

PD-ABC-777
98949

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1 TRANSACTION CODE

A = Add
 C = Change
 D = Delete

Amendment Number

01

DOCUMENT CODE

3

2 COUNTRY/ENTITY
KENYA

3 PROJECT NUMBER

615-0264

4 BUREAU/OFFICE
AFRICA

5 PROJECT TITLE (maximum 40 characters)

AIDS, Pop & Health Integrated Assis

6 PROJECT ASSISTANCE COMPLETION DATE (PACD)
MM DD YY
019 310 015

ESTIMATED DATE OF OBLIGATION

(Under B below enter 1, 2, 3, or 4)

A. Initial FY 1915

B. Quarter 4

C. Final FY 2015

8 COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	RST Y			LIFE OF PROJECT		
	B. FY	C. L/C	D. Total	E. FY	F. L/C	G. Total
AID Appropriated Total						
(Grant)				131,795		131,795
(Loan)						
Other						
U.S.						
Host Country					27,000	27,000
Other Donors						
TOTALS						

9 SCHEDULE OF AID FUNDING \$000

158,795

A. APPROXIMATE PRIORATION/PURPOSE CODE	B. PRIMARY TECH. CODE	C. PRIMARY		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1 Grant	2 Loan	1 Grant	2 Loan	Grant	2 Loan	1 Grant	2 Loan
(1)				43,795		- 0 -		131,795	
(2)									
(3)									
(4)									
TOTALS								131,795	

10 SECONDARY TECHNICAL CODES (maximum 5 codes of 3 positions each)

SECONDARY PURPOSE CODE

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

1. Code
2. Amount

13 PROJECT PURPOSE (maximum 480 characters)

Reduce fertility and the risk of HIV/AIDS transmission through sustainable, integrated family planning health services

14 SCHEDULED EVALUATIONS

15 SOURCE/ORIGIN OF GOODS AND SERVICES

Interim MM YY | MM YY | Final MM YY | 000 941 Local Other (Specify)

16 AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of 1 page PD Amendment)

This amendment increases life of project funding to 131,795,000 and extends the project assistance completion date from September 30, 1995 to September 30, 2005

Rashmi Amin
Acting Controller
USAID/Kenya

17 APPROVED BY
Signature: Lee Ann Ross
Title: Acting Mission Director
USAID/Kenya
Date signed: 07 31 98

18 DATE DOCUMENT RECEIVED IN AID/W OR FOR AID W DOCUMENTS, DATE OF DISTRIBUTION
MM DD YY

ACTION MEMO TO THE ACTING MISSION DIRECTOR, USAID/KENYA

From *Nancy*
Nancy Alrutz, Acting Chief Office of Population and Health

Subject Authorization to increase Life of Project Funding Extend Completion Date, and Repackage the components for AIDS Population and Health Integrated Assistance Project (615-0264)

Date July 31, 1998

Problem Your approval is requested to amend the AIDS Population and Health Integrated Assistance (APHIA) Project to (a) increase the life of project (LOP) funding to \$131 795 000 (b) extend the Project Assistance Completion Date (PACD) from September 30 2000 to September 30 2005 and (c) repackage the project components These changes are reflected in the Project Data Sheet Amendment No 1

Background and description The APHIA project was originally conceptualized and designed for a funding level of US \$105 million (\$50 million in bilateral funds and \$55 million in field support On August 4 1995 \$28 515 000 was authorized in bilateral assistance for the project over a five-year period An additional US \$31 485,000 in field support and \$9 000 000 in counterpart contributions were also programmed The purpose of this Action Memorandum is to extend the PACD for an additional five years and simultaneously authorize an increase in the amount of Life of Project funds (both bilateral and field support) to a total of US \$131,795 000 over the full LOP period The *project purpose* (which remains unchanged) is identical to the Mission's Strategic Objective 3 0 *to reduce fertility and the risk of HIV/AIDS transmission through sustainable integrated family planning and health services* The project now into its third year has performed well It is being implemented through selected Kenyan non-governmental organizations (NGOs) US private voluntary organizations (PVOs) private sector institutions as well as the Ministry of Health (MOH)

During the extension, the project will continue to support family planning HIV/AIDS and child survival programs in Kenya building on the achievements of prior USAID support for the national family planning (FP) program An important result of the FP program over the past 20 years is that Kenya's fertility has dropped from 8 in the late 1970s to below 5 in 1998 However large numbers of women are currently entering their reproductive years due to the high fertility rates of the 1970s and 1980s This increases the demand for reproductive health services which in turn require significant resources just to maintain the current contraceptive prevalence rate estimated at 31% modern method use among all women HIV/AIDS also presents a major challenge to Kenya's health economic and social sectors For example HIV seroprevalence has risen from 3.5% of the total adult population in 1990 to about 9% in 1998 These two converging trends (a rapidly growing reproductive age population in need of FP services and an explosive HIV/AIDS epidemic) form a compelling epidemiologic imperative for continued strong support for sustainable FP and HIV/AIDS control programs and for rapid adoption of integrated HIV/AIDS/STD services

within FP programs. Further, infectious diseases such as malaria negatively impact child survival. It is clear that APHIA must continue to support effective innovative FP, HIV/AIDS and child survival programs for at least seven more years.

To continue these activities without changing the original project focus, the SO3 team proposes to reconfigure the project components in order to reflect the current project implementation realities. In this regard, the SO3 team recommends that (1) National Service Delivery Support component be renamed National Reproductive Health Service Delivery Support, (2) Private Sector Service Delivery component be renamed Reproductive Health Service Delivery, (3) Health Care Financing and Sustainability component would remain the same, (4) District Focus component would be renamed Child Survival and Infectious Diseases, (5) Management and Coordination component would remain unchanged and (6) Research and Monitoring activities which currently exist throughout all existing components would be placed in a new separate component.

These revised project components will be incorporated into a forthcoming Project Agreement Amendment to be signed with the Government of Kenya (GOK). The following gives a more detailed description of the repackaged project components if you authorize the proposed revisions.

1 *National Reproductive Health Service Delivery Support*. This component reflects APHIA's continued support to the GOK and NGOs through provision of targeted high quality technical assistance (TA) in the areas of family planning, HIV/AIDS and other reproductive health areas. TA will be used to institutionalize capacity within various Kenyan agencies. Areas for TA include clinical FP services, preservice and inservice training and logistics management. Provision of expatriate technical assistance is expected to decrease over the life of APHIA.

2 *Reproductive Health Service Delivery*. Activities in this component include support to local NGOs to provide integrated reproductive health services. It also includes support to USAID cooperating agencies to work with local NGOs to deliver community-based services. In June 1998, the Mission awarded two new service delivery grants to two local NGOs, but due to the current APHIA PACD, their completion dates had to be limited to June 2000. Extending the project will enable the Mission to support these important initiatives after the year 2000. A similar situation existed under the current grant to Population Services International (PSI) which implements social marketing of Trust condoms. Although follow-on social marketing activities will be competitively procured at the end of the current PSI grant, PSI is currently beginning pilot family planning activities which need to be extended well into 2000 in order to increase access to contraceptives. For this activity to continue, it is necessary to ensure that APHIA activities are supported until 2005.

HIV/AIDS activities were formerly included under the *district focus* component of APHIA. In June 1998, the Mission completed an intensive exercise involving over 200 stakeholders.

to design a new, five-year strategy for HIV/AIDS prevention in Kenya. This new approach draws on prior year activities under agreements with Family Health International and other cooperating agencies but also responds to lessons learned and new needs. It will renew APHIA's focus on policy formulation and advocacy, expand activities in community-based prevention and care, and intensify ongoing social marketing efforts. This timeframe for the strategy goes beyond the current APHIA PACD hence the need for this extension.

3 *Health Care Financing and Sustainability* Given the length of time it will take to reform Kenya's health sector (which is making slow but steady progress) the *Health Care Financing and Sustainability* component (which remains unchanged), includes technical assistance to the health sector reform effort as well as funding transfers to the Government of Kenya's vaccine and contraceptive independence initiatives. Support will be required through 2005.

4 *Child Survival and Infectious Diseases* These elements were formerly included under *district focus*. They include innovative pilot work in malaria identification and treatment in Bungoma District; assistance to the Kenya Expanded Program on Immunization; and support for National Immunization Days (NIDs). Intermediaries such as the U.S. Centers for Disease Control and NGOs will undertake research and program activities designed to improve child survival status in Kenya. It is anticipated that the Bungoma District Initiative, if successful, could be expanded to other districts. Support for immunization efforts and the Agency's new emphasis on combatting infectious diseases such as polio and malaria will make bilateral support crucial for the foreseeable future.

5 *Management and coordination* This element remains unchanged. As needed, technical staff will be maintained or recruited for project monitoring and management functions. This element will also support evaluations of APHIA and audits as required.

6 *Research and Monitoring* This element represents USAID/Kenya's leadership in the research, monitoring, and evaluation field. It supports national level surveys such as the Kenya Demographic and Health Survey (KDHS), operations research, and research into HIV/AIDS and reproductive health. A fourth KDHS is planned for the year 2003. Other donors collaborated with the Mission in the financing of KDHS III in 1998 and the GOK. NGOs and donors rely on USAID/Kenya-funded research for programmatic decision making. Core funds from USAID/Washington will complement bilateral funding.

Progress to date and new indicators Since the inception of APHIA in 1995, commendable progress has been made. The Government of Kenya has passed major policy papers for HIV/AIDS control and new treatment guidelines for malaria. New reproductive health guidelines for service providers are in force. Further, multiyear workplans to guide the health sector reform process have been implemented. All of these were accomplished with APHIA technical assistance. Under APHIA, technical assistance has also been provided in health care financing and sustainability. APHIA technical assistance has been combined with the US/Japan Common Agenda to create Kenya's second autonomous

hospital, Coast General and Provincial Hospital. This hospital will be another model for decentralization and hospital autonomy. Key NGOs have received technical assistance to help them analyze their operations from the point of view of cost sustainability and management efficiency. This will help current and former USAID grantees become more efficient in their delivery of reproductive health care services. Models for insurance schemes and improvement of the cost sharing system have also been implemented. An indicator of APHIA progress is cost sharing revenues collected in public sector facilities. From 1996 to 1998 revenues increased from \$6.7 million to \$8.4 million. Greater efficiencies promoted by APHIA inputs and technical assistance should result in \$15 million collected annually by the year 2005.

Under APHIA (using the 1993 DHS as a baseline) the total fertility rate (TFR) has continued to fall from 5.4 to an estimated 4.6 children per woman in 1997. These figures will be confirmed through the 1998 KDHS which is nearing completion. Use of modern contraception or contraceptive prevalence rate (CPR) among all women of reproductive age has increased from 21% to 31% in 1997. Such an increase of two percentage points *per year* is considered extremely rapid. Couple years of protection (CYP) provided under APHIA were estimated at 1.88 million in 1997. By the year 2005 the following results are expected: TFR - 3.5 children per woman; CPR - 53% of all women 15-49 years; and CYPs generated - 5.42 million.

In family planning programs, however, use of modern methods is not the only indicator of success. Use of more effective methods has increased from 1995-1998 with greater use of injectable contraceptives and Norplant. Forty-two of 60 MOH provincial and district hospitals provide a wide range of reproductive health services including permanent and long-term methods. With APHIA assistance, the GOK launched a national family planning logo to assure that people know where to find safe, voluntary reproductive health services. In terms of capacity building, USAID assistance has now resulted in the Ministry of Health being able to manage in-service FP training and build pre-service training capacity. Twelve decentralized training teams have been established and 74 model sites equipped to provide clinical FP training opportunities. Finally, over 90% of district stores now have a three-month supply of at least three types of contraceptives. By the year 2005 it is expected that the technical assistance required to support training, quality of care, and contraceptive logistics will be decreased significantly since these functions will have been institutionalized within the MOH.

In its HIV/AIDS programs, APHIA has supported the strengthening and development of NGO networks and church groups which undertake policy and advocacy programs. Continued assistance to the National AIDS and Sexually Transmitted Disease Control Program (NASCO) to disseminate and evaluate sentinel surveillance and behavioral data assures that policy makers understand the epidemic's evolution and implications. In 1997 evaluation of the first phase of USAID/Kenya's support to the HIV/AIDS sector showed impressive results in the area of NGO capacity building and peer education in workplaces, universities, and the private sector. AIDS networks were created or strengthened.

USAID/Kenya's new HIV/AIDS strategy which will be implemented under this new phase of APHIA, will draw on the lessons learned from the earlier years of APHIA, strengthen policy and advocacy activities, and begin community-based prevention and care programs. Under APHIA, sales of Trust condoms have increased from 250 000 in 1995 to *almost one million per month* in the first quarter of 1998. By the year 2005 sales of Trust condoms should be about 3 million monthly. Use of World Health Organization indicators to track use of AIDS prevention measures will continue to be *percentage of men 15 years and above and women 25-49 who use condoms with a non-regular sexual partner*. It is estimated that this number which increased from 16% of women and 30% of men in 1993 to 20% of women and 38% of men in 1997 will increase further to 28% of women and 54% of men in 2005.

Finally in the area of child survival APHIA's primary approach to improve child survival and maternal health in Kenya is to support better child spacing and decrease frequent births, decrease sexually transmitted diseases including HIV infections and increase public sector revenue generated for primary and preventive care. From 1995-97 an innovative pilot program to reduce malaria mortality and morbidity began in Bungoma District. In addition, APHIA contributed to a national polio eradication campaign. Further work is expected to be done in malaria surveillance and control in FY98 and it is expected that malaria incidence in Bungoma will decline due to APHIA interventions.

Financial requirements The original APHIA funding request was \$105 000 000 over a five-year period (1995-2000). However this was reduced to \$60 million due to budgetary cutbacks. The SO3 team proposes (as indicated in the Mission's FY2000 R4) that an annual level of \$15 million would sustain a reasonable level of FP, HIV/AIDS and child survival activities for five years beyond FY2000. APHIA's focus as described in the project paper will remain the same with emphasis on program sustainability. However with uncertain future USAID financial resources the growing demand for contraception and quality services and the upward surge of HIV/AIDS epidemic and other emerging diseases, activities after the year 2000 will be more focused. At the same time the project will continue to leverage other donor resources for Kenya's health sector. However it is important to remember that most donors are attracted to USAID-funded programs *because* of USAID involvement not because the USG has pulled out.

This amendment to the AIDS, Population and Health Integrated Assistance project will (a) increase the Life of Project to \$131 795 000, (b) extend the Project Assistance Completion Date by five years from September 30, 2000 to September 30, 2005, and (c) repackage the project components.

The APHIA project will be funded under the Development Assistance funds as authorized in the Foreign Assistance Act as amended. The table below summarizes amended USAID and counterpart contributions to the project.

<u>Budget Item/Amount (\$000)</u>	USAID	Counter-part	Total
National Reproductive Health Service Delivery Support	28 118	18,000	46,118
Reproductive Health Service Delivery	60 757	3,000	63,757
Health Care Financing and Sustainability	17 265	6 000	23 265
Child Survival and Infectious Diseases	4 885	0	4,885
Research and Monitoring	9 505	0	9,505
Management and Coordination	11 265	0	11,265
TOTAL	131 795	27 000	158 795

Counterpart contribution It is estimated that during the LOP the host country counterparts will contribute not less than 25% of the total *bilateral* program cost i.e. that portion of the program cost obligated with the Government of Kenya. The Global Bureau for Population Health and Nutrition (G/PHN) will be responsible for ensuring compliance with PD-16 for the portions of the total authorized amount that are transferred to USAID/Washington for field support.

Analysis and other requirements The original project analyses remain valid under this amendment. The HIV/AIDS analysis was recently updated through a strategic design effort that laid out new or improved areas of emphasis for USAID/Kenya in the HIV/AIDS sector for the next five years. This strategic planning exercise highlighted areas where USAID/Kenya needs to strengthen its ongoing efforts, continue its activities or widen its role. In addition, the 1998 KDHS will provide national level data to provide further information for program adjustments and to measure impact and better understand the needs.

Country Strategic Plan The present USAID/Kenya Country Strategic Plan (CSP) runs from 1995-2000. It is anticipated that a new CSP will be written in 2000, however, to fully contract out some of the ongoing APHIA activities (e.g. the HIV/AIDS activity) it is necessary to amend APHIA now. Further, we expect that USAID/Kenya's considerable efforts and investment in Kenya's health sector will continue at least through the life of the next CSP. Any adjustments to the project focus will be made as necessary to coincide with the new CSP when it is complete.

Project management The Project Management needs remain the same as they were during the initial approval of APHIA. The use of direct cooperative agreements and use of G/PHN intermediaries where appropriate, will continue.

Project review committee action The SO3 team has discussed the proposed amendments. The amendments have also been discussed with Mission management. The proposed amendments reflect the consensus of both the SO3 team and Mission management.

Congressional Notification The Congressional Notification (CN) for the additional funds has been submitted to USAID/Washington to forward to Congress and it is expected to expire on August 4, 1998.

Conditions and Covenants There are no new conditions precedent or covenants under this extension.

Authority Pursuant to ADS 103.5.8b(2b) you have the authority to amend existing projects/programs. In accordance to ADS 103.5.1d such authorities may be exercised by persons serving for the designated officer in an acting capacity.

Recommendations That you authorize (a) an increase in the Life of Project funding to \$131,795,000 (b) an extension of the Project Assistance Completion Date to September 30, 2005 and (c) the repackaging of the project components.

To approve please sign below and on the attached Project Data Sheet Amendment No. 1.

Approved Lee Ann Ross

Disapproved _____

Date 7/31/98

Drafted ENdiang ui OPH 7/01/98

Clearance	OSPP NAli (Draft)	Date	07/6/98
	OSPP SRagama	Date	_____
	CONT RBamin	Date	7/31/98
	RLA KFickenscher (Draft)	Date	07/30/98

NO FUNDING NECESSARY
CONTROLLER'S OFFICE
USAID/KENYA
DATE 7/30/98 JWN

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