

P.N.A.U-841

44735

BEYOND FAMILY PLANNING

Case Study of the Village  
Family Planning/Mother Child Welfare Project

by

Rebecca W. Cohn  
Project Officer, USAID/Jakarta

April 25, 1985

A Case Study of  
THE ASIA REGIONAL COMMITTEE ON COMMUNITY MANAGEMENT

Secretariate Office  
USAID/Indonesia/REG/DEV  
American Embassy  
Jakarta, Indonesia

Case studies of the Asia Regional Committee on Community Management do not necessarily represent the views or official policies of the Agency for International Development or of the collaborating USAID missions or of NASPAA.

## COMMUNITY MANAGEMENT CASES

AID's Asia Regional Network on Community Management was originally formed in July 1983 as the Asia Regional Committee on Community Management by Eugene Staples, then Deputy Assistant Administrator for AID's Asia Bureau. This action recognized a need to improve AID performance in working with government agencies and private groups to establish locally based, non-governmental systems and institutions for participating in the management of natural resources and human services. The Network facilitates a collaborative effort by participating missions to assess, document, and compare experience with such efforts in the interests of strengthening learning and performance.

While the case materials produced by this effort are prepared primarily for use of the participating USAID missions, some of them are of broader interest for the data and insights they provide. Recognizing the need of teaching and research programs in development management for access to case materials reflecting the realities of field implementation experience, NASPAA has arranged with the Network to distribute selected cases under NASPAA's Technical Cooperation Project. This series is edited by David C. Korten, who also serves as Secretary to the Network under the NASPAA Cooperative Agreement with AID.

These cases are prepared as individual professional contributions by their authors, who are solely responsible for case contents and analysis. They are not official publications of AID, nor do they necessarily represent the views of the Agency.

April 25, 1985  
Jakarta, Indonesia

BEYOND FAMILY PLANNING Case Study of the Village Family  
Planning/Mother Child Welfare Project USAID/Jakarta[1]

by  
Rebecca W. Cohn  
Project Officer, USAID/Jakarta

I. INTRODUCTION

The Village Family Planning/Mother-Child Welfare Project (VFP/MCW) assists the Government of Indonesia's National Family Planning Coordinating Board (BKKBN) in adding selected maternal and child nutrition, primary health care and income generating activities to the on-going village family planning program in the three provinces of East Java, Bali, and West Nusa Tenggara (NTB). It builds on BKKBN's success in village based family planning and its established network of experienced village outreach workers. Initiated as a pilot project in 318 villages in 1978, current coverage is 1,790 villages in East Java, 2,293 sub-villages (banjars) in Bali, and 100 villages in NTB.

The Project's formally stated purpose is to increase contraceptive use; decrease the prevalence of malnutrition and diarrheal disease complications among children under five; and stimulate community initiative in identifying and meeting nutritional needs. With total grant funding of US\$10 million its main components are: support for a standard package of village nutrition services and associated training and supervision (\$7.7 million); and a project innovation fund to support experimental activities and related evaluation costs to improve program effectiveness (\$2.3 million). An underlying premise of the design was that the Project would contribute to institutionalizing family planning practice at the village level by improving the health of current and prospective family planning users (14 1/2 million current users as of May 1984) and the survival rates of their smaller number of children.

-----

1. Prepared for the Asia Regional Committee on Community Management of the Agency for International Development (AID) in the interest of contributing to AID's ability to design and implement projects which contribute to policy frameworks and institutional capacities supportive of a stronger role for communities in the management of their own development. Case studies prepared under Committee auspices are intended to provide a self-critical examination of the projects documented and to raise sometimes controversial issues. They are prepared as individually authored professional contributions in which the opinions expressed are those of their authors. They do not necessarily represent the views of the Agency for International Development or of the collaborating USAID missions.

The case documents the collaborative efforts of USAID and BKKBN staff to open the program to provincial level initiatives, resulting in a series of province specific activities which make the program more locally relevant. These activities include the introduction of a credit scheme which provides village organizations with an independent source of revenues to finance their own self-directed programs of nutrition improvement activities. Although preliminary results are encouraging, work on critical innovations is ongoing and the final results in developing sustained local self-reliance in meeting nutrition needs remain to be seen.

Aside from the activities supported by the village level revenue generation program, decentralization efforts have extended only to provincial level and remain partial. The need for further attention to decentralization, in particular to moving responsibility for program decision making to district and lower levels, is in part a function of Indonesia's distinctive geography. It is a country of 160 million inhabitants in more than 60,000 villages scattered over some 3,000 islands. Only the first steps toward decentralization to provincial level have been taken so far within the VFP/MCW Project.

The case highlights the dilemma facing both donors and recipient governments which attempt to develop local self-reliance, yet may stifle local initiative through heavy handed central programming which imposes standardized program solutions. Even when working with agencies with a prior history of success in managing a decentralized, community based development program it cannot simply be assumed that this success will directly transfer to other related development activities. Resolving the dilemma requires creative leadership on both sides, placing significant demands on staff time for which AID makes little or no provision.

## II. BACKGROUND

### A. Family Planning

BKKBN: Within the international family planning community the BKKBN is frequently cited as an example of one of the most innovative and effective family planning programs in the world. Within the field of development administration it is cited as a leading example of effective decentralized administration within a major national program.

One reason for its extraordinary success has been its ability to capture strong political support from the President and the governors of its 27 provinces down through the leaders of district and sub-district levels all the way to the village headmen. Each has been actively and visibly engaged as a deliberate program strategy. In addition the BKKBN has consistently and regularly sought the advice and involvement of existing socially influential groups representing key intellectual and political constituencies, including university faculty, religious leaders, women's groups, and the military.

A relatively young organization, BKKBN has remained refreshingly unbureaucratic, maintaining a flexibility in approach and encouraging risk taking at all levels toward achievement of its ambitious fertility reduction goals. This has contributed to a strong commitment to fertility targets by the program's personnel, all the way down to its field workers.

Each of the BKKBN's more than 11,000 family planning field worker is responsible for supporting family planning work in 2 or more villages.[2] Condoms and pills are resupplied through volunteer staffed supply posts at the sub-village or neighborhood level.

BKKBN recognized early on that the success of its family planning effort would depend:

". . . on the degree to which fertility control and the small family norm are accepted by the community itself and on the degree to which the community bears the ultimate responsibility for motivating, recruiting and maintaining family planning acceptors and for supporting and reinforcing the small family norm."[3]

The BKKBN management philosophy calls for top down policy formulation and bottom up program and budget formulation. This permits province, district, subdistrict, and even village levels to develop and carry out specific program plans consistent with local needs and conditions under the umbrella of national policy.

The annual BKKBN planning process is launched each new fiscal year with a National Program Review at which the prior year's accomplishments and future policy directions are discussed. Based on the policy guidance generated during this review, the programming and budgeting process begins with formulation of a village level plan developed in consultation with the family planning field worker. These are reviewed by staff of the local BKKBN and cooperating agencies in a subdistrict planning-coordinating meeting. This results in a sub-district plan which is in turn reviewed in a district planning-coordinating meeting and becomes the basis of the district budget and program plan. The provincial BKKBN program and budget submission is prepared based on the district plans and sent to Central BKKBN, which returns it with suggested revisions for resubmission and final approval.

An important feature of the BKKBN program is the encouragement given to provinces in experimenting within the national guidelines and the recognition given them for resulting successes. Experimental innovations that prove successful are

-----

2. On Java and Bali there is one field worker for each 2 to 3 villages, while on the less densely populated outer islands an individual worker is responsible for servicing all villages within an individual sub-district.

3. Dr. P. P. Sumbung, *et al*, "The Indonesian Population Programme: An Overview of the Organization, Processes and Achievements of the Population and Development Planning Effort."

replicated. Those which fail are abandoned. For example, the village model for family planning motivation and services delivery, widely recognized as key to the program's success, was first proposed by a Province. Central BKKBN, with the assistance of AID, provided support and funding. Such processes of innovation based on local level initiative and experimentation are ongoing, with the result that the program continues in a fluid state of fine tuning, expansion, and refinement.

Ministry of Health: Originally the family planning service delivery program of the BKKBN relied entirely on services offered in clinics of the Ministry of Health. Recognizing that these services did not reach most villages, BKKBN began experimenting with village based schemes, with the Ministry of Health continuing to this day in a critical support role--offering counseling, IUD, pill, condom, injection and sterilization referral services through its clinics. Ministry of Health clinic staff also participate in health center based mobile family planning clinic teams which provide clinical family planning services at the village level in response to requests generated by the BKKBN outreach workers.

Family planning activities of the Ministry of Health are supported by BKKBN funds channeled through the BKKBN district offices. These cover operational costs of clinics, medicines for contraceptive side-effects, management costs of dealing with contraceptive complications and failures, transportation costs for referred patients, education and motivational materials, fees for hospital based family planning services, and operational costs of the family planning mobile medical teams.

The sub-district clinics of the Ministry of Health are responsible for implementing twelve standard programs. In addition to family planning services these include: maternal and child health services, communicable disease control, community health education, laboratory services, outpatient clinics, school health care, and in some instances dental care. The government has currently reached its goal of having one health clinic in each sub-district of Indonesia--though studies indicate that they are now used by only 20% of the target population. A lack of doctors and other categories of health manpower in the clinics is commonly cited as a critical barrier to more effective coverage--though some studies suggest that existing personnel are less than fully utilized in many clinics.

USAID: USAID has been supporting the work of the BKKBN since 1968, in what is considered by some to be one of the more successful examples of U.S. bilateral development assistance. An evaluation study of this assistance carried out in 1979 outlined several features critical to its success. First, it consisted primarily of grants rather than loans, permitting rapid funding of opportunities for experimentation with, and eventually expansion of, innovative approaches. Second, funds were provided on an open ended program basis which allowed USAID and the BKKBN to program the specifics annually in response to current needs and opportunities. It also funded local as well as foreign exchange costs. A separate Office of Population which reported directly to the Mission Director had substantial authority over these funds. This was an additional factor in allowing for flexibility and responsiveness to BKKBN's needs and priorities.

Drawing upon BKKBN's bottom-up planning process, an unusually flexible donor funding process was developed which continues to this date. Provincial proposals, often resulting from joint provincial visits by central BKKBN and USAID staff, are

reviewed by central BKKBN with USAID. The provincial strategy and its overall place in BKKBN's policy parameters is examined down to individual activities and associated unit costs. USAID funds are generally earmarked specifically for funding experimental innovations, or supporting the expanded application of proven innovations which for one reason or another cannot be funded by the BKKBN out of its existing budget. Once an activity is approved for USAID funding, those funds are channeled through Central BKKBN directly to the province for project implementation. The provincial BKKBN then has considerable flexibility, autonomy and discretion in use of USAID funds for district and sub-district activities.

Together these features permit close counterpart collaboration and speedy funding of local initiatives as new needs, ideas, and opportunities emerge.

One example of how this flexibility was used was the joint agreement between BKKBN and USAID in 1978 to fund a proposal presented by BKKBN East Java for a pilot project integrating nutrition activities with the family planning program in 318 villages. This and a subsequent pilot activity in Bali provided the basis for USAID/Jakarta's Village Family Planning/Mother-Child Welfare Project Paper.

#### B. Nutrition and the Ministry of Health

The Ministry of Health has historically been the principal implementing agency for nutrition programs in Indonesia, and in 1963 an Applied Nutrition Program (ANP) was initiated by the Ministry of Health with UNICEF assistance. By 1972 the program was active in 100 villages, although services were available only at the sub-district health centers.

Experience with this effort led to initiation of a Family Nutrition Improvement Program (UPGK). By the close of the Second Five Year Plan, 1,400 villages were covered. Activities continued to be based in the sub-district health centers, a continued constraint to widespread village level coverage. An ideal solution appeared to be the marriage of the UPGK program with the extensive field network of BKKBN's family planning field worker and sub-village family planning posts.

### III. BKKBN DECIDES ON A BEYOND FAMILY PLANNING STRATEGY

The period from 1973 to 1977 had seen the successful extension of family planning services to the village, using the slogan of the "small, happy, prosperous family" as the rallying cry to recruit acceptors. There followed a period of transition from 1977-1979 during which it became apparent to BKKBN leadership that increasing contraceptive prevalence was resulting in smaller, but not necessarily more prosperous or happier families. The stage was set for an effort beyond family planning.

In 1977 Dr. Haryono Suyono, now Chairman of the BKKBN, and Thomas H. Reese, then chief of USAID/Jakarta's Office of Population, co-authored a paper which posed the question: Can other development programs be piggybacked onto the extensive family planning network with its over 20,000 family planning contraceptive depots and 60,000 family planning acceptor groups? It recommended a pilot test of the concept. East Java BKKBN, with enthusiastic central BKKBN support, proposed

an integrated nutrition/family planning pilot for USAID funding.

#### IV. SIMULTANEOUS INITIATIVES BY USAID AND UNICEF

UNICEF, which had long assisted the GOI's nutrition program, recognized the limitations on widespread coverage of the clinic based approach to nutrition improvement being pursued by the Ministry of Health. It proposed linking the delivery of nutrition services under the UPGK program with the existing village-based family planning program of the BKKBN. This proposal was originally resisted by both the Ministry of Health and the National Development Planning Agency (BAPPENAS), as an outgrowth of their concern that the BKKBN might take the lead in planning and designing the program's activities and materials. In January 1979, an intersectoral meeting was held at which it was agreed to proceed with a national program on the lines of the UNICEF proposal, but confirming the Ministry of Health's lead role with respect to health related activities, and the Ministry of Agriculture's lead in efforts to increase household production of more nutritious foods such as vegetables and small animals for home consumption. To overcome possible opposition on religious grounds, the Ministry of Religion was invited to provide program information and motivation through its religious leaders. UNICEF programmed support for the effort as a component of its assistance to the GOI under the Third Five Year Plan--which called for the BKKBN to provide assistance to 24,000 villages and the Ministry of Health to assist 10,000. The decision to assign most of the villages to the BKKBN recognized its greater capability to rapidly expand program coverage through its extensive existing network of field personnel at subdistrict levels and below. In addition BKKBN assumed monitoring responsibility for the entire program.

USAID concurrently signed an agreement with the BKKBN in 1979 for the VFP/MCW Project to provide assistance to an additional 7,500 villages. Implementation began in 1980. Though in theory the UNICEF and the USAID Projects were to support the same nutrition program, there were several important differences.

The UNICEF Master Plan of Operations (1979) included the following description of UPGK:

The programme has been standardized and is administered uniformly by all agencies with the same objectives, messages and materials.  
(p. 10)

The UNICEF assistance was intended to support straightforward implementation of this standardized program model. It did, however, make some distinctions between BKKBN and the Ministry of Health in the assistance provided. As described by UNICEF the UPGK program administered by BKKBN would consist of a basic package of services which included: monthly weighing of under-fives; cooking demonstrations using local foods; distribution of vitamin A, iron tablets, and oral rehydration salts; and educational activities in nutrition and home food production. The Ministry of Health effort would provide this basic package plus supplementary feeding, home gardening, and rehabilitation of malnourished children.

The USAID Project paper viewed the existing program as providing an initial package of services to be further improved and expanded through experience, and particularly stressed the need for flexibility in adapting to local circumstances. It stated that:

The important lesson learned from pilot testing new activities, often substantiated during development of the village family planning program is that resources (inputs) and operations (outputs) should be managed flexibly in order to adapt a project to changing circumstances and to overcome local constraints. USAID and BKKBN will make every effort to maintain flexibility in managing this project. (PP, p. 20.)

Its service delivery package was identical to the UNICEF basic package plus deworming medication for under fives. But more important it earmarked much of the total funding for project development and evaluation costs, such as collection of basic data and provincial nutrition profiles for planning province specific programs. It was also expected that the bulk of these funds would be used for experimental activities:

1. To provide new means for improving village nutrition services;
2. To help define the process of institutionalizing local management of, and support for, village-based food and nutrition surveillance, linked to household and communal food production; and
3. To improve the capacity of rural poor families to meet their nutritional needs through more efficient use of, and greater access to, income in purchasing food.

## V. EXPANSION TO NTB: CENTRAL LEVEL POLICY DIALOGUE

### A. Background

During the first two years of project implementation BKKBN successfully established a village based system for delivering the specified nutrition services in Bali and East Java. But in the drive to achieve the coverage called for by national targets and donor project agreements expansion took precedence over program quality. The standardized program model was implemented without adaptation and there was little or no experimentation with alternative approaches which might improve performance.

In 1982 an internal project review resulted in agreement that there was a need for more innovation and experimentation backed by effective research and evaluation--as intended in the original Project design--with an emphasis on decentralized decision making along the lines which had contributed to the success of the family planning program.

## B. Decentralization as a Central Policy Theme

The first opportunity to act on this agreement came in March 1982 when a proposal was received by USAID from the BKKBN central office to expand the program to a new province: Nusa Tenggara Barat (NTB). The proposal centered on implementation of the standard program package model without taking into account actual conditions or needs of the Province.

Using discussion of the proposal as the vehicle, USAID staff began a dialogue with top level leadership of the BKKBN, highlighting the need to apply the lessons of flexibility and decentralization which had been learned from the village family planning experience. The response at this level was highly positive. Top leadership acted on its new commitments by personally participating in preliminary visits to NTB Province and attending subsequent planning meetings.

These visits led to a proposal for a variety of preparatory activities which were to include:

1. A village level inventory designed by BKKBN and conducted by their subdistrict staff to determine which villages had been involved in prior nutrition programs, the degree to which capacities for sustained program action had been institutionalized in these villages, the presence of existing groups such as family planning acceptor groups on which the nutrition effort might build, and the presence of supporting income generating or home gardening projects;
2. An assessment of the subdistrict health centers based on a questionnaire developed and administered by Ministry of Health and BKKBN staff to examine their capability to manage referrals of malnourished children based on levels of staffing, availability of supplies, transportation facilities, and the results of prior rehabilitation efforts.
3. Preparatory meetings at provincial level to consolidate political and technical commitment across sectors;
4. A study tour to East Java and Bali for NTB officials as an input to their own planning for development of a management structure to support Project implementation;
5. A baseline survey to be done by the local university.

A first step was taken toward encouraging provincial level initiative in adapting the NTB program to local conditions.

## VI. MID-PROJECT EVALUATION

A second critical event in 1982, which occurred before actual implementation of the NTB expansion began, was completion of a mid-project evaluation of experience in East Java and Bali. The evaluation was done by local universities in consultation with the provincial BKKBN's. As intended, this has contributed to development of a cadre of local researchers knowledgeable about the program who are available to help BKKBN meet its ongoing research needs. It has also fostered strengthened collaborative relationships between the universities and the BKKBN which facilitates effective action on the evaluation findings. In Bali, university researchers are active members of an intersectoral team which guides the development of the VFP/MCW Project in that Province.

As it was felt that an impact evaluation would be premature only two years after the initiation of Project implementation and possibly not useful, the emphasis was on a process evaluation intended to highlight opportunities for program improvement. Surveys involving interviews with mothers, village leaders, and program personnel provided data for the assessment. In Bali a nutrition profile of pregnant and lactating mothers was developed.

Qualitative data about village level interactions with program personnel and the dynamics of community participation was to be captured by a participant observation component of the evaluation. Unfortunately this component was accorded lower priority by BKKBN and USAID and was dropped when constraints in time, funding, and personnel were encountered.

Even so the evaluation produced several important findings, including:

1. BKKBN had indeed established a nutrition services delivery system serving the Project villages in East Java and Bali.
2. At village level community participation in managing project activities was more limited than intended.
  - Participation in preparatory meetings by the formal and non-formal village leaders surveyed had been less than anticipated--and sometimes absent.
  - Many of the village kader (volunteers) were appointed by village leaders without regard for the preferences of the villagers, so some lacked credibility with the people they served.
  - Where kader had dropped out and replacements appointed, there was no system to provide them with needed training and materials.
  - In general the effectiveness of the village kader as educators of mothers was less than anticipated.

3. Participation in the program by the intended target group averaged only about 50%, while one-third of those who did participate reported that they came primarily as a result of a monthly summons from the village head or BKKBN workers rather than out of their own sense that they benefited from program participation.
4. Little had been accomplished by way of institutionalizing village capacities to sustain the nutrition activities after termination of Project support. The villages were purely at the receiving end of the program.
5. Project research and evaluation funds meant to support initiatives toward village self-reliance in meeting nutrition needs were unutilized, except for an income generating project which had just gotten underway in 24 villages of East Java.

Findings of an evaluation by the Ministry of Health in UPGK villages sponsored by UNICEF were similar.

## VII. INNOVATION IN EAST JAVA: DEVELOPMENT OF THE TRAINING MODULES

The evaluation highlighted problems. But as the report gave little guidance on specific solutions, it is not surprising that the evaluation was not immediately translated into program action by the BKKBN. At the urging of USAID staff, joint USAID-Central BKKBN planning visits were made to East Java and Bali to provide input and encourage provincial proposals intended to address deficiencies identified by the evaluation. Again these visits involved the top BKKBN leadership. The occasion was used to orient provincial personnel to the "new" Project philosophy. Specifically an "area-specific approach" was to be undertaken in the USAID supported areas of East Java, Bali, and NTB, meaning that an effort would be made to adapt the program package to specific local conditions.

East Java, a traditional leader in innovative program action within the BKKBN, was given particular encouragement to come up with innovations which would be additional to the standard service package. One outcome was a proposal from the East Java BKKBN to develop training modules for use in training village nutrition kader. The evaluation had pointed out the weakness of the training being offered as a major factor in the poor performance of these village volunteers. The modules developed by East Java BKKBN would stress skills development and participatory training methods. The proposal was enthusiastically endorsed and funded by USAID.

East Java appointed a small task force comprised of provincial level staff of the BKKBN and the Ministry of Health, a District Medical Officer, and a consultant to Central BKKBN's Training Division to design the training modules. The design work took eight months.

This was followed by a village level testing and adaptation phase. The provincial task force trained a subdistrict intersectoral nutrition team in use of the modules, and then observed as their trainees in turn used the modules in the training of village kader. Pre- and post-tests of knowledge and skills which were integral to

the design of the modules provided a basis for evaluating overall effectiveness. At the end of each day provincial and subdistrict staff met to review the day's experience, providing input for later module revisions. Elements found inappropriate to the villagers' level of knowledge and understanding were eliminated or modified. For example unfamiliar terminology was changed or the time allocated to a particularly difficult topic extended. Among other things these adaptations incorporated local names, local program procedures, local foods, and local food habits. The modules so revised were then tested in a second village in another District to determine whether they proved appropriate in a different setting.

The results generated significant enthusiasm in the central BKKBN and USAID, leading to a proposal to adapt the modules for use by the VFP/MCW program in Bali and NTB. These two provinces later formed their own inter-sectoral teams to adapt the modules to local conditions and policies. Two field tests were done in each province and joint meetings of the two provincial teams and Central BKKBN staff resulted in revisions following each field test. East Java BKKBN personnel played a consultative role.

Development of the training modules for village nutrition kader contributed to BKKBN's experience, sense of ownership, and renewed interest at both central and provincial levels in the success or failure of project activities and in locality specific innovations.

It also highlighted the potential payoff from intersectoral cooperation. Having worked together on a specific design task, comradery and working relationships were forged which set the stage for later implementation of the modules, as well as other intersectoral project activities. Though team composition varied by Province, among the three provinces representatives from Health, BKKBN, Agriculture, Religion, Interior, Information and local government were involved. Provincial teams trained district teams, which in turn trained subdistrict teams. The diversity in team composition at the province level was mirrored in district and subdistrict training teams.

This successful effort was key to establishing that a province specific approach, so successful in family planning, was relevant as well to nutrition; and that the province, was in a better position to design a locally appropriate program than was the central level. This led to increased openness to further delegation to provincial and lower levels.

## VIII. INNOVATION IN BALI: TRANSFERRING RESPONSIBILITY TO THE COMMUNITY

An unusual feature of the predominantly Hindu Balinese culture is its traditional banjar system. Each village is divided geographically into several banjars which constitute highly cohesive social units with their own meeting place, leadership and a strong sense of mutual responsibility. All adult male members of the banjar meet regularly to discuss issues facing the group. They arrange for maintenance of temples, settle minor disputes such as might arise when a pig wanders into the garden of a neighbor, and make arrangements to provide for needs of a family which may face a particular crisis. It is for example a strongly held value that no member of the banjar should go hungry so long as the banjar has food to share. This sense of

shared responsibility gives them a natural interest in the relationship between the banjar's population size and the amount of land available.

The Bali family planning program, thought to be the most successful provincial family planning program in Indonesia, capitalizes on this existing social organization by transferring family planning program responsibility to the kelian banjar or banjar leader. The kelian banjar have been trained to motivate villagers, maintain family planning records for each member, and distribute contraceptive methods. The record keeping system highlights for banjar members the trends in population growth of their community relative to available land. Their ties to place and their strong sense of responsibility to one another makes the growth of their population relative to their resource base a highly salient concern.

At the monthly meetings of the banjar each member is asked about his family's current family planning status. This important social institution exerts a powerful force on the behavior and decision making of its members. The resulting diminished role of family planning field workers is a measure of the program's success. Their job is now only to collect reports and resupply contraceptives to the kelian banjar. The precedents were in place in Bali for giving the community responsibility for the nutrition program, and the VFP/MCW Project built on this.

Once encouraged to develop province specific innovations by BKKBN and AID, the Bali BKKBN proposed training the kelian banjar as a nutrition kader with program responsibility. An increase in community support for and participation in the program was anticipated based on the success of this approach in the family planning program. Consequently, the training modules for the kelian banjar, as adapted by the Bali BKKBN, included an additional module on increasing program participation and the supervisory role of the kelian banjar.

Bali's traditional leaders can now be seen weighing children monthly and actively participating in organizing the monthly nutrition activity. Banjar members whose wives have neglected to bring their under-five child to the weighing post are requested to report on their non-participation in the monthly banjar meeting. Since husbands are the traditional decision makers in the Balinese household, their interest is seen as key to broadly based participation.

#### IX. VILLAGE SELF-SUFFICIENCY: THE EAST JAVA CREDIT SCHEME

A basic premise of the UPGK program design was that after three years of gradually diminishing financial support under the program the village would become "self-sufficient," sustaining the program activities on its own. This concept builds on the Indonesian tradition of "gotong royong" or mutual self help, in which community members share their labor and resources for community projects. Both UNICEF's Master Plan of Operations and AID's Project Paper planned total phase-out of donor input to any given village after three years of support.

Self-sufficiency remains an ill-defined concept, but is commonly understood to mean that the village will assume responsibility for subsidizing the monthly menu demonstration, while the government continues to provide medicines, reporting and

recording forms for weighing, and general supervision. In part the concept of village self-sufficiency was translated operationally in the original project designs into a budget item for village food intensification activities, including home gardening. The budgeted funds were to provide small livestock or seeds to project participants to encourage them to grow and consume more nutritious locally produced foodstuffs. Offspring of the livestock were to be shared. And the seeds were to be used in part to start communal seed gardens.

The UNICEF and AID projects both made provision for such inputs, though UNICEF channeled them through the Ministry of Agriculture, while AID channeled them through the provincial BKKBNs. The BKKBN experience proved disappointing. In a 1982 VFP/MCW Program Review, the District chiefs in East Java reported that the seeds being provided were not suitable for the local climate or were provided during the wrong season; small livestock died; and villages often lacked available land to start communal seed gardens. The Ministry of Agriculture was not providing needed technical supervision for the BKKBN effort, focusing its attention exclusively on the UNICEF villages for which it received the funds and supplies.

Discouraged by this experience with the village food intensification component and increasingly concerned about the viability of the self-reliance concept under the existing program model, BKKBN and USAID interest grew in an experiment with a village credit scheme which East Java had begun in 24 villages in September 1982 using funds from the Project's Development and Evaluation component.

#### A. Description of the Credit Scheme

The East Java credit scheme designed by a USAID funded consultant to the East Java BKKBN, and funded from the Project Research and Development Budget, was BKKBN's first effort to operationalize the previously theoretical concept of village self-sufficiency in identifying and meeting nutrition needs. The current hope of BKKBN and AID is that this will provide a self-sustaining flow of funds to support continuation of program activities following donor or government phaseout. At the same time it is intended that the credit scheme will:

1. Increase the skills and incomes of village women through supporting their engagement in productive activities.
2. Increase the number of current family planning users through providing an additional incentive in the form of eligibility for credit.
3. Increase and maintain participation in the monthly nutrition program activities through the same incentive.
4. Reduce the desire for large families by helping village women improve the health and nutritional status of their families through increased incomes.

The scheme establishes a Village Credit Fund (VCF) administered at the village level by women selected and trained from among the established village nutrition and family planning volunteers. The existing family planning and nutrition women's groups at the neighborhood level provide the credit scheme's social foundation. The village chief maintains general responsibility for the program, as for all village

development activities.

Under the scheme eligible participants, i.e. current and past family planning acceptors, and women participating in the monthly baby weighing activity, are eligible for small scale loans from the credit fund. An additional criterion for loan eligibility is the candidate's engagement in an ongoing productive activity such as coconut oil production, sugar processing or thatch weaving. Loans for consumptive purposes are ineligible.

Three women from each village--a head, a secretary, and a treasurer--are trained to administer the VCF and determine eligible recipients by applying the Indonesian tradition of musyawarah, or group consensus. Open management is applied, meaning that written loan applications from individuals are acknowledged in the monthly get-together of family planning and nutrition program participants and discussed openly by the members. Loan applicants who meet the criteria that they be engaged in productive activities are rarely refused. Although this criteria may constitute a bias against the poorest members of the community, it presents an important safeguard for expeditious repayment.

The group bears collective responsibility for the loan funds, reaching consensus on acceptance of new members into the group, repaying loans, ensuring productive use of the credit, and maintaining the honesty and accountability of the VCF administrators. Group dynamics of loyalty, joint responsibility, and extension of help to those in need are encouraged as compatible with traditional Indonesian values.

The group is informed when members are delinquent with repayments and if outstanding debts exceed two percent of all loans, further extension of credit is suspended. When peer pressure fails, the burden of unrepaid loans is divided evenly among the members of the group, who reimburse the Fund. If the VCF administrators misuse funds, other group members can meet, elect new income generating kader and attempt to reclaim the funds.

Monopolization of credit funds by the village chief and other village elites such as his relatives is rare, but can occur. In BKKBN's experience with the 24 villages in the pilot scheme only one village experienced this, while the other 23 villages were successful in applying the concept of open management and village decision making in managing the VCF.

What would commonly be called interest under a village credit scheme is labelled an administrative fee under the BKKBN activity. It is used to cover: 1) the costs of reporting and recording forms; 2) an incentive for VCF kader; and 3) most importantly, a Village Nutrition Fund.

Village Nutrition funds, which accumulate at a rate corresponding to the rate of loan turnover, are available to support nutrition related activities identified by the villagers themselves. As with the processing of loans, decisions regarding the use of the nutrition fund are arrived at through group consensus in an open meeting of the members.

## B. Evaluation Findings

A process review of experience with the credit scheme in the original 24 villages, carried out in May 1983 by David Pyle after 8 months of implementation, concluded that it was highly successful in terms of both capital accumulation and loan repayment. Pyle reported, however, that participation in the credit program favored the more socio-economically advantaged members of the community. He suggested several reasons:

1. The women who participate in the monthly nutrition activities are those who can afford the time, while poorer women must devote their time and energy to finding work and earning a living.
  2. There appears to be a social, political, economic and geographical periphery in East Java villages. The poorer, less powerful elements tend to live further from the village center--and thus from the weighing posts--making it more difficult for them to attend.
  3. Villages were promised a second tranche of funds for their capital fund based on the successful management of the first tranche. Loans to poorer, higher risk women, would jeopardize loan repayment and the prospect of the village receiving additional loan capital from the BKKBN.
- Women from higher socioeconomic classes were frequently noted as the only ones possessing income generating capabilities, a criterion for loan eligibility.

As East Java BKKBN officials became increasingly concerned about the issue of the sustainability of the village nutrition program after the end of project support, they proposed scaling up the credit scheme to cover all villages that had received three years of USAID support. They argued that the resulting nutrition fund would not only finance the monthly demonstration feeding, but also the purchase of additional weighing scales to increase the numbers of weighing posts, and the payment of transportation costs of malnourished children referred to the subdistrict health center. AID urged that action first be taken to update Pyle's findings and to redesign project operating guidelines, and training materials, and to upgrade required management capacities before program expansion.

A second assessment of the 24 villages was done in July 1984 by a consultant to the Central BKKBN. It found that all 24 villages involved had generated a Village Nutrition Fund and had used some portion of it. Villages in one District where mountainous terrain and dispersed neighborhoods hindered full participation by all mothers had purchased additional weighing scales to add more weighing posts accessible to these women, an important step toward addressing Pyle's concerns. For example, to the 39 weighing posts established by the AID Project in the 12 villages of one district, the Village Nutrition Fund had contributed another 16.

Funds were also being used to supplement the demonstration menu. Some villages simply increased the quantity of the standard menu prepared each month,

while others improved the quality and the variety of the foods prepared. Another common use was to provide some incentive for nutrition kader, usually a uniform. Kader in two villages had started to plan a monthly budget for their menu demonstrations, something they had never done before. Kader in another village said that their menu demonstration had previously been just an exhibit, but since they had begun using the Village Nutrition Fund the demonstration had become a cooking class for the mothers who enjoyed cooking and learning together. Still another village noted that more mothers could now participate in the menu demonstration because there was more food to cook.

Some villages, usually those operating less than a year, had utilized little of the Village Nutrition Fund, preferring to first allow the working capital assets to grow so that they could service the large demand for loans.

The assessment concluded that most of the 24 villages had started to reach nearly all mothers of children under five with their nutrition program, regardless of economic status or geographic residence. While it noted a tendency to limit loans initially to close friends, relatives and neighbors of the kader, and a preference for those with greater means to repay, it found that once the capital funds grew to a level perceived by the kader as adequate to take more risks, loans were made available to a broader range of women.

Current family planning user rates have increased in all 24 villages since introduction of the credit scheme. Although a direct causal relationship cannot be proven, both kader and field workers report the credit scheme makes it easier to attract potential users to the program.

## X. LESSONS LEARNED

The case points to several lessons important to AID and other donors with policy commitments to community management, including the following:

1. PROGRAMS WHICH SEEK TO BUILD COMMUNITY MANAGEMENT CAPACITIES MUST HAVE THE FLEXIBILITY TO ALLOW FOR LOCAL LEVEL INITIATIVE, ESPECIALLY AT VILLAGE LEVEL, IN ADAPTING TO LOCAL NEEDS AND CIRCUMSTANCES.

This is especially evident in a country as diverse and varied as Indonesia. Given demands for fast and reliable results on a nation-wide basis, central level planners are naturally inclined to favor the idea of a standardized national program. Program variation is likely to be perceived as unacceptable "deviation" rather than as an augmentation of the central plan. The VFP/MCW Project is active in thousands of villages in three provinces. It is not feasible for inputs responsive to the needs of each individual village to be determined at the level of central government. It is feasible to provide a mechanism which allows village initiatives leading to a sense of program control and ownership, such as the income generating scheme. USAIDs should

make their own philosophy with respect to such issues clear to counterpart institutions from the early stages of project design.

2. COMMUNITY MANAGEMENT PROJECTS SHOULD INCORPORATE SIGNIFICANT RESEARCH AND DEVELOPMENT FUNDING TO SUPPORT PIONEERING INNOVATION AND EXPERIMENTATION.

Projects which seek unconventional solutions to development problems in diverse and often unknown settings cannot possibly arrive at all the needed answers in the early stage of project design. In most instances where a project truly attempts to work at village level it will be working in what for most project participants will be an unknown setting. Even with the rare agency such as BKKBN, which has had highly successful village level experience and has acquired considerable knowledge of village level reality, learning is still needed to tackle a new problem in the same setting. Yet even experienced agencies may prove reluctant to experiment and learn. And few development agencies have experience equivalent to that of the BKKBN. In the present case it was only because a sizable chunk of project resources was earmarked for just this purpose that the BKKBN leadership was willing to venture beyond the original project blueprint.

3. AID MUST RECOGNIZE THAT PROJECTS WHICH TRULY SEEK TO REACH AND INVOLVE THE COMMUNITY ARE HIGH RISK. RESULTS ARE NEVER ASSURED. RISK TAKING IS ESSENTIAL AND SHOULD BE ENCOURAGED RATHER THAN DISCOURAGED

From a community management perspective the pilot income generating scheme in East Java is probably the most important element of the Project. It is the element which has contributed the most to generating community interest and initiative and encouraging village self-reliance. Yet this component, more than any other, has been subjected to critical AID scrutiny. It was cleared through the AID system only with much internal lobbying. The primary concern of opponents was with financial control of the funds, without recognizing that one strength of the credit fund is specifically the opportunity it provides for increasing community participation in and control of the program. This paradox often occurs: efforts to introduce the flexibility which will allow for innovative decision making at decentralized levels necessarily curtails AID's ability to exercise prior central control over its development assistance funds. If AID is truly committed to achieving community participation and management in its projects the Agency will need to "let go" as far as possible and be willing to accept the consequences that sometimes the results may not be exactly those intended.

4. INITIATIVE AND CONTROL AT COMMUNITY LEVEL CANNOT BE ACHIEVED UNLESS THE CENTRAL LEVEL ALSO ALLOWS FOR INNOVATIVE INITIATIVE AT PROVINCIAL, DISTRICT AND SUBDISTRICT LEVELS AMONG ITS OWN STAFF. INSTITUTIONAL LEARNING MUST BE AN ONGOING PROCESS AND MUST INVOLVE PERSONS AT ALL LEVELS. AN APPROPRIATE PROJECT DESIGN SHOULD PROVIDE A BAREBONES FRAMEWORK AND PROVISION FOR DEVELOPMENT OF SPECIFIC COMPONENTS AS A SERIES OF ACTIVITIES UNDER THE PROJECT ITSELF.

The importance of this was demonstrated in the VFP/MCW Project in the development of the training modules. The experience dramatized the importance of local level adaptations, but perhaps even more important the intersectoral team that originally developed the modules in East Java acquired a stake in their proving effective. The success or failure of the modules became their success or failure. The morale of provincial staff and their feeling of program ownership increased substantially through participation in this developmental effort. The same would hold true for even lower levels. Implementing a standardized program is much easier than implementing one which allows for local variation and initiative, but is seldom more successful. The thrill of innovation and experimentation with new elements is absent, as is the sense of program ownership. Furthermore the inevitable inappropriateness to local conditions almost insures failure--further undermining morale and resulting in a passive non-concern for real program outcomes.

5. COMMUNITY MANAGEMENT PROJECTS SHOULD USE EXISTING SOCIAL LEADERS, NETWORKS, AND INSTITUTIONS TO THE EXTENT POSSIBLE.

This lesson was first learned by the BKKBN through the success of its village based family planning program. It has been relearned in its nutrition program.

6. ENGAGING IN POLICY DIALOGUE AND FACILITATING INSTITUTIONAL LEARNING WITHIN COUNTERPART AGENCIES IS A TIME CONSUMING PROCESS WHICH SHOULD BE TAKEN INTO ACCOUNT IN THE JOB DESCRIPTIONS OF AID PROJECT OFFICERS.

Project officers are increasingly overwhelmed by mountains of paperwork, particularly in administering contracting procedures, working with loan rather than grant funds, and in clearing paperwork through the AID system. To the extent possible these tasks should be transferred to support offices, thereby freeing up project officers for the intensive work of policy dialogue, frequent field visits, and extensive collaboration with counterparts. Too often AID officers end up working in isolation from their counterparts and the real issues on which effective project outcomes depend and--trapped by the administrative burdens of the AID system--lose sight of the development objectives which were

the purpose of their choice of a development career. Development is a learning process which requires time and most of all patience. The desire for the "quick fix" is an unrealistic expectation of AID administrators and program officers; a quest for an illusory goal which may slow true development.

7. THE LEARNING ESSENTIAL TO THE SUCCESS OF COMMUNITY MANAGEMENT PROJECTS MUST BE BASED ON A CONTINUING FLOW OF DATA ON ACTUAL FIELD LEVEL EXPERIENCE. BLIND FAITH THAT A PROJECT DESIGN WILL PRODUCE THE INTENDED RESULTS IS A CERTAIN ROUTE TO FAILURE. PROVISION FOR SUCH ON GOING MONITORING SHOULD BE A BASIC FEATURE IN THE DESIGN OF COMMUNITY MANAGEMENT PROJECTS.

The mid-Project evaluation of VFP/MCW provided the first real data on actual community participation in and acceptance of the program. The participant observation component of the evaluation, if implemented, would have provided even richer insights. But the most significant thing is that in this project essential data were available only after two years of essentially ineffective Project implementation, and remedial actions were an even later occurrence. In hindsight the Project design should have provided for built in monitoring of the process of project activities at the village level from the beginning and prepared people for the need to make effective use of such data. In general community management projects can and should include such an ongoing monitoring system, while recognizing that the learning process by which central level project counterparts come to accept and utilize such findings may require significant time, and is likely to place significant demands on USAID staff of a non-routine and non-administrative nature.

## APPENDIX I

### CHRONOLOGY OF PROJECT ACTIVITIES

- August 1978: East Java VFP/MCW Pilot Project in 318 villages.
- August 1979: Bali VFP/MCW pilot project in 231 banjars.
- June 1980: VFP/MCW Project funds obligated.
- Sept 1980: East Java VFP/MCW Project in 790 villages.
- Oct 1980: Bali VFP/MCW Project in 687 banjars.
- Oct 1981: VFP/MCW mid-Project evaluation begins.
- March 1982: New VFP/MCW Project Officer; New Mission Director; BKKBN/USAID dialogue on start-up of project in NTB.
- July 1982: NTB preparatory phase funded.
- Sept 1982: East Java begins VFP/MCW training module development; Initiation of East Java credit scheme.
- Nov 1982: Mid-Project evaluation completed.
- May 1983: Modules adapted for Bali and NTB; David Pyle reviews East Java Credit Scheme.
- July 1983: BKKBN-USAID VFP/MCW Policy Review Meeting.
- March 1984: East Java integrated program funded in 1,790 villages.
- July 1984: Assessment of Credit Scheme.
- August 1984: National Program Review of Training Modules.