA activities are closely coordinated with similar work of other donors (especially the IDB, PAHO, UNICEF, UNFPA and bilateral donors such as the German international cooperation agency, GTZ) with respect to health sector assistance programs. The shared objective of such donor coordination will be to ensure maximum impact, promote cost-effectiveness and sustainability, and avoid duplication of effort.

VI. ANALYTICAL/CONSULTATION PROCESS

Work on the design of the three CS, RH and policy RPs, which together form the basis for SALSA, began in early 1997 and culminated with Mission approval of the RPs in August 1997. Extensive consultation regarding the structure and content of the RPS took place among USAID staff and extended SO Team members, partners and customers prior to and during that time period. Subsequently, a four person outside team of experts including a Salvadoran medical doctor with high level MOH experience and NGO experience was contracted to draft a New Activity Document (NAD) for SALSA based upon the RPs, their analysis of the current condition of the Salvadoran health sector and guidance from the SO 3 Team. Between January 12 and February 20, 1998, the design team held numerous discussions and meetings with the USAID/ES SO3 team, SO2 team members, partner institutions, stakeholders, key political figures, and donor organizations. These included formal appointments during the analysis phase of the design process as well as many follow-up contacts to secure additional information and refine the design. The team also reviewed a very extensive number of documents provided by USAID/ES and other institutions.

Following delivery of the draft SALSA NAD to USAID/ES, SO3 made further changes and revisions to the document in order to ensure its conformance with USAID design requirements and with priorities for substantive areas of work proposed under the project. Following Mission approval of the NAD, further discussion and consultations will take place among SO 3 members, extended team members, and key donors and Salvadoran counterparts in the health sector to further identify and refine specific activities and implementation arrangements for the project. The results of these consultations will ultimately be converted into a SOAG along with various grant agreements and other mechanisms needed to carry out the project within the public and private sector.

VII. CUSTOMER SERVICE PLAN.

The three CS, RH and health policy RPs describe in detail the customer service plan that will be employed for SALSA, including techniques that will be employed to gather information and feedback to ensure that project activities meet customer needs. The primary "customers" and beneficiaries of SALSA activities are women of reproductive age and children under age five living in rural areas of the country, especially those living in poverty with inadequate access to health care.

VIII. CONDITIONS PRECEDENT AND/OR COVENANTS.

The following standard SOAG Conditions Precedent will be employed:

Conditions Precedent to First Disbursement: Prior to the first disbursement under the Grant, or to the issuance by USAID of documentation pursuant to which disbursements will be made, the Grantee will, except as the parties may otherwise agree in writing, furnish to USAID in form and substance satisfactory to USAID:

1. Evidence that this Agreement has been duly authorized or ratified by, and executed on behalf of the Grantee, and that it constitutes a valid and legally binding obligation of the Grantee in accordance with all its terms;
2. A statement of the name of the persons holding or acting in the office of the Grantee specified in Section 7.2 of the Agreement, and of any additional representatives, together with a specimen signature of each person specified in such statement.

SPECIAL COVENANT

Prior to submission to USAID of the Minister of Health's Action Plan for calendar year 1999, the Grantee agrees that the Ministry of Health will present to USAID a transition plan (the "Transition Plan"), acceptable to USAID, for coverage of child survival and reproductive health services now being provided by USAID-funded NGOs. Except as USAID may otherwise agree in writing, until such acceptable Transition Plan is presented to USAID, no funds provided under this agreement will be disbursed by USAID for the child survival or reproductive health services included in the Ministry of Health's approved Action Plan for calendar year 1999.

IX. IMPLEMENTATION and MANAGEMENT PLAN

This new activity will be implemented over a five year period. Funding will be made available through a Strategic Objective Agreement Grant (SOAG) and subsequent amendments. SALSA activities will be implemented through various sub-agreements which will be described in the SOAG:

The SO3 team members' responsibilities for managing the activities described in the SALSA design are described in Results Packages 3.1, 3.2 and 3.3.

SALSA activities will be implemented through various mechanisms:

1. The MOH will be the principal implementor of the IMCI and other CS activities, most of the RH, and many of the policy interventions described in this design. The SOAG will define the overall activities to be carried out by the MOH. An annual detailed action plan will be submitted by the MOH for USAID approval based upon activities approved under the SOAG. A MOH

SALSA Management Unit funded by the MOH, will be created at the Ministry to plan, supervise, monitor and report on project activities. This Management Unit will have a similar structure as that of the APSISA project which ends in September 1999. The Management Unit's staff will consist of up to fifteen MOH employees who will ensure that all SALSA activities are carried out in an efficient, cost effective and results-oriented manner.

2. A procurement or assistance instrument will be executed with an organization with extensive FP experience in order to supplement the delivery of FP and MCH services provided by the MOH. The NGO selected must have extensive presence in the rural areas of the country.
3. At this time, the question of continuing USAID support for other indigenous NGOs to supplement the MOH delivery of child survival and maternal health services is problematic. Current USAID funding for the 10 NGOs supported through the PROSAMI project comes to an end in 1998. In addition, the current USAID agreement with SETEFE to support 17 additional NGOs under local currency financing also comes to an end this year. There are no plans to either extend or duplicate either of these arrangements through SALSA. Such arrangements are very expensive and not sustainable in the long run. In addition, as a policy matter, it is the position of the Mission that the MOH should either assume more of the financial burden for supporting NGOs who provide child survival and maternal health services to the rural poor, or find ways to expand services to this needy population through it's own system.

Unfortunately, implementing such a policy is a difficult matter for a variety of technical and political reasons. Moreover, even if the MOH were willing to make the difficult policy decision to shift substantial health budget resources out of curative (hospital) care to finance NGO-provided primary health care services (a decision made even more difficult in an election year), it would not be possible to do so in time to prevent a loss in coverage of most of the over 400,000 largely poor rural residents who depend on the USAID-supported NGOs for child survival and reproductive health services, not to mention extending coverage to the estimated 30% of the population without ready access to health care from any source. In addition, limited financial resources and high demands on the Ministry's budget from all levels of the MOH health system also preclude the MOH from quickly and substantially expanding it's own primary care coverage through internal budget reallocations.

SO3 will continue the present dialogue with the MOH in search of a satisfactory solution to this problem prior to the finalization of the SOAG. In the event that the MOH agrees to expand its present core of 1500 health promoters, a modest amount of funding has been included in SALSA for financing a limited number of additional positions on a gradually declining scale until the MOH assumes the full cost of these new promoters. This

approach has been successfully employed in the past to encourage the MOH to expand its personnel resources devoted to primary care.

In addition, a modest amount of funding has been included in SALSA to finance "transition" coverage by NGOs for child survival and reproductive health services in rural areas. These funds will be adequate to serve approximately 100,000 rural residents for approximately 12 months, which is less than a fourth of the current coverage by the PROSAMI and SETEFE projects. Inclusion of these funds will give USAID and the MOH the flexibility and time required to negotiate and put into place an alternative to the current model, while not entirely abandoning the large population of women and children who will likely lose the benefit of NGO health services when USAID support for these services ends in about six months.

There are other reasons why it is important to continue a modest level of temporary NGO support for child survival activities through SALSA. First, some of the PROSAMI NGOs have taken a leadership role in development and local adaptation of the new IMCI model, and it is important that this experience not be lost to the MOH as it begins to incorporate this model throughout its own network of health facilities. Similarly, some USAID-supported NGOs have adopted more aggressive approaches to delivery of child survival services than the MOH (e.g. allowing health promoters to distribute antibiotics needed to treat acute respiratory infections) and have produced better health care outcomes as a result. Other areas where NGOs have taken the lead include male involvement, microcredit programs, community nutrition and other health-related social programs. It is important that at least some of these NGO efforts continue in order to be able to study and, hopefully, to adapt these successful approaches to the MOH rural health delivery system. Therefore, in addition to funding for the aforementioned NGO "transition coverage", a small amount of SALSA funding will also be reserved to support a limited number of NGOs for whom the "demonstration effect" of their programs is deemed important to maintain.

An NGO funding mechanism will be used during this transition period. A procurement or assistance instrument will be executed with an organization to manage the distribution of sub-grants to select NGOs for specific CS and RH services in identified "deficit" areas. In order to reduce costs, sub grantees will be paid on a capitated basis for a defined set of services to the target population in each area. The NGOs will be required to coordinate work plans and other activities closely with the MOH to ensure harmonization of effort. Only the more financially viable NGOs will be able to participate in this effort, since the complete costs of services will not be covered by the sub grants.

4. One or more Salvadoran universities may carry out the previously-described policy research activities. Small, short-term contracts may also be used with local private sector research organizations to complement the work carried out by the universities.
5. Foreign technical assistance requirements of SALSA are expected to be financed and managed through the USAID Global Bureau "field support" mechanism. This mechanism will be used to buy technical services from approximately twelve existing Global Bureau projects. These projects will provide a wide array of technical services ranging from legal and policy advice to the Health Committee of the Legislative Assembly to assistance to the MOH in operations research design. An illustrative list of Global Bureau cooperating agencies and planned areas of technical support for SALSA is contained in Annex G.

X. HUMAN CAPACITY DEVELOPMENT STRATEGY

Human capacity development (HCD) - or training - plays a major role in the SALSA activity as it is a key ingredient for the achievement of results in the three components or results packages. HCD interventions will focus on improving the skills of physicians, nurses, auxiliaries, health promoters, midwives, as well as members of the Public Health Committee of the National Assembly, and community members; it will also focus on institutional strengthening of entities that will be involved in this Activity. The identification and design of the training opportunities will be in close coordination with stakeholders.

Some training activities -- U.S., third country, and in-country -- will be channelled/coordinated through the HCD Activity (519-0432), utilizing the Global Training for Development (GTD) mechanism. SALSA will also take advantage of cross-cutting topic seminars offered by the HCD Activity with their core funding to improve/advance human capacity building of key institutional personnel as well as rural end-customers. These seminars will deal with such topics as leadership, empowerment skills, NGO strengthening, conflict resolution, self-esteem, sustainability approaches, etc.

Most of the trainings will utilize other mechanisms to enhance individual and/or institutional performance, such as training directly related to technical assistance, MOH or local NGOs contracted to carry out components of this Activity, and centrally funded training opportunities.

The overall objective of the HCD strategy is to contribute to the SALSA Activity with structured learning experiences which address human performance problems related to

skills, knowledge, motivation, and attitudes, ensuring that best practices for high impact training are incorporated.

XI PERFORMANCE MONITORING PLAN

As described in the three RPs, many features of the monitoring system currently in place, plus changes made to strengthen and improve the system to measure and report on implementation progress, will be utilized to monitor SALSA. Extensive use will be made of on-site field monitoring by SO3 staff as well as frequent meetings with partners and customers. Detailed annual work plans will be required of all SALSA grantees as well as quarterly progress reports describing progress towards meeting work plan objectives. These quarterly reports will form the basis for regular reviews by SO3 and grantees to discuss progress as well as unforeseen problems and opportunities. Based upon these discussions, adjustments will be made in work plans and targets as necessary to achieve planned results.

SO3 indicators have been recently revised to provide more accurate and timely information on achievement of results. It is expected that current SO and IR level indicators will remain the same under SALSA. However, it will be necessary to establish new sub-IR indicators to reflect areas of SALSA emphasis in existing CS and RH programs, and well as to track the progress of entirely new activities, such as policy research and legislative support to the National Assembly. Such specific targets and indicators will be developed in the course of the design of the individual agreements discussed in Section X.

The annual audit requirements of the new activity will be carried out in accordance with "Automated Directive System, (ADS) Chapter 591.5.4, Audits of Foreign For-Profit, Non-Profit Organizations and Foreign Host Government Entities, Chapter 591.5.5, Audits of Host Country Contracts and Chapter 591.5.7 Pre-Award Audits. Funding for audits will be provided for in each implementing instrument as a separate line item. For Pre-Award Surveys or Audits, funds will be budgeted for in USAID/El Salvador Management Costs. For unsolicited proposals and/or small grants the audit mechanism will be determined and budgeted during each individual activity approval process.

XII. FINANCIAL PLAN

The total USAID funded amount to be obligated under this activity is US\$37,450,000. See annex E for the planned obligation schedule and illustrative budget. Counterpart contribution, both GOES and NGO is \$12,155,000, which represents a 25% of total resources.

Required Host Country (HC) counterpart contributions, consistent with statutory requirements, will be negotiated and included in the SOAG as related activities are identified and agreed upon. With regard to cost-sharing contributions from NGO's, it is the policy of the Mission to negotiate and obtain as much cost-sharing contribution as possible to achieve maximum impact from its assistance. The HC contribution requirement is not applicable, as a matter of law, to non-profit organizations, unless the activities, components, or program directly and substantially involve the Host Government in management or control, or directly benefit the Host Government. Host Country counterpart contributions and cost-sharing contributions are expended and accounted for by institutions committing the funds. Reports for contributions are required every quarter and are followed up on by the Activity Managers.

XIII. ANNEXES.

- A. Assistance and Country Checklist
- B. Congressional Notifications
- C. Initial Environmental Examination
- D. Timeline of key events
- E. Illustrative Budget
- F. Amplified description of the Ministry of Health and the Salvadoran Health NGO Community
- G. Illustrative list of Global Bureau Field Support to SALSA

**EL SALVADOR
FY 98 COUNTRY CHECKLIST**

I. COUNTRY CHECKLIST

The USAID/W Country Desk Officer, in consultation with the Department of State Country Desk Officer, prepares the Country Checklist. It is normally prepared at the beginning of the fiscal year.

Listed below are the statutory and regulatory "country eligibility" criteria applicable to: (A) both Development Assistance ("DA") and Economic Support Fund ("ESF") assistance; (B) DA only; or (C) ESF only.

A. DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND

1. Narcotics Certification (FAA Sec. 490): If the recipient is a "major illicit drug producing country" (defined as a country in which during a year at least 1,000 hectares of illicit opium poppy is cultivated or harvested, or at least 1,000 hectares of illicit coca is cultivated or harvested, or at least 5,000 hectares of illicit cannabis is cultivated or harvested) 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):

N/A; El Salvador is not a major illicit drug producing or major drug transit country.

a. Has the President in the March 1 International Narcotics Control Strategy Report (INCSR) determined and certified to the Congress (without Congressional enactment, within 30 calendar days, of a resolution disapproving such a certification), that (1) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to satisfy the goals and objectives established by the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, or that (2) the vital national interests of the United States require the provision of such assistance?

N/A

b. With regard to a major illicit drug producing or drug-transit country for which the President has not certified on March 1, has the President determined and certified to Congress on any other date (with enactment by Congress of a resolution approving such certification) that the vital national interests of the United States require the provision of assistance, and has also certified that (a) the country has undergone a fundamental change in government, or (b) there

N/A

has been a fundamental change in the conditions that were the reason why the President had not made a "fully cooperating" certification.

2. **Indebtedness to U.S. Citizens (FAA Sec. 620(c)):** If assistance is to a government, is the government indebted to any U.S. citizen for goods or services furnished or ordered where: (a) such citizen has exhausted available legal remedies, (b) the debt is not denied or contested by such government, or (c) the indebtedness arises under an unconditional guaranty of payment given by such government or controlled entity?

We are not aware of any debts the Government of El Salvador owes to any U.S. citizen for goods or services that meet the criteria set forth in this section.

3. **Seizure of U.S. Property (22 USC 2370a):** If assistance is to a government, has it (including any government agencies or instrumentalities) taken any action on or after January 1, 1956 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 (during the period specified in 2370a(c)) either returning the property, providing adequate and effective compensation for the property, offering a domestic procedure providing prompt, adequate, and effective compensation for the property, or submitting the dispute to international arbitration? If the actions of the government would otherwise prohibit assistance, has the President waived this prohibition and so notified Congress that it was in the national interest to do so?

No

4. **Communist and Other Countries (FAA Secs. 620(a), and 620(f); FY 1998 Appropriations Act Secs. 507, and 523):** Will direct or indirect assistance be provided to Communist countries such as China, Cuba, North Korea, Tibet, Vietnam? (b) Will direct or indirect assistance be provided to directly to Libya, Iran, Iraq, or Syria? or (c) Will direct assistance be provided to Sudan? If so, has the President made the necessary determinations to allow assistance to be provided?

No. El Salvador is not a communist country.

5. **Mob Action (FAA Sec. 620(j)):** Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property? [Reference may be made to the "Taking into Consideration" memo.]

No.

6. **OPIC Investment Guaranty (FAA Sec. 620(l)):** Has the country failed to enter into an investment guaranty agreement with OPIC? [Reference may be made to the annual "Taking into Consideration" memo.] No
7. **Seizure of U.S. Fishing Vessels (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. fishing vessel because of fishing activities in international waters? (b) If so, has any deduction required by the Fishermen's Protective Act been made? [Reference may be made to the annual "Taking into Consideration" memo.] No
8. **Loan Default (FAA Sec. 620(q); FY 1998 Appropriations Act Sec. 512 (Brooke Amendment)):** (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 calendar year on interest or principal on any U.S. foreign assistance loan? [note: Liberia was added to the list of country exceptions for FY 1998]. No
9. **Military Equipment (FAA Sec. 620(s)):** If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the percentage 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 the time of approval of the FY 1998 OYB.
10. **Diplomatic Relations with U.S. (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? No
11. **U.N. Obligations (FAA Sec. 620(u)):** What is the payment status of the country's U.N. obligations? If the country is in arrears, was such arrearage taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? [Reference may be made to the annual "Taking into Consideration" memo.] El Salvador's U.N. arrearages, both in general and for purposes of Article 19 of the U.N. Charter, were taken into account by the Administrator at the time of approval of the FY 1998 OYB.

12. International Terrorism

a. Sanctuary and Support (FY 1998 Appropriations Act Sec. 527; FAA Sec. 620A): Has the country been determined by the President to: (i) grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or (ii) otherwise supports international terrorism? If so, has the President waived this restriction on grounds of national security or for humanitarian reasons? No

b. Compliance with UN Sanctions Against Iraq and Libya (FY 1998 Appropriations Act Secs. 534 and 582): Is assistance being provided to a country not in compliance with UN sanctions against Iraq (Sec. 534), or Libya (Sec. 582)? No

c. Governments That Aid Terrorist States. (FAA Section G, added by section 325 of the Antiterrorism and Effective Death Penalty Act of 1996, P.L. 104-132, April 24, 1996): Is assistance being provided to a government of a country that provides assistance to the government of another country which the SOS has determined is a terrorist government under section 620A of the FAA? If so, has the President made the necessary determinations to allow assistance to be provided? No

13. Export of Lethal Military Equipment (FY 1998 Appropriations Act Sec. 550; FAA Sec. 620H, added by section 326 of the Antiterrorism and Effective Death Penalty Act of 1996, P.L. 104-132, April 24, 1996): Is assistance being made available to a government which provides lethal military equipment to a country the government of which is a terrorist government under sections 620A of the FAA, 6(j) of the Export Administration Act (50 U.S.C. App. 2405(j)) or 40(d) of the Arms Export Control Act? If so, has the President made the necessary determinations to allow assistance to be provided? No

14. Discrimination (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? No

15. **Nuclear Technology (Arms Export Control Act Secs. 101, 102):** 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? 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? [FAA Sec. 620E(d) permits a special waiver of Sec. 101 for Pakistan.] No
16. **Algiers Meeting (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 did it fail 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.] No
17. **Military Coup (FY 1998 Appropriations Act Sec. 508):** Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance? No
18. **Exploitation of Children (FAA Sec. 116(b)):** Does the recipient government fail to take appropriate and adequate measures, within its means, to protect children from exploitation, abuse or forced conscription into military or paramilitary services? No
19. **Parking Fines (FY 1998 Appropriations Act Sec. 551):** Has the overall assistance allocation of funds for a country taken into account the requirements of this section to reduce assistance by 110 percent of the amount of unpaid parking fines owed to the District of Columbia as of the date of enactment of the F 1998 Appropriations Act, November 26, 1997? FY 1998 obligations will be reduced by 110% of the amount of unpaid parking fines owed to the District of Columbia as determined by M/B. As of 11-26-97, El Salvador owed \$2,880.00.

20. **Delivery of Humanitarian Assistance (FAA Sec. 620I, added by F 1997 Appropriations Act Sec. 559 562):** Has the government prohibited or otherwise restricted, directly or indirectly the transport or delivery of United States humanitarian assistance? If so, has the President made the necessary determination to allow assistance to be provided? No

21. **Nuclear Power Plant in Cuba (Sec. 111 of the LIBERTAD Act, P.L. 104-114, March 12, 1996):** Has the country or any entity in the country provided on after the dates of enactment of the F 1996 Appropriations Act, January 27, 1996, or the LIBERTAD Act, March 12, 1996, assistance or credits in support of the Cuban nuclear facility at Juragua, Cuba. If so, has the overall assistance allocation of funds for that country taken into account the requirements of this section to withhold assistance equal to the sum of any such assistance or credits? No

22. War Criminals

a. **Harboring War Criminals (FY 1998 Appropriations Act Sec. 561):** Has the government of the country knowingly granted sanctuary to persons in its territory for the purpose of evading prosecution, where such persons-- No

(i) have been indicted by the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda, or any other international tribunal with similar standing under international law, or

(ii) have been indicted for war crimes or crimes against humanity committed during the period beginning March 23, 1933, and ending on May 8, 1945 under the direction of, or in association with (1) the Nazi government of Germany; (2) any government in any area occupied by the military forces of the Nazi government of Germany; (3) any government which was established with the assistance or cooperation of the Nazi government; or (4) any government which was an ally of the Nazi government of Germany?

b. **Granting Sanctuary to Indicted War Criminals (FY 1998 Appropriations Act Sec. 573):** Have the competent authorities of the country, entity or canton failed, as determined by the Secretary of State, to take necessary and No

significant steps to apprehend and transfer to the International Criminal Tribunal for the former Yugoslavia, all persons who have been publicly indicted by the Tribunal?

If so, do any of the exceptions listed in Sec. 573(c) apply, and/or, has the Secretary of State specifically waived the application of the restrictions to bilateral or multilateral assistance, as provided in Sec. 539 (e)?

B. DEVELOPMENT ASSISTANCE ONLY

Human Rights Violations (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?

No

C. ECONOMIC SUPPORT FUND ONLY

Human Rights Violations (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?

No

JS

LAC/CEN:JSullivan/cklist.es/01/16/98:2-1063

Clearances:

LAC/CEN:JWeber	<i>[Signature]</i>	Date: <u>1/27/98</u>
LAC/SAM:JStanley	<i>[Signature]</i>	Date: <u>11/22/98</u>
LAC/GC:Sallen	<i>[Signature] SA</i>	Date: <u>1/22/98</u>

LAC/CEN:JSullivan/cklist.es/01/16/98:2-1063

Clearances:

ARA/CEN:JFelley	(Draft)	Date:	01/22/98
State/IO/S/B:DLeis	<i>DL</i>	Date:	1/23/98
State/INL/P:LNavarro	<i>DL</i>	Date:	1/23/98
State/DRL/AAA:DTitus	<i>DM</i>	Date:	1/23/98
State/M/OFM/VTC:KAustin	<i>KA</i>	Date:	1/23/98

dl

ASSISTANCE CHECKLIST

Listed below are criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to: (A) both DA and ESF assistance; (B) DA only; or (C) ESF only.

CROSS REFERENCE: IS COUNTRY CHECKLIST UP TO DATE? Yes, approved on 1/22/98

A. DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND

1. Congressional Notification

a. **General Requirement** (FY 1998 Appropriations Act Sec. 515; FAA Sec. 634A): If the obligation has not previously justified to Congress, or is for an amount in excess of the amount previously justified to Congress, has a Congressional Notification been made?

No funds will be obligated for this activity, until the CN has been delivered to the required Congressional Committee, and the statutory period has expired.

b. **Special Notification Requirement** (FY 1998 Appropriations Act, "Burma" and "NIS" Title II headings and Sec. 520): For obligations for NIS countries, Burma, Colombia, Haiti, Liberia, Pakistan, Panama, Peru, Serbia, Sudan or the Democratic Republic of Congo has a Congressional Notification been submitted, regardless of any justification in the Congressional Presentation?

N/A

c. **Notice of Account Transfer** (FY 1998 Appropriations Act Sec. 509): If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a

N/A

written justification to the House and Senate Appropriations Committees?

d. Cash Transfers and Nonproject Sector Assistance (FY 1998 Appropriations Act Sec. 532(b)(3)): If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted?

N/A

2. Engineering and Financial Plans (FAA Sec. 611(a)): Prior to an 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

3. Legislative Action (FAA Sec. 611(a)(2)): If the obligation is in excess of \$500,000 and requires legislative action within the recipient country, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?

No expenditures will be incurred under the SOAG until ratification by the Legislative Assembly occurs.

4. Water Resources (FAA Sec. 611(b)): If the assistance is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with

N/A

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the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)?

5. Cash Transfer/Nonproject Sector Assistance Requirements (FY 1998 Appropriations Act Sec. 532). If assistance is in the form of a cash transfer or nonproject sector assistance:

a. Separate Account: Are all such cash payments to be maintained by the country in a separate account and not commingled with any other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)? N/A

b. Local Currencies: If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies: N/A

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by a g r e e m e n t the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account? N/A

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(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

N/A

(3) Has A.I.D. taken all necessary steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

N/A

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

N/A

6. Capital Assistance

a. (FAA Sec. 611(e)): If capital assistance is proposed (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 to maintain and utilize the assistance effectively?

N/A

b. (Jobs Through Export Act of 1992, Secs. 303 and 306(b)), P.L. 102-549, 22 U.S.C. 2421b and 2421d(b): If assistance is being provided for a capital activity, is the activity developmentally sound and will it measurably alleviate the worst

N/A

manifestations of poverty or directly promote environmental safety and sustainability at the community level?

7. Local Currencies

a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

The Recipients will be required to contribute 25% of counterpart funding.

b. **US-Owned Foreign Currencies**

(1) **Use of Currencies** (FAA Secs. 612(b), 636(h): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services.

N/A

(2) **Release of Currencies** (FAA Sec. 612(d)): Does the U.S. own non-PL 480 excess foreign currency of the country and, if so, has the agency endeavored to obtain agreement for its release in an amount equivalent to the dollar amount of the assistance?

No

8. **Trade Restrictions - Surplus Commodities** (FY 1998 Appropriations Act Sec. 513(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on

N/A

world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

9. **Environmental Considerations** (FAA Sec. 117; USAID Regulation 16, 22 CFR Part 216): Have the environmental procedures of USAID Regulation 16 been met?

Determinations for the various activities were submitted to Washington in August 1997. No funds will be obligated until the Mission has received a favorable response to these determinations.

10. **PVO Assistance**

a. **Auditing** (FY 1998 Appropriations Act Sec. 549): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of USAID?

If an U.S institution is contracted under this activity, the annual audit requirements for the institution will be carried out in accordance with ADS section 591.5.1 "Audits of U . S . " N o n - P r o f i t Organizations", or ADS section 591.5.3 "Audits of U.S. For-Profit Firms". The AID/W Office of Procurement has audit cognizance, no funds have been budgeted separately for audit purposes.

b. **Funding Sources** (FY 1998 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government? If not, has the requirement been waived?

At this moment, it has not been determined whether a U.S. PVO will assist in implementing this activity. If an U.S. is selected, the U.S. PVO will have to be in compliance with this requirement.

11. **Agreement Documentation** (ADS 350.5.5; Case-Zablocki Act, 1 U.S.C. Sec. 112b, 22 C.F.R. Part 181): For any bilateral agreement with an obligation of \$25 million or over, has the date of signing and the amount involved been cabled to State L/T immediately upon signing and has the full text of the agreement been pouched to State/L within 20 days of signing?

A copy of the bilateral agreement will be provided when the amount of the obligation is \$25 million or over.

12. **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

Yes

Yes

13. **Abortions** (FAA Sec. 104(f); FY 1998 Appropriations Act, Title II, under heading "Development Assistance" and Sec. 518):

a. 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? (Note that the term "motivate" does not include the provision, consistent with local law, of information or counseling about all pregnancy options.)

No

b. 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

c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

No

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services? (As a legal matter, DA only.)

Yes

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such

No

applicant's religious or conscientious commitment to offer only natural family planning? (As a legal matter, DA only.)

f. 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

g. Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization? No

14. Procurement

a. **Source, Origin and Nationality** (FAA Sec. 604(a)): Will all procurement be from the U.S., the recipient country, or developing countries except as otherwise determined in accordance with agency rules? Yes

b. **Marine Insurance** (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

c. **Insurance** (FY 1998 Appropriations Act Sec. 529): Will any A.I.D. contract and solicitation, and subcontract Yes

entered into under such contract, include a clause requiring that U.S. insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate?

d. Non-U.S. Agricultural Procurement (FAA Sec. 604(e)): 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

e. Construction or Engineering Services (FAA Sec. 604(g)): Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those 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.)

N/A

f. Cargo Preference Shipping (FAA Sec. 603): Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed

No

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?

g. Technical Assistance (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

N/A

h. U.S. Air Carriers (Fly America Act, 49 U.S.C. Sec. 1517): 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

i. Consulting Services (FY 1998 Appropriations Act Sec. 548): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?

Yes

j. Notice Requirement (FY 1998 Appropriations Act Sec. 546): Will agreements or

Yes

contracts contain notice to the effect that it is the Sense of the Congress that, to the greatest extent practicable equipment and products purchased with funds appropriated under the FY 1998 Appropriations Act should be American-made?

15. **Construction**

a. **Capital Assistance** (FAA Sec. 601(d)): If capital (e.g., construction) assistance, will U.S. engineering and professional services be used? N/A

b. **Large Projects - Congressional Approval** (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 Congressional Presentation), or does assistance have the express approval of Congress? N/A

16. **U.S. Audit Rights** (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

17. **Communist Assistance** (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 Yes

projects or activities of the Communist-bloc countries?

18. Narcotics

a. **Cash Reimbursements** (FAA Sec. 483): Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated?

N/A

b. **Assistance to Narcotics Traffickers** (FAA Sec. 487): Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance?

Yes

19. Expropriation and Land Reform (FAA Sec. 620(g)): Will assistance preclude use of financing 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

20. Police and Prisons (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces (see

Yes

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exceptions in section 660) ?

21. **CIA Activities** (FAA Sec. 662): Will assistance preclude use of financing for CIA activities? Yes

22. **Motor Vehicles** (FAA Sec. 636(i)): Will assistance preclude use of financing 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

23. **Export of Nuclear Resources** (FY 1995 Appropriations Act Sec. 506): Will assistance preclude use of financing to finance, except for purposes of nuclear safety, the export of nuclear equipment, fuel, or technology? Yes

24. **Publicity, Propaganda and Lobbying** (FY 1998 Appropriations Act Sec. 545; Anti-Lobbying Act, 18 U.S.C. § 1913): Will assistance be used to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? No

25. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement? No

26. **Impact on U.S. Jobs** (FY 1998 Appropriations Act, Sec. 538):

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a. Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a manner that would likely reduce the number of U.S. employees of that business? No

b. Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U.S.? No

c. Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, or will assistance be for the informal sector, micro or small-scale enterprise, or smallholder agriculture? No

B. DEVELOPMENT ASSISTANCE ONLY

1. **Agricultural Exports (Bumpers Amendment)** (FY 1998 Appropriations Act Sec. 513(b)), as interpreted by the conference report for the original enactment): If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or N/A



introduction, consultancy, publication, conference, or training), are such activities: (a) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (b) in support of research that is intended primarily to benefit U.S. producers?

2. **Recipient Country Contribution** (FAA Secs. 110, 124(d)): Will the recipient country provide at least 25 percent of the costs of the activity with respect to which the assistance is to be furnished or is this cost-sharing requirement being waived for a "relatively least developed" country?

Yes

No

3. **Forest Degradation** (FAA Sec. 118):

a. Will assistance be used for the procurement or use of logging equipment? If so, does the an environmental assessment indicate 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?

N/A

b. Will assistance be used for: (1) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas; (2) activities which would result in the conversion of forest lands to the rearing of livestock; (3) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (4) the colonization of forest lands; or (5) the construction of dams or other water control structures which flood relatively undergraded forest lands? If so, does the environmental assessment indicate 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?

N/A

4. **Deobligation/Reobligation** (FY 1998 Appropriations Act Sec. 510): If deob/reob authority is being used under section 510 in the provision of DA assistance, are the funds being obligated for the same general purpose and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified? [Note: Compare to no-year authority under section 511.]

N/A

5. Loans

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

b. **Long-Range Plans** (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? N/A

c. **Interest Rate** (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter? N/A

d. **Exports to United States** (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

6. **CITIES -Convention on International trade in Endangered Species of Flora and Fauna. (New for FY 98) (FY 1998 Appropriations Act, Title II under "Development Assistance" heading). Is the activity not** Yes

in contravention of CITIES?

7. **Planning and Design Considerations.** Has agency guidance or the planning and design documentation for the specific activity taken into account the following, as applicable?

a. **Economic Development.** FAA Sec. 101(a) requires that the activity give reasonable promise of contributing to the development of economic resources or to the increase of productive capacities and self-sustaining economic growth.

Yes

b. **Special Development Emphases.** FAA Secs. 102(b), 113, 281(a) require that assistance: (1) 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 appropriate U.S. institutions; (2) encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries.

Yes (1-5)

c. **Development Objectives.** FAA Secs. 102(a), 111, 113, 281(a) require that assistance: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out 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; (2) 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; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

Yes (1-5)

d. **Agriculture, Rural Development and Nutrition, and Agricultural Research.** FAA Secs. 103 and 103A require that: (1) **Rural poor and small farmers:** assistance for agriculture, rural development or nutrition be specifically designed to increase productivity and income of rural poor; and assistance for agricultural research take into account the needs of small farmers and make extensive use

N/A (1)

Assistance Checklist

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of field testing to adapt basic research to local conditions;

(2) **Nutrition:** assistance be used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people; (3)

Yes (2)

Food security: assistance increase national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

N/A (3)

e. Population and Health.

FAA Secs. 104(b) and (c) require that assistance for population or health activities emphasize low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel,

Yes

clinics and health posts, commercial distribution systems, and other modes of community outreach.

f. Education and Human Resources Development.

FAA Sec. 105 requires that assistance for education, public administration, or human resource development (1) strengthen nonformal education, make formal education more relevant, especially for rural families and urban poor, and strengthen management capability of institutions enabling the poor to participate in development; and (2) provide advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

Yes

g. Energy, Private Voluntary Organizations, and Selected Development Activities.

FAA Sec. 106 requires that assistance for energy, private voluntary organizations, and selected development problems may be used for (1) data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of research on and development and use of small-scale, decentralized, renewable energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum

N/A (1)

capital investment; (2) technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations; (3) research into, and evaluation of, economic development processes and techniques; (4) reconstruction after natural or manmade disaster and programs of disaster preparedness; (5) special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U.S. assistance; (6) urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development.

Yes (2)

N/A (3)

N/A (4)

Yes (5)

N/A (6)

h. Appropriate Technology. FAA Sec. 107 requires that assistance emphasize use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor.

Yes

i. Tropical Forests. FAA Sec. 118 and FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act) require that:

(1) **Conservation:** assistance place a high priority on conservation and sustainable management of

N/A

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tropical forests and specifically: (i) stress the importance of conserving and sustainably managing forest resources; (ii) 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; (iii) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (iv) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (v) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (vi) conserve forested watersheds and rehabilitate those which have been deforested; (vii) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (viii) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (ix) 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; (x) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; (xi) utilize the resources and abilities of all relevant U.S. government agencies; (xii) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and (xiii) take full account of the environmental impacts of the proposed activities on biological diversity.

(2) **Sustainable Forestry:** assistance relating to tropical forests assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry.

N/A

j. **Biological Diversity.** FAA Sec. 119(g) requires that assistance: (i) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (ii) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (iii) support efforts to identify and survey ecosystems in recipient countries worthy of protection;

N/A

or (iv) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas.

k. Benefit to Poor Majority. FAA Sec. 128(b) requires that 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, it be designed and monitored to ensure that the ultimate beneficiaries are the poor majority. Yes

l. Indigenous Needs and Resources. FAA Sec. 281(b) requires that an activity recognize the particular needs, desires, and capacities of the people of the country; utilize the country's intellectual resources to encourage institutional development; and support civic education and training in skills required for effective participation in governmental and political processes essential to self-government. Yes

m. Energy. FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act) requires that assistance relating to energy focus on: (1) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (2) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse N/A

gases.

n. **Debt-for-Nature Exchange.** FAA Sec. 463 requires that assistance which will finance a debt-for-nature exchange (1) support protection of the world's oceans and atmosphere, animal and plant species, or parks and reserves; or (2) promote natural resource management, local conservation programs, conservation training programs, public commitment to conservation, land and ecosystem management, or regenerative approaches in arming, forestry, fishing, and watershed management.

N/A

C. ECONOMIC SUPPORT FUND ONLY

1. **Economic and Political Stability** (FAA Sec. 531(a)): Does the design and planning documentation demonstrate that the assistance will promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA?

N/A

2. **Military Purposes** (FAA Sec. 531(e)): Will this assistance be used for military or paramilitary purposes?

N/A

3. **Commodity Grants/Separate Accounts** (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? (For FY 1998, this provision is superseded by the separate account requirements

N/A

of FY 1998 Appropriations Act
Sec. 532(a), see Sec.
532(a)(5).)

4. Generation and Use of Local Currencies (FAA Sec. 531(d)):
Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1998, this provision is superseded by the separate account requirements of FY 19987 Appropriations Act Sec. 532(a), see Sec. 532(a)(5).)

N/A

Annex B

CONGRESSIONAL NOTIFICATION (CN)

A Congressional Notification (CN) for the Healthy Salvadorans (*Salvadoreños Saludables, SALSA*) Activity No. 519-0430 will be prepared as soon as its NAD is approved.

ANNEX C



Agency for International Development
United States of America A.I.D.
c/o American Embassy
San Salvador, El Salvador, C.A.

So4 - Environment Office

INITIAL ENVIRONMENTAL EXAMINATION

Activity Location: El Salvador
Activity title: Sustainable improvements in Health of Women and Children
Project Number: 519-0430
Funding: \$37,449,000
Life of Project: 5 years
IEE Prepared BY: Peter H. Gore
Environmental Officer
USAID, El Salvador
Recommended Threshold Decision: Positive Determination
Mission Threshold Decision: Concur with Recommendation
Date Prepared: June 30, 1997


Kenneth C. Ellis
Mission Director

Date

Sustainable improvements in Health of Women and Children

(519-0430)

I. Activity Description

The new activity will include most of the features of the current child survival and reproductive health activities, incorporating their most successful aspects. For the child survival area, the new activity will include technical interventions such as:

Control and prevention of diarrheal Diseases

Control of acute respiratory infections

Vaccinations

Breastfeeding promotion

Health and nutrition education and counseling

Growth monitoring

Education for prevention of violence.

Control and prevention of diarrheal Diseases will include interventions such as: training of health promoters and midwives on causes and methods of diarrhea prevention, preparation and use of oral rehydration solutions and referral of high risk cases.

Control of acute respiratory infections includes training on identification of individuals at risk, detection of infection, simple treatments and referral of high risk cases.

Vaccinations will include the promotion of and support to national campaigns and training for health promoters and midwives.

Breastfeeding promotion will include child feeding practices, healthy food practices and breastfeeding.

Health and nutrition education and counseling will promote hygiene education, waste disposal, use of clean water, maintaining a clean house, use of stoves outside the house with appropriate ventilation, balanced diets for small children, prevention of malnutrition and appropriate feeding practices during illnesses.

Growth monitoring activities will include training of promoters, midwives and caregivers.

Education for prevention of violence will include support for educational activities in the prevention of violence and abuse in young children and women.

For the reproductive health area, the new activity will include five essential components:

- Pre-natal care
- Safe deliveries
- Post-natal care
- Family planning
- Sexually transmitted disease education including HIV/AIDS

Prenatal care interventions will deal with activities such as: strengthening the referral system, reinforcing actions aimed at vaccinating women in fertile age with tetanus toxoid vaccine, etc.

Safe deliveries interventions will consist of activities such as but not limited to: raising awareness of women and adolescents regarding the importance of having a delivery attended by trained personnel, better training and supervision to midwives, doctors, nurses and personnel that attend deliveries, and identification of women at risk and referral of high risk cases to health facilities.

Post natal care interventions will include more extensive and earlier post natal care, inclusion of family planning counseling among the women who seek post-natal care, and training to midwives and health promoters to identify women at risk, to refer high risk cases to health facilities.

Family planning interventions will focus on activities such as but not limited to: providing more family planning services to the population, training, education and service provision for the rural areas, as well as promoting more male involvement with regard to family planning.

Sexually transmitted diseases including HIV/AIDS interventions will consist in education activities, community participation, peer counseling, coordination and support of activities with the Regional C.A. AIDS project, (PASCA) and improve the detection and reporting of infectious diseases.

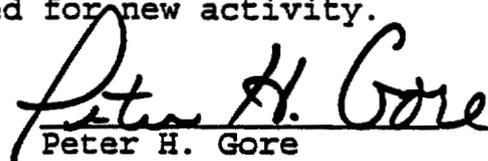
Current approaches will be evaluated during the activity design phase, and as a result will be modified, replicated and improved.

For policy activities, these will be the coordinating mechanism for plans developed and implemented under other SO3 activities to obtain an enhanced policy environment in support of the sustainability of child survival and reproductive health programs. Policy activities will be developed to correct structural problems in the health sector so that this improvement can continue at an accelerated rate and become self-sustaining.

The method of implementation of the new activity will be chosen during the design and it may include US and local NGO's, as well as US and local contractors.

II. Recommendation

Based on the information in this New Activity Description, the actions contemplated are essentially the same as those being implemented under the ongoing activities 519-0308, 519-0363, and 519-0367. These activities currently being implemented operate under approved IEEs (LAC-IEE-91-36, positive determination), (LAC-IEE-90-08, negative determination), and (LAC-IEE-91-05, positive determination). The two activities with positive IEE determinations, 519-0308 and 519-0367 operate under approved Environmental Assessments (STATE 254773) (STATE 353499). We recommend that the new activity, 519-0430, be granted a Positive Threshold Decision because it may include actions similar to the previously mentioned, 519-0308 and 519-0367, and that it be subject to all the mitigations, where appropriate, required under the approved Environmental Assessments for 519-0308 and 519-0367. With this linkage, we, therefore recommend that no further environmental investigation be required for new activity.



Peter H. Gore
Environmental Officer
USAID/El Salvador

Concurrence:



Kenneth C. Ellis
Mission Director
USAID/El Salvador



Agency for International Development
United States of America A.I.D.
c/o American Embassy
San Salvador, El Salvador, C.A.

Environmental Office SO#4

CATEGORICAL EXCLUSION OF INITIAL ENVIRONMENTAL EXAMINATION

Activity Location: El Salvador
Activity Title: Displaced And Street Children's Project
Project Number: 519-0420
Funding \$1,705,500 (LOP)
Project agreement Signed: Sept. 30, 1994
PACED: March 31, 1998
IEE Prepared by: Peter Gore
Environmental Officer
USAID El Salvador
Recommended Threshold Decision: Categorical Exclusion
Mission Threshold Decision: Concur with Recommendation
Date Prepared: July 18, 1997


Kenneth C. Ellis
Mission Director

31 July, 1997
Date

CATEGORICAL EXCLUSION OF INITIAL ENVIRONMENTAL EXAMINATION

Displaced And Street Children's Project (PROCIPOTES)
(519-0420)

I. Activity Description

Medical Service Corporation International (MSCI) submitted an unsolicited proposal which resulted in an AID Grant of \$1,705,500 million from the Displaced Childre and Orphan's Fund (DCOF). The purpose of the Activity is to develop a community-based PVO network to promote and increase access to educational, recreational, mental, and physical health services and non-exploitative income generating strategies for street children and children at high risk of becoming street children. The project's goals, based on the needs of the children, are structured to provide and increase access to literacy skills and education/recreation, vocational skills and employment opportunities, awareness of children's rights through public education, health care services and support, and psychological support. Project activities are grouped in four components:

Component 1. Education\Recreational Component

Under this component, the activity seeks to improve the literacy level of the target population by evaluating children to determine cognitive development and vocational aptitudes in order to place them in vocational training or jobs. Strategies will be implemented which schooling (formal or informal) and provide tutoring services and other support mechanisms for the target population enrolled.

They will evaluate the physical motor development of each child and establish recreational objectives and promote integral growth through activities that stimulate emotional, cognitive, physical, motor and social development. In this component, they will involve the community in carrying out programs that promote the concept of social integration, and those which promote civic and cultural development.

Component 2. Psycho-Social Development

In this component, they seek to improve the physical and emotional health of the population by carrying out individual medical evaluations. They implement strategies for the prevention and control of sexually transmitted diseases and preventing early pregnancies; strategies on how to decrease the use of inhalants (glue), drugs, and alcohol consumption. In the area of mental health, they will provide group therapy to the target population and try to improve communication between family members through counseling sessions.

Component 3. Socio-Economic Development

Under this component, the activity will try to improve the quality of life of the street children through access to formal and non-formal education (vocational training). There is a fund for scholarships and they promote work study programs income generating projects that emphasize small business concepts and community participation.

Component 4. Community Participation Component

The community actively participates in the analysis of the local situation and searches for solutions concerning children and youth at risk and in crisis. The activity created a community inter-institutional committee that supports the Convention of the Rights of the Child. They also established close collaboration between private business and local government representatives and the NGO in order to make Project implementation a community priority.

II. Recommendation

Since the actions contemplated under this activity will not have an effect on the natural or physical environment, this activity qualifies for Categorical Exclusion of Initial Environment Examination under Section 216.2(c)(2)(i), "Educational, technical assistance, or training..." and (iii) "Analyses, studies, academic or research workshops and meetings," of 22CFR.



Agency for International Development
United States of America A.I.D.
c/o American Embassy
San Salvador, El Salvador, C.A.

So4 -- Environment Office

INITIAL ENVIRONMENTAL EXAMINATION

Activity Location: El Salvador

Strategic Objective Title: SO#3 Sustainable Improvement
in Health of Women and
Children

Results Package Title: RP#3.1 Increased use of
appropriate child
survival practices and
services.

Results Package IEE Prepared BY: Peter H. Gore
Environmental Officer
USAID/El Salvador

Recommended Threshold Decision: Positive Determination

Mission Threshold Decision: Concur with Recommendation

Date Prepared: June 23, 1997

Attachments: Current Activities
Proposed Activities
New IEE for 519-0430


Kenneth C. Ellis
Mission Director

31 July, 1997
Date

INITIAL ENVIRONMENTAL EXAMINATION

Strategic Objective Title: SO#3 Sustainable Improvement
in Health of Women and
Children Achieved

Results Package Title: RP#3.1 Increased use of
appropriate child
survival practices
and services.

I. Results Package Description

The Package presently consists of three projects: 519-0308 Health system Support with the Ministry of Health, 519-0363 Salvadorean Demographic Association, and 519-0367 MSCI/PROSAMI.

Project 519-0308 MOH, supports the MOH to strengthen the capacity and responsibilities of the health promoters including doubling the number of medicines he/she dispenses. The project also supports mass media efforts to promote vaccination campaigns.

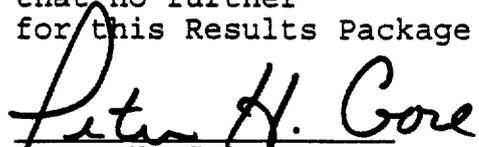
Project 519-0363 provides primary health services through community education (via health promoters), regarding birthspacing, maternal and child health, pre and post-natal care, nutrition and referral of children to health facilities, treatment of immunopreventable and sexually transmitted diseases and of diarrhea, and through distribution of contraceptives.

Project 519-0367, is implemented by 12 local NGOs to provide primary health services via health promoters and midwives to rural areas. A second purpose of the project is to strengthen the administrative and technical capacity of these NGO's so they may continue as viable organizations.

The new activities under this RP will address all aspects of child survival as well as education for preventing violence in the family.

II. Recommendation

Based on the information attached which documents the current activities being implemented under this Results Package, and the description of proposed future activity, we recommend a Positive Determination for this Results Package. Nevertheless, since the activities currently being implemented in support of this Results Package operate under approved IEEs, (LAC-IEE-91-36, positive determination), (LAC-IEE-90-08, negative determination), (LAC-IEE-91-05, positive determination), and approved Environmental Assessments (STATE 254773) (STATE 353499), and that the new activity (519-0430) is linked to those approved Environmental assessments, we recommend that no further environmental investigation be required for this Results Package.


Peter H. Gore
Environmental Officer
USAID/El Salvador

Concurrence:


Kenneth C. Ellis
Mission Director
USAID/El Salvador

Proposed Activities

Activity Title:	Maternal Health/Child Survival
Activity Number:	519-0430
Funding:	\$37,449,000
Original IEE Number:	Not yet assigned
Recommended Threshold Decision:	Positive Determination
Bureau Threshold Decision:	

Current Activities

Activity Title: Health System Support
Activity Number: 519-0308
Funding: \$77,000,000
Original IEE Number: LAC-IEE-91-36
Recommended Threshold Decision: Negative Determination
Bureau Threshold Decision: Positive Determination (for Malaria Component April 1991)
Environmental Assessment Approval: CABLE -- STATE 254773
Date Approved: April 1990

Activity Title: Family Health Services
Activity Number: 519-0363
Funding: \$27,000,000
Original IEE Number: LAC-IEE-90-08
Recommended Threshold Decision: Negative Determination
Bureau Threshold Decision: Negative Determination (2/90)

Activity Title: Maternal Health/Child Survival
Activity Number: 519-0367
Funding: \$34,000,000
Original IEE Number: LAC-IEE-91-05
Recommended Threshold Decision: Positive Determination
Bureau Threshold Decision: Positive Determination (10/90)
Environmental Assessment Approval: Cable -- STATE 353499
Date Approved: October 1990



Agency for International Development
United States of America A.I.D.
c/o American Embassy
San Salvador, El Salvador, C.A.

So4 -- Environment Office

INITIAL ENVIRONMENTAL EXAMINATION

Activity Location: El Salvador

Strategic Objective Title: SO#3 Sustainable Improvements
in Health of Women and
Children achieved

Results Package Title: RP#3.2 Increased use of
appropriate
reproductive health
practices and
services

Results Package IEE Prepared BY: Peter H. Gore
Environmental Officer
USAID/El Salvador

Recommended Threshold Decision: Positive Determination

Mission Threshold Decision: Concur with Recommendation

Date Prepared: June 23, 1997

Attachments: Current Activities
Proposed Activities
New IEE for 519-0420
New IEE for 519-0430


Kenneth C. Ellis
Mission Director


Date

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INITIAL ENVIRONMENTAL EXAMINATION

Strategic Objective Title: SO#3 Sustainable Improvement
in Health of Women and
Children Achieved

Results Package Title: RP#3.2 Increased use of
appropriate
reproductive health
practices and
services.

I. Results Package Description

The Package is presently supported by four projects: Health Systems Support Project No. 519-0308 with the Ministry of Health (MOH), Family Health Services Project No. 519-0363 implemented by the Salvadorean Demographic Association (SDA), the Maternal Health and Child Survival Project No. 519-0367 implemented by 12 local NGO's, and 519-0420 the Displaced and Street Children implemented by 5 local NGO's.

Project 519-0308 with the MOH, addresses RP related activities in areas such as: maternal health, pre and post natal care, attendance of deliveries, family planning, increasing the mix of temporary contraceptive methods available, education and promotion in family planning, and STD's and HIV/AIDS community based programs for the prevention, detection, treatment and control of STD's including HIV/AIDS.

Project 519-0363 provides risk populations in rural and marginal urban communities, attending women in fertile age and children under 5 years. The SDA expands Reproductive Health and Family Planning services through its rural program, clinical program and the social marketing program. The network of rural health promoters and health committiees promote prenatal care , safe deliveries and the importance of post-natal care, contraceptives, and Family Planning community education. The SDA clinic system provides services such as distribution of contraceptives, treatment of immunizable and sexually transmitted diseases, birth spacing, maternal and child health, pre and post natal care and nutrition.

Project 519-0367 PROSAMI, is implemented by 12 local NGO's through community participation with Health Promoters, traditional birth attendants or midwives, health committees and community volunteers. In addition these NGO's hold group education sessions and promoters make home visits to detect family health care needs and to provide individual education. All PROSAMI NGO's are working in both primary and secondary prevention related to the prenatal, postpartum and birth. PROSAMI attends birth deliveries through their midwives trained in conjunction with the MOH.

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Project 519-0420 - PROCIPOTES, is implemented by five local NGO's throughout El Salvador. The project has developed a community based NGO network to promote and increase access to education, health services, recreation and non exploitative income generating strategies.

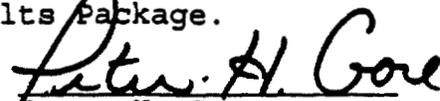
The new activities under this RP will address the adequate provision of Reproductive Health services by concentrating in the following areas:

- Pre-natal Care
- Safe Deliveries
- Post-Natal Care
- Family Planning
- STD including HIV/AIDS

New activities will include most of the features of the current activities incorporating their most successful aspects in the above mentioned areas. Current approaches will be evaluated during the design phase, and as a result will be modified, replicated and improved.

II. Recommendation

Based on the information attached which documents the current activities being implemented under this Results Package, and the description of proposed future activity, we recommend a Positive Determination for this Results Package. Nevertheless, since the activities currently being implemented in support of this Results Package, operate under approved IEEs (LAC-IEE-90-08, negative determination), (LAC-IEE-91-36, positive determination), (LAC-IEE-91-05, positive determination), (LAC-IEE-Categorical Exclusion recommended) and approved Environmental Assessments (STATE 254773) (STATE 353499), and that the new activity (519-0430) is linked to the approved Environmental Assessments for 519-0308 and 519-0367, we recommend that no further environmental investigation be required for this Results Package.


Peter H. Gore
Environmental Officer
USAID/El Salvador

Concurrence:


Kenneth C. Ellis
Mission Director
USAID/El Salvador

Current Activities

Activity Title: Health System Support
Activity Number: 519-0308
Funding: \$77,000,000
Original IEE Number: LAC-IEE-91-36
Recommended Threshold Decision: Negative Determination
Bureau Threshold Decision: Positive Determination (for Malaria Component, April 91)
Environmental Assessment Approval: CABLE -- STATE 254773
Date Approved: February 1990

Activity Title: Family Health Services
Activity Number: 519-0363
Funding: \$27,000,000
Original IEE Number: LAC-IEE-90-08
Recommended Threshold Decision: Negative Determination
Bureau Threshold Decision: Negative Determination

Activity Title: Maternal Health/Child Survival
Activity Number: 519-0367
Funding: \$34,000,000
Original IEE Number: LAC-IEE-91-05
Recommended Threshold Decision: Positive Determination
Bureau Threshold Decision: Positive Determination (10/90)
Environmental Assessment Approval: CABLE STATE 353499
Date Approved: October 1990

Activity Title: Displaced and Street Children
Activity Number: 519-0420
Funding: \$1,305,500
Original IEE Number: Not yet assigned
Recommended Threshold Decision: Categorical Exclusion
Bureau Threshold Decision:

Proposed Activities

Activity Title: Maternal Health/Child Survival
Activity Number: 519-0430
Funding: \$37,449,000
Original IEE Number: Not yet assigned
Recommended Threshold Decision: Positive
Bureau Threshold Decision:



Agency for International Development
United States of America A.I.D.
c/o American Embassy
San Salvador, El Salvador, C.A.

So4 -- Environment Office

INITIAL ENVIRONMENTAL EXAMINATION

Activity Location: El Salvador

Strategic Objective Title: SO#3 Sustainable Improvements
in Health of Women and
Children achieved

Results Package Title: RP#3.3 Enhanced Policy
Environment to
support
sustainability of
Child Survival and
Reproductive Health
Programs.

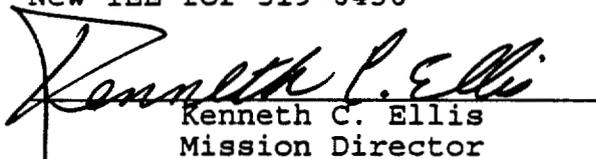
Results Package IEE Prepared BY: Peter H. Gore
Environmental Officer
USAID/El Salvador

Recommended Threshold Decision: Positive Determination

Mission Threshold Decision: Concur with Recommendation

Date Prepared: June 23, 1997

Attachments: Current Activities
Proposed Activities
New IEE for 519-0430


Kenneth C. Ellis
Mission Director


31 July, 1997
Date

INITIAL ENVIRONMENTAL EXAMINATION

Strategic Objective Title: SO#3 Sustainable Improvement
in Health of Women and
Children Achieved

Results Package Title: RP#3.3. Enhanced Policy
Environment to
support
sustainability of
Child Survival and
Reproductive Health
Programs.

I. Results Package Description

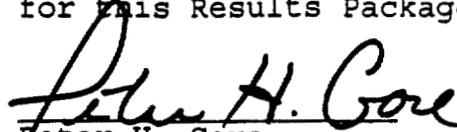
This RP can be described as a coordinating mechanism for plans developed and implemented under other SO3 activities to obtain an enhanced policy environment in support of sustainability of child survival and reproductive health programs. This RP also serves as the contact point for coordination with other international donors working in the health sector. Current actions under this RP are focused in the coordination of specific sustainability plans that have been developed by the different activities managed under the health strategic objective which are: activity 519-0308 (APSISA/MOH), activity 519-0363 (Salvadorean Demographic Association), and activity 519-0367 (PROSAMI/MSCI).

The proposed activity contemplated under this RP is being developed to correct structural problems in the sector so that improvement can continue at an accelerated rate and become self sustaining. To achieve this, four essential components will be addressed under this RP:

- Institutional reorganization of the health sector
- Reorganization of primary health care (PHC)
- Reorganization of specialized and hospital care (SHC)
- Strengthening of environmental health activities

II. Recommendation

Based on the information attached which documents the current activities being implemented under this Results Package, and the description of proposed future activity, we recommend a Positive Determination for this Results Package. Nevertheless, since the activities currently being implemented in support of this Results Package operate under approved IEEs, (LAC-IEE-91-36, positive determination), (LAC-IEE-90-08, negative determination), (LAC-IEE-91-05, positive determination), and approved Environmental Assessments (STATE 254773) (STATE 353499), and that the new activity (519-0430) is linked to those approved Environmental assessments, we recommend that no further environmental investigation be required for this Results Package.



Peter H. Gore
Environmental Officer
USAID/El Salvador

Concurrence:



Kenneth C. Ellis
Mission Director
USAID/El Salvador

Current Activities

Activity Title: Health System Support
Activity Number: 519-0308
Funding: \$77,000,000
Original IEE Number: LAC-IEE-91-36
Recommended Threshold Decision: Negative Determination
Bureau Threshold Decision: Positive Determination (for Malaria component, April 91)
Environmental Assessment Approval: CABLE -- STATE 053129
Date Approved: February 1990

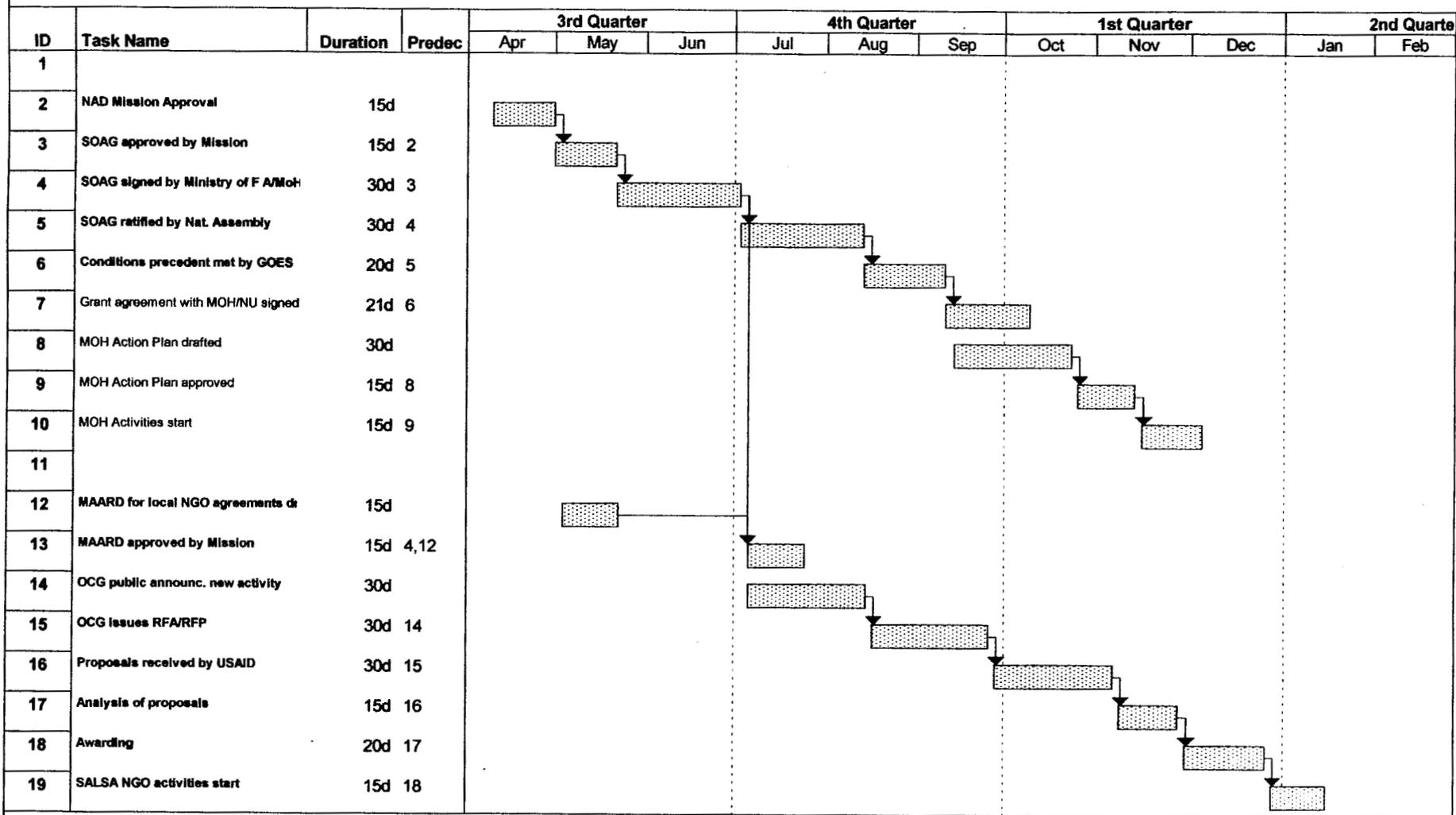
Activity Title: Family Health Services
Activity Number: 519-0363
Funding: \$27,000,000
Original IEE Number: LAC-IEE-90-08
Recommended Threshold Decision: Negative Determination
Bureau Threshold Decision: Negative Determination (2/90)

Activity Title: Maternal Health/Child Survival
Activity Number: 519-0367
Funding: \$34,000,000
Original IEE Number: LAC-IEE-91-05
Recommended Threshold Decision: Positive Determination
Bureau Threshold Decision: Positive Determination (10/90)
Environmental Assessment Approval: STATE 353499 CABLE
Date Approved: October 1990

Proposed Activities

Activity Title:	Maternal Health/Child Survival
Activity Number:	519-0430
Funding:	\$37,449,000
Original IEE Number:	Not yet assigned
Recommended Threshold Decision:	Positive Determination
Bureau Threshold Decision:	

ANNEX D
SALSA ACTIVITY No. 519-0430
TIMELINE OF KEY EVENTS



Project:
Date: 3/12/98

Task		Summary		Rolled Up Progress	
Progress		Rolled Up Task			
Milestone		Rolled Up Milestone			

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ANNEX E

ACTIVITY NO. 519-0430

SALSA OBLIGATIONS BY FISCAL YEAR AND ACCOUNT (U\$000)

FISCAL YEAR	POP		CS		AIDS		TOTALS		GRAND
	LC	FX	LC	FX	LC	FX	LC	FX	TOTAL
FY1998	\$2,650	\$950	\$2,350	\$550	\$160	\$100	\$5,160	\$1,600	\$6,760
FY1999	\$1,900	\$900	\$3,578	\$550	\$150	\$100	\$5,628	\$1,550	\$7,178
FY2000	\$3,650	\$350	\$4,447	\$500	\$150	\$100	\$8,247	\$950	\$9,197
FY2001	\$4,366	\$200	\$2,342		\$150	\$100	\$6,858	\$300	\$7,158
FY2002	\$4,366	\$200	\$2,341		\$150	\$100	\$6,857	\$300	\$7,157
TOTALS	\$16,932	\$2,600	\$15,058	\$1,600	\$760	\$500	\$32,750	\$4,700	\$37,450

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SALSA PROJECTED EXPENDITURES BY INSTITUTION, FISCAL YEAR AND TYPE OF COST (US\$000)

BUDGET BY INSTITUTION	TOTAL (US\$000)	FY98		FY98 Total	FY99		FY99 Total	FY00		FY00 Totals	FY01		FY01 Total	FY02		FY02 Total	FY03		FY03 Total	TOTALS
		Lc	Fx		Lc	Fx		Lc	Fx		Lc	Fx		Lc	Fx		Lc	Fx		
MINISTRY OF HEALTH	\$16,518			\$0	\$1,550		\$1,550	\$4,200		\$4,200	\$3,918		\$3,918	\$3,750		\$3,750	\$3,100		\$3,100	\$16,518
LOCAL NGOs	\$13,382			\$0	\$3,550		\$3,550	\$2,875		\$2,875	\$2,575		\$2,575	\$2,550		\$2,550	\$1,832		\$1,832	\$13,382
NATIONAL ASSEMBLY	\$350			\$0	\$100		\$100	\$80		\$80	\$80		\$80	\$45		\$45	\$45		\$45	\$350
NATIONAL UNIVERSITY	\$800			\$0	\$200		\$200	\$200		\$200	\$200		\$200	\$200		\$200	\$0		\$0	\$800
FIELD SUPPORT	\$4,700		\$170	\$170		\$1,325	\$1,325		\$1,580	\$1,580		\$945	\$945		\$450	\$450		\$250	\$250	\$4,700
USAID MGMNT.	\$1,700	\$100		\$100	\$150		\$150	\$325		\$325	\$350		\$350	\$350		\$350	\$425		\$425	\$1,700
TOTALS	\$37,450	\$100	\$170	\$270	\$5,550	\$1,325	\$6,875	\$7,680	\$1,580	\$9,260	\$7,123	\$945	\$8,068	\$6,895	\$450	\$7,345	\$5,402	\$250	\$5,652	\$37,450

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SALSA ACTIVITY NO. 519-0430

PROJECTED EXPENDITURES BY FISCAL YEAR, TYPE OF EXPENSE AND IMPLEMENTING ENTITY

(US\$000)

Programatic Area	Total Projected Expenditures	FY1998 Proj. Expend.		FY1999 Proj. Expend.		FY2000 Proj. Expend.		FY2001 Proj. Expend.		FY2002 Proj. Expend.		FY2003 Proj. Expend.		Total	
		Lc.	Fx.	Lc.	Fx.	Lc.	Fx.	Lc.	Fx.	Lc.	Fx.	Lc.	Fx.	Lc.	Fx.
A. Results Package No. 1-Child Survival														\$0	\$0
A. Ministry of Health	\$6,618			\$700		\$1,900		\$1,318		\$1,350		\$1,350		\$6,618	\$0
B. Local NGOs	\$2,400			\$2,000		\$400		\$0		\$0		\$0		\$2,400	\$0
C. National Assembly				\$0		\$0		\$0		\$0		\$0		\$0	\$0
D. National University	\$200			\$50		\$50		\$50		\$50		\$50		\$200	\$0
E. Field Support Activities (AID/WIG)	\$1,000		\$20		\$350		\$410		\$220		\$0		\$0	\$0	\$1,000
Total RP1	\$10,218	\$0	\$20	\$2,750	\$350	\$2,350	\$410	\$1,368	\$220	\$1,400	\$0	\$1,350	\$0	\$9,218	\$1,000
B. Results Package No. 2-Reproductive Health														\$0	\$0
A. Ministry of Health	\$6,000			\$500		\$1,500		\$1,400		\$1,500		\$1,100		\$6,000	\$0
B. Local NGOs	\$10,782			\$1,500		\$2,400		\$2,500		\$2,450		\$1,832		\$10,782	\$0
C. National Assembly				\$0		\$0		\$0		\$0		\$0		\$0	\$0
D. National University	\$100			\$50		\$50		\$0		\$0		\$0		\$100	\$0
E. Field Support Activities (AID/WIG)	\$3,100		\$150		\$775		\$950		\$625		\$400		\$200	\$0	\$3,100
Total RP2	\$19,982	\$0	\$150	\$2,050	\$775	\$3,950	\$950	\$3,900	\$625	\$3,950	\$400	\$2,932	\$200	\$16,882	\$3,100
C. Results Package No. 3-Policy and Reform														\$0	\$0
A. Ministry of Health	\$3,900			\$350		\$800		\$1,200		\$900		\$650		\$3,900	\$0
B. Local NGOs	\$300			\$50		\$75		\$75		\$100		\$0		\$300	\$0
C. National Assembly	\$350			\$100		\$80		\$80		\$45		\$45		\$350	\$0
D. National University	\$400			\$100		\$100		\$100		\$100		\$0		\$400	\$0
E. Field Support Activities (AID/WIG)	\$600		\$0		\$200		\$200		\$100		\$50		\$50	\$0	\$600
Total RP3	\$5,550	\$0	\$0	\$600	\$200	\$1,055	\$200	\$1,455	\$100	\$1,145	\$50	\$685	\$50	\$4,950	\$600
D. USAID Management	\$1,700	\$100		\$150		\$325		\$350		\$350		\$425		\$1,700	\$0
	\$1,700	\$100	\$0	\$150	\$0	\$325	\$0	\$350	\$0	\$350	\$0	\$425	\$0	\$1,700	\$0
GRAND SALSA TOTAL	\$37,450	\$100	\$170	\$5,550	\$1,325	\$7,680	\$1,580	\$7,073	\$945	\$6,845	\$450	\$5,402	\$250	\$32,750	\$4,700

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**OBLIGATIONS, EXPENDITURES & PIPELINE
SALSA ACTIVITY NO. 519-0430**

USAID	FY98	FY99	FY00	FY01	FY02	FY03	TOTAL
BEGINNING PIPELINE	0	5,060	5,138	5,705	5,440	5,402	
+PLANNED OBLIGATION	5,160	5,628	8,247	6,858	6,857	0	32,750
=TOTAL AVAILABLE	5,160	10,688	13,385	12,563	12,297	5,402	
-PLANNED EXPENDITURES	100	5,550	7,680	7,123	6,895	5,402	32,750
=ENDING PIPELINE	5,060	5,138	5,705	5,440	5,402	0	

USAID & COUNTERPART

TOTAL USAID PLANNED EXPENDITURES	100	5,550	7,680	7,123	6,895	5,402	32,750
TOTAL COUNTERPART PLANNED EXP.	34	2,356	2,444	2,394	2,573	5,652	15,453
TOTAL PLANNED EXPENDITURES	134	7,906	10,124	9,517	9,468	11,054	48,203

ACTIVITIES ACCOUNTED FOR BY AIDW

FIELD SUPPORT	FY98	FY99	FY00	FY01	FY02	FY03	TOTAL
BEGINNING PIPELINE	0	1,430	1,655	1,045	400	250	
+PLANNED OBLIGATION	1,600	1,550	950	300	300	0	4,700
=TOTAL AVAILABLE	1,600	2,980	2,605	1,345	700	250	
-PLANNED EXPENDITURES	170	1,325	1,560	945	450	250	4,700
=ENDING PIPELINE	1,430	1,655	1,045	400	250	0	
TOTAL USAID & FIELD SUPPORT							37,450

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Annex F

AMPLIFIED DESCRIPTION OF THE MINISTRY OF HEALTH AND HEALTH NGOS IN EL SALVADOR

Ministry of Health (MOH)

The MOH is the highest authority for health of the Government of El Salvador and is responsible for overseeing the health of the population, though citizens also have the obligation to take care of their health. It is responsible for setting and enforcing policies and norms for health services. Regulatory authority is shared with the Public Health Council (Consejo Superior de Salud Publica, CSSP) with respect to public and private health establishments, quality control of medicines, and control over the professional activities of health sector personnel.

The MOH is organized around three levels: the central level is normative and regulatory; it provides the budget, evaluates performance and exercises technical and administrative support functions; the departmental level manages and supervises health services at the local level; and the local or operational level, which is responsible for the direct implementation of health policies and programs.

Health services are organized in two divisions, human and environmental health. Human health (*Atención a la Persona*) comprises maternal and child health, RH, curative services, nutrition, mental health, dental health, epidemiology, laboratories, and health education. The environmental division covers sanitation, latrization, solid waste, potable water, food control, vector-borne diseases, etc.

The MOH is responsible for coverage of an estimated 80% of the population through its 30 hospitals, 350 health units, and 98 dispensaries. The MOH also has 1500 paid community health promoters, and has trained about 2,900 traditional midwives.

The MOH provides preventive and curative services directly, using its own infrastructure and personnel. Preventive maternal-child health services are offered free of charge. Hospital and other curative services are offered free to those who cannot pay. Cost-recovery systems are beginning to be applied for the non-poor, but have not yet been applied systematically throughout the system. The current fees have not been updated in line with costs. Currently, hospitals consume a disproportionate share--about 60%--of MOH resources, severely limiting the resources available for basic primary health care.

Traditionally the MOH has operated in a centralized and vertical manner in carrying out its programmatic, administrative, financial, logistic, and technical support functions. The MOH is currently in the process of decentralizing its functions to give the departmental and local levels greater decision power over goals, strategies, and resources. It has established 18 departmental directorates, with which the central level

is concluding annual management agreements (*compromisos de gestion*) in which the departmental level is held accountable for defined results, and management of its budget and programs in accordance with MOH norms. The MOH is also in the process of implementing local health systems (*sistemas sanitarios*), which consist of decentralized primary care services provided by promoters and health units, linked with a referral hospital or center which provides secondary clinical services. These systems also incorporate community participation, through committees involving municipal officials and community leaders; their role seems to be mainly to inform the community and promote use of services. To date such systems are being established on a pilot basis in some departments, with donor assistance.

Because of its preponderant role in providing health services, the MOH has had less involvement in developing and implementing policies, particularly those not involved with direct service delivery. Nor has it played a strong role in the health sector as a whole, since it has lacked sufficient political strength and the resources necessary to take a strong leadership or coordination role. Similarly, the MOH has also been hampered in monitoring and enforcing compliance with policies, standards, and norms.

There is at present no effective structure for coordination within the health system. The overlapping responsibilities of the MOH and the Consejo Superior de Salud Pública have also led to confusion and have weakened the roles of both institutions. The lack of any MOH control over the education and supply of health sector human resources in terms of the health needs of the country is a problem.

Although it is unable to fully meet the health needs of the population due to its resource and other limitations, the MOH has only begun to explore other alternatives for health service provision which might prove more cost-effective and of higher quality.

Health NGOs

While the MOH provides the bulk of health care services in El Salvador, a good proportion of basic rural health care is provided through NGOs, national and international. NGOs have always played an important role in El Salvador's development. Estimates of Salvadoran NGOs providing some form of health services vary but may exceed 120. Many of these NGOs arose as extensions of various religious groups who ministered to peoples' spiritual needs. As time went by to better serve peoples' needs they undertook activities which were related to health and education. NGOs in El Salvador have been known as organizations that manage limited resources effectively and efficiently. They usually answer immediate needs. NGOs rely on volunteer staff, supportive outside donors, and some support from the communities themselves.

The NGOs had their boom during the war years of the 1980s when certain areas of the country were inaccessible to the government, including the MOH. During this time much of the provision of rural health care fell under the purview of the NGO

community, both international and domestic. Since 1990, however, there has been a significant investment in a public network of health promoters by USAID and the MOH. Currently the MOH employs approximately 1,500 health promoters and USAID supports (through 27 NGOs) approximately another 400. Seventeen of these NGOs receive technical supervision by the MOH while the remaining 10 are part of a network (PROSAMI) supervised by a U.S. - based NGO. Local NGOs and the MOH all agree on where health promoters will be located to avoid duplication of services. Presently the NGOs are located in all departments of the country.

In 1991, USAID started an indigenous project for Maternal and Child health which at its height funded 35 NGOs to provide services to around 440,000 people. In 1996, 18 of the most successful Salvadoran NGOs were "graduated" from PROSAMI to SETEFE and currently 17 are funded through local currency. In 1997 all 18 of the NGOs were evaluated by a local firm and all were found to be performing adequately. Currently there are 27 USAID-supported NGOs which provide services to 440,000 residents of rural areas of El Salvador. USAID assistance to these NGOs is scheduled to end December of 1998.

Also, in 1990 USAID signed a cooperative agreement with the Salvadoran Demographic Association (ADS) to carry out the Family Health Services Project. The Activity purpose is continue to expand delivery of birth spacing and maternal and child health services to high risk populations in rural and marginal urban communities. Beneficiaries of the Activity are women in fertile age and children under five in more than 1,082 of the country's poorest and smallest communities. This Activity is schedule to end December 1998.

Some of the larger and more active Salvadoran NGOs currently supported by USAID are: Asociación Demográfica Salvadoreña (ADS), Asociación AGAPE de El Salvador, Asociación para el Desarrollo Humano (ADHU), Centro de Apoyo de Lactancia Materna (CALMA), Asociación Salvadoreña Pro-Salud Rural (ASAPROSAR), and Fundación de Desarrollo Social (FUNDESO). Another NGO that USAID funded in the past but now only assists with technical assistance is Fundación para la Salud y el Desarrollo Humano (FUSAL). These NGOs are profiled below:

FUSAL. FUSAL is a private, non profit organization. Its principal objective is to promote integrated human health services to needy communities USAID bequeathed an endowment on FUSAL in 1994 for \$500,000. Even without this funding FUSAL has strong support from prominent Salvadorans businessman. FUSAL works in the municipality of San Julian, department of Sonsonate and in the islands located in the Bahía de Jiquilisco, serving a total population of 10,000 people with programs in primary health care, nutrition, and the environment.

The organization has operational and support divisions. The operational division manages programs for in-hospital medical attention, rural health, and a training center. Support services include accounting, communications, human resources and clerical.

FUSAL was the first and to date the only NGO which has signed a contract with the MOH to administer a health unit. This agreement began in 1996. While it is not financially feasible for FUSAL to continue this project, it has opened the door for other NGOs to negotiate with the MOH.

ADS. ADS is one of the largest NGO in El Salvador and the strongest working in FP and RH. ADS was founded in 1962 and since 1978 is officially the International Planned Parenthood Affiliate for El Salvador.

ADS organizational structure consists of a general assembly, a board of directors, the executive directorship, seven support committees (medical, education, public relationships, marketing, income generation, voluntariness and membership), and the technical and administrative staff.

ADS mission is to contribute to improve the salvadoran's quality of life (specially women infertile age and children under five), through the provision of qualitative health services (with emphasis in RH services). ADS health services are oriented to poor rural and marginal urban population.

To achieve this goal, ADS has several programs: the Clinical Program with a network of 9 clinics and 25 private physician clinics with collaboration agreements with ADS; the Rural Program with more than 1,000 community health promoters and 14 community health committees for community outreach and services, the Social Marketing Program which helps generate funds to be utilize in health service delivery programs, the Information. Also, ADS has Divisions that support its programs, such as: Administrative and Financial Division, the Marketing and Communication Division, the Training and Education Division, and the Development, Planning and Evaluation Division.

ADS plays a major role in the planning, development and implementation of the El Salvador's most important health research the FESAL household survey which takes place every five years. FESAL helps to make policy decisions and orient the health sector approaches and interventions.

It has developed a cost recovery program and a strategic plan focused on the sustainability of its programs. Among their efforts in sustainability the ADS bought and is successfully running a private hospital called "PROFAMILIA" since 1995.

ADS has its own health facilities strategically located in the principal cities. The health facilities are well equipped to cover both programmatic and administrative needs.

US financing to the ADS continued without interruption since 1964/1965 up to the present.

AGAPE. Was founded by an American priest and centered in the department of Sonsonate, working also in the department of Ahuachapan. AGAPE's primary goal is to provide services that support human development. AGAPE has programs in primary

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health care, programs for unwed mothers, for the elderly, for USAID provides support for the primary health care project and for their street children's project. Other services include vocational training (a shoe factory), a dental clinic, and a nutritional center. There are 40,000 direct beneficiaries in the health area. Funding is derived from donors, local fund raising, a restaurant, and a hotel.

ADHU. Was founded on May 2, 1991. The program implemented by ADHU includes CS, environment, soil conservation, water purification and non traditional education services. ADHU also has funding from Medicos Mundi to finance their MCH program. They cover a population of approximately 37,000 people.

CALMA. Was founded in 1980 and has been funded several years by USAID. CALMA is an organization that mainly promotes breastfeeding and other environmental programs. CALMA works in the municipality of Panchimalco providing MCH services.

ASAPROSAR. ASAPROSAR is an organization, based in Santa Ana, that promotes rural health and development and was legally founded in 1985, even though they began activities in 1972.

Activities include preventive medicine, health education, and community development of the rural poor. It has microcredit and sustainable agriculture programs as well as a program for street children ("barefoot angels"). The organization receives approximately \$750,000 in annual funding from donor agencies, churches, individuals, and foundations in the United States, Canada and Europe. It is also supported by a non profit organization in Texas who accepts tax deductible donations for ASAPROSAR.

ASAPROSAR has a training center which not only is used to train its own rural health workers but those from other organizations as well. This generates funding for ASAPROSAR's administrative costs.

FUNDESO. Was founded on August 8, 1977. Similar to the above-mentioned NGOs, FUNDESO graduated from PROSAMI and is currently funded under local currency. FUNDESO has a clinic in Antiguo Cuscatlán which provides both laboratory and integrated health services. With funds generated from the clinic FUNDESO provides support to rural activities in primary health care.

ANNEX G

Illustrative List of Global Bureau Field Support to SALSA

Activity Number	Activity Name	Area of action	Salvadoran counterpart
936-3038.01	Family Planning Logistics Management (Centers for Prevention and Disease Control-CDC)	Specific Health analysis	Salvadoran Demographic Association Ministry of Health
936-3057	Central Contraceptive Procurement	Contraceptives	Ministry of Health Social Security Institute Local NGOs
936-3052	IEC Support Project (Johns Hopkins University)	communications activities in family planning and reproductive health	Local NGOs Ministry of Health
936-3072	Primary Providers' Training and Education in Reproductive Health (PRIME)	Focuses on linkages between training and service delivery	Ministry of Health
936-6006.01	Basic Support for Institutionalizing Child Survival (BASICS)	(A) Integrated Management for Childhood Illnesses (B) Health policy and Reform	(A) Ministry of Health and local NGOs (B) Ministry of Health and National Assembly
936-3055	Family Planning Management Development (FPMD)	Strategic planning, operational work planning	Ministry of Health Local NGOs
936-3073	FOCUS on Young Adults	To improve health and well-being of adolescents through the promotion of responsible sexual behavior	Ministry of Health Local NGOs
936-3030	Strategy for Improving Service Delivery/Operations Research	Improve the quality, accessibility and cost-effectiveness of family planning, reproductive health and maternal/child health delivery systems.	Ministry of Health Local NGOs

936-3079	Contraceptive Technology Research (Family Health International)	Training of clinicians in reproductive health technology	Ministry of Health Local NGOs ISSS Medical Board Ob/Gyn Society
936-5986.09	Applied Research in Child Health (ARCH)	To support applied research grants on high priority child health issues	Ministry of Health Local NGOs
936-5122.01	Opportunities for Micronutrient Interventions (OMNI)	To assist implementing more effective and sustainable programs and policies to reduce micronutrient deficiencies.	Ministry of Health
936-3082.01	Linkages: The breastfeeding and Related complementary feeding and Maternal Nutrition Program (AED)	The principal USAID initiative for improving breastfeeding and related maternal and child dietary practices.	Ministry of Health Local NGOs
936-3090	AIDS-RP2: IMPACT	HIV/AIDS	MOH Local NGOs

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ANNEX H

HUMAN CAPACITY DEVELOPMENT STRATEGY

Human capacity development (HCD) - or training - plays a major role in the SALSA activity as it is a key ingredient for the achievement of results in the three components or results packages. HCD interventions will focus on improving the skills of physicians, nurses, auxiliaries, health promoters, midwives, as well as members of the Public Health Committee of the National Assembly, and community members; it will also focus on institutional strengthening of entities that will be involved in this Activity. The identification and design of the training opportunities will be in close coordination with stakeholders.

Some training activities -- U.S., third country, and in-country -- will be channelled/coordinated through the HCD Activity (519-0432), utilizing the Global Training for Development (GTD) mechanism. SALSA will also take advantage of cross-cutting topic seminars offered by the HCD Activity with their core funding to improve/advance human capacity building of key institutional personnel as well as rural end-customers. These seminars will deal with such topics as leadership, empowerment skills, NGO strengthening, conflict resolution, self-esteem, sustainability approaches, etc.

Most of the trainings will utilize other mechanisms to enhance individual and/or institutional performance, such as training directly related to technical assistance, MOH or local NGOs contracted to carry out components of this Activity, and centrally funded training opportunities.

The overall objective of the HCD strategy is to contribute to the SALSA Activity with structured learning experiences which address human performance problems related to skills, knowledge, motivation, and attitudes, ensuring that best practices for high impact training are incorporated.

VI. RECOMMENDATION

We recommend that you approve the "Healthy Salvadorans" Activity No. 519-0430, at a funding level not to exceed \$37,500,000, for a five-year period under Strategic Objective No. 3, "Sustainable Improvements in Health of Women and Children Achieved", and in support of intermediate results 3.1: "Increased use of Appropriate Child Survival Practices and Services", 3.2: "Increased Use of Appropriate Reproductive Health Practices and Service", and 3.3: "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs".

We also recommend that you approve an amendment to the result package document "Enhanced Policy Environment to Support Sustainability of Child Survival and Reproductive Health Programs" to include funding in the amount of \$2,000,000 from the new infectious diseases account/directive, which will be allocated to field support to provide technical assistance and training, and to undertake research in this area.

APPROVED: _____

DISAPPROVED: _____

DATE: _____

Attachment:
Healthy Salvadorans New Activity Document

Drafted by:	ACMejía, SDO	<u>ACMejía</u>	Date:	<u>3/20/98</u>
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**UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
ACTIVITY DATA SHEET**

PROGRAM: El Salvador

CP 81-05 (4-85)

TITLE Healthy Salvadorans		FUNDING SOURCE Child Survival Development Assistance	PROPOSED OBLIGATION (In thousands of dollars) \$6,860,000		
			FY 1998	LIFE OF PROJECT (Authorization) \$37,450,000	
NUMBER 519-0430	NEW <input checked="" type="checkbox"/>	PRIOR REFERENCE None	INITIAL OBLIGATION FY 1998	ESTIMATED FINAL OBLIGATION FY 2002	ESTIMATED COMPLETION DATE OF PROJECT FY 2003
GRANT <input checked="" type="checkbox"/>	LOAN <input type="checkbox"/>				

Purpose: To improve the quality and access to reproductive health and child survival services by the rural poor and to improve the policy framework and institutional systems that support and sustain these services. The fundamental goal is to achieve sustainable improvements in the health of women and children living in rural areas of country.

Background: Although the health of the Salvadoran population has improved significantly in recent years, health status, especially of the rural population, still falls below acceptable levels. At about 35/1000 live births, infant mortality remains high, as does maternal mortality at an estimated 68 deaths per 100,000 births occurring in health facilities. Preventable illnesses from diarrhea and respiratory diseases together account for the large majority of cases of illness and death among children under five years of age. This Activity builds upon the successes of many years of USAID assistance to the Salvadoran health sector and more closely integrates the major child survival, reproductive health, and policy elements of that assistance, while at the same time maintaining USAID's principal focus on improving the health of women and children living in the poorest rural areas of the country.

Activity Description: This Activity consist of three major components: child survival, reproductive health, and policy and health system modernization. It will continue to support selective ongoing public and private activities essential for improving the quality and coverage of health care. It will also support new interventions, emphasizing those key areas needed to overcome current constraints and barriers to expanding access and improving the quality of child survival and reproductive health services. For example, it will place new emphasis on community level activities as well as targeting adolescents and men to maximize impact. Policy and health reform is also a major new area of emphasis for this activity, which will seek to both significantly reform and strengthen existing preventive and primary health delivery systems, while expanding assistance to encompass the overall legislative and policy framework for health care in El Salvador.

Relationship of Activity to USAID Strategy: This Activity supports the achievement of the Health SO Intermediate Results "Increased use of appropriate child survival practices and services", "Increased use of appropriate reproductive health practices and services", and "Enhanced policy environment to support

sustainability of child survival and reproductive health programs", and contributes to the results of other Mission strategic objectives.

Beneficiaries: Rural poor women of reproductive age, infants, and children under age five years, and their communities.

Host Country and Other Donors: This Activity supports the GOES objectives for the health sector under its five-year plan which focuses on the reduction of infant mortality, the improvement of the health status of children under five and women specifically those of reproductive age, and the reform and modernization of the health care delivery system. Other donors such as the Pan American Health Organization, United Nations Children's Fund, Inter-American Development Bank, United Nations Fund for Population, and the German international cooperation agency, are supporting activities through the GOES and NGOs to improve the quality and coverage of health care.

Results: The expected overall result of child survival and reproductive health initiatives is the reduction of diarrheal disease, respiratory infections, and other common childhood illnesses, the improvement of the nutritional status of women and children under age five, the improvement of pre-natal, delivery, and post-partum care, and the prevention of sexually transmitted diseases and HIV/AIDS. An estimated 500,000 rural women in reproductive age and 300,000 rural children under age five will benefit from the interventions under this Activity. Approximately 3,000 health promoters serving rural areas will benefit from training and education in child survival and reproductive health practices. The overall result of policy initiatives is the development of a more appropriate legislative and policy framework, including: policies and budget allocations that favor primary health care and place greater emphasis on health needs of needy women and children in rural areas, improved cost recovery and cost-sharing mechanisms, modernization of health structures and systems; and more effective coordination of policies, plans and resources within the health sector. These expected results will support improved service quality and coverage at the programmatic level needed to meet the health care needs of poor rural women and children.

U.S. FINANCING (In thousands of dollars)				PRINCIPAL CONTRACTORS OR AGENCIES
	Obligations	Expenditures	Unliquidated	
Through September 30, 1997				Ministry of Health, Various PVOs/NGOs
Estimated Fiscal Year 1998	6,860.0	170.0		
Estimated Through September 30, 1998	6,860.0			
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1999	5,628.0	24,962.0	37,450.0	

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
ADVICE OF PROGRAM CHANGE

Country: El Salvador
Activity Title: Healthy Salvadorans
Activity Number: 519-0430
FY 1998 Obligation: None
Appropriation Category: Development Assistance (DA)
Child Survival/Diseases (CSD)
Life-of-Project Funding: 19,982,000 DA
17,468,000 CSD
37,450,000
Intended FY 1998 Obligation: 3,600,000 DA
3,260,000 CSD
6,860,000

This is to advise that USAID intends to obligate a total of \$6,860,000 in FY 98 Development Assistance and Child Survival/Diseases Funds for the Healthy Salvadorans Activity. The total life-of-project obligation will be \$37,450,000. A Congressional Notification is required because this is a new activity. It will be managed by USAID/El Salvador, in the Bureau for Latin America and the Caribbean.

The purpose of the activity is to improve the quality and access to reproductive health and child survival services by the rural poor and to improve the policy framework and institutional system that support and sustain these services. The fundamental goal is to achieve sustainable improvements in the health of women and children living in rural areas of country.