

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET		1. TRANSACTION CODE <input checked="" type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____	DOCUMENT CODE 3
2. COUNTRY/ENTITY WORLDWIDE		3. PROJECT NUMBER <input type="checkbox"/> 936-3034 <input type="checkbox"/>		
4. BUREAU/OFFICE S&T/POP <input type="checkbox"/> 36 <input type="checkbox"/>		5. PROJECT TITLE (maximum 40 characters) <input type="checkbox"/> FAMILY PLANNING ENTERPRISE <input type="checkbox"/>		
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 1 <input type="checkbox"/> 9 <input type="checkbox"/> 1		7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY <input type="checkbox"/> 8 <input type="checkbox"/> 5 <input type="checkbox"/> B. Quarter <input type="checkbox"/> 4 <input type="checkbox"/> C. Final FY <input type="checkbox"/> 8 <input type="checkbox"/> 9		

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	(3,500)		(3,500)	(39,321)		(39,321)
(Grant)	(3,500)	()	(3,500)	(39,321)	()	(39,321)
(Loan)	()	()	()	()	()	()
Other U.S. 1.						
Other U.S. 2.						
Host Country						
Other Donor(s)						
TOTALS	3,500		3,500	39,321		39,321

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) PN	440	440				39,321		39,321	
(2)									
(3)									
(4)									
TOTALS						39,321		39,321	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)	11. SECONDARY PURPOSE CODE
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)	
A. Code	
B. Amount	
13. PROJECT PURPOSE (maximum 480 characters)	

The purpose of the Family Planning Enterprise Project is to increase the delivery and use of acceptable, affordable family planning services through private sector sources.

14. SCHEDULED EVALUATIONS	15. SOURCE/ORIGIN OF GOODS AND SERVICES
Interim MM YY MM YY Final MM YY <input type="checkbox"/> 0 <input type="checkbox"/> 5 <input type="checkbox"/> 8 <input type="checkbox"/> 7 <input type="checkbox"/> 0 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 9	<input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify) _____
16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)	

BEST AVAILABLE COPY

17. APPROVED BY	Signature	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
	Title	
	Director, S&T/POP	
	Date Signed	
	MM DD YY	MM DD YY
	<input type="checkbox"/> 0 <input type="checkbox"/> 6 <input type="checkbox"/> 0 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 5	

Project Authorization

Name of Country: Interregional Project Title: Family Planning Enterprise

Project No.: 936-3034

1. Pursuant to Section 104 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the centrally funded project, Family Planning Enterprise, with planned obligations not to exceed \$39,321,000 in grant funds over the five-year period 1985 - 1989 subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.
2. This project stresses voluntarism and informed free choice. Its purpose is to increase the delivery and use of acceptable, affordable family planning services through private sector sources.
3. The contract which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following terms and conditions, together with such other terms and conditions as A.I.D. may deem appropriate.
4. Source and Origin of Commodities, Nationality of Services
 - a. Commodities financed by A.I.D. under the project shall have their source and origin in the cooperating country* or the United States except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the cooperating country or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing.

*Each country where research, training, technical, or other assistance takes place under the project shall be deemed to be a cooperating country for the purpose of permitting local cost financing of goods or services for the activity being conducted in such country.

b. The aggregate cost of all goods and services procured under each subagreement in a cooperating country may not exceed \$750,000.

c. Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

Clearances:

S&T/POP: S. Sinding	<u>AWA</u>	Date	<u>5/7/85</u>
S&T/PO: G. Eaton	<u>Kim W</u>	Date	<u>5/10/85</u>
S&T/HP: J. Sarn	<u>AWA</u>	Date	<u>5/7/85</u>
S&T: N. C. Brady	<u>AWA</u>	Date	<u>5/16/85</u>
S&GC: H. Fry	<u>AWA</u>	Date	<u>5/20/85</u>
AA/PPC: R. Derham		Date	

12
M. Peter McPherson
Administrator

5-28-85
Date

S&T/POP/FPSD: CAC^{CAC} Carrino: 4/10/85: Wang0364Y

ACTION MEMORANDUM FOR THE ADMINISTRATOR

THRU: AA/PPC, Richard A. Derham *Richard A. Derham*

FROM: S&T, N. C. Brady *N.C. Brady*

SUBJECT: Family Planning Enterprise (FPE) Project, 936-3034

Action: Your approval is requested to authorize S&T Bureau funding in the amount of \$39,321,000 for a five-year project entitled Family Planning Enterprise (FPE), 936-3034.

Discussion: An important objective of A.I.D.'s population program is to enhance the freedom of individuals to choose voluntarily the number and spacing of their children. Another major A.I.D. objective is to foster the growth of productive, self-sustaining, income and job-producing private sectors in developing countries using the financial, technological, and management expertise of the U.S. private sector. The proposed project addresses both objectives.

Recent analyses indicate that unmet demand for family planning services in less developed countries (LDCs) is high, and that public expenditure for family planning by these countries is declining in real terms. In view of these findings, the proposed project utilizes a "private enterprise" approach to family planning service delivery in LDCs. The Family Planning Enterprise project represents a comprehensive effort to improve the business efficacy of existing systems for the delivery and use of family planning and to expand into new private enterprise avenues.

The project provides for two sets of activities. The first introduces or reinforces useful business skills into existing private family planning organizations, primarily private voluntary organizations (PVOs) based in LDCs. The general outcome of this activity will be family planning PVOs better prepared to serve the increasing number of LDC couples requesting family planning services.

The second set of activities is a combination of tried and new approaches to integrating the provision of family planning products and services into existing profit-making commercial channels and employee benefit plans. The outcome of this set of activities will be the expansion of market-based family planning

services in LDCs with many of the costs of delivery absorbed by profit-making commercial markets or shared with the private sector.

The proposed project activities are all designed to increase the delivery of family planning services. They include:

1. Improving the business skills of existing and nascent family planning PVOs by: 1) developing and improving financial and human resource management systems; and 2) providing assistance in developing an improved economic base. Subprojects designed to expand PVO coverage will include assistance in areas such as financial analyses to decide among fee-for-service alternatives, logistical and accounting techniques, and designing personnel time management and incentive systems.
2. Incorporating family planning into existing commercial channels. Assistance in this area will include subprojects for training, financial support, management and evaluation assistance, and the development of market-based procurement, distribution, and information and education systems. In some cases commercial channels may provide new family planning markets which can be expected to reach self-sufficiency and result in the sale of contraceptives at market prices (e.g. health maintenance organizations, pharmacies). In other cases, the delivery of family planning services to hard to reach populations may require local businesses to cost-share with PVOs (e.g. family planning services for factory employees or plantation workers).

Over the five-year life of the project the contractor will complete approximately 80 subprojects in an estimated 30 LDCs. Each subproject will require substantial technical assistance and training support from the contractor. Additionally, the project will support approximately ten regional or topic-specific workshops, and will place up to five long-term regional advisors to support project activities.

The project was prepared in consultation with regional bureaus and various missions. The Population Sector Council reviewed the project on April 25, 1985 and recommended it for approval. Minutes of that meeting are attached. A cable describing the project has been sent to USAID missions.

Notification to Congress: An Advice of Program Change is in process.

Recommendation: That you sign the attached Project Authorization.

Attachments:

- A. Project Authorization
- B. Project Paper, 936-3034
- C. Minutes of the Sector Council meeting, April 25, 1985

Clearances:

S&T/POP/FPSD:TRDonnelly	<u>RLW</u>	Date	<u>5/6/85</u>
S&T/POP:SWSinding	<u>MWA</u>	Date	<u>5/7/85</u>
S&T/POP/PO:GTEaton	<u>Kim for</u>	Date	<u>5/10/85</u>
S&T/HP:JESarn	<u>MWA</u>	Date	<u>5/7/85</u>
PPC/PDPR:ARosenberg	<u>[Signature]</u>	Date	<u>[Date]</u>
GC:HFry	<u>[Signature]</u>	Date	<u>5/20/85</u>

S&T/POP/FPSD:CACarino:5/03/85:Wang:0305Y:59677

FAMILY PLANNING ENTERPRISE

Project Number 936-3034

Family Planning Services Division
Office of Population
May 1, 1985

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I. EXECUTIVE SUMMARY

The Office of Population, Bureau for Science and Technology, proposes a five-year project, Family Planning Enterprise, 936-3034. The project will respond to LDC needs for family planning services through increased involvement of the private sector in service delivery. The Office seeks authorization for five years at an estimated cost of \$39.4 million.

An important objective of AID's population program is the enhancement of individuals' freedom to choose voluntarily the number and spacing of their children. Another major AID objective is to foster the growth of productive, self-sustaining, income and job-producing private sectors in developing countries using the financial, technological, and management expertise of the US private sector. Special emphasis is given to supporting elements of the private sector which meet both developmental and business objectives.

Recent analyses indicate that unmet demand for family planning services in AID recipient countries is high, and that public expenditure for family planning by LDCs is declining in real terms. In view of these findings, the proposed project utilizes a "private enterprise" approach to family planning service delivery in LDCs. The Family Planning Enterprise project represents a comprehensive effort to improve the business efficacy of existing systems for the delivery and use of family planning and to expand into new private enterprise avenues.

"Private enterprise" in this project paper refers to a range of non-governmental business activities such as business creation, financial and human resource management, and income generation. The project is designed to encourage "private enterprise" approaches to family planning delivery in two ways. The first introduces or reinforces useful business skills into existing private family planning organizations, primarily private voluntary organizations (PVOs) based in LDCs. The general outcome of this activity will be family planning PVOs better prepared to serve the increasing number of LDC couples requesting family planning services.

The second set of activities is a combination of tried and new approaches to integrating the provision of family planning products and services into existing profit-making commercial channels and employee benefit plans. The outcome of this set of activities will be the expansion of market-based family planning services in LDCs with many of the costs of delivery absorbed by profit-making commercial

markets or shared with the private sector.

The proposed project activities are all designed to increase the delivery of family planning services. They include:

1. Improving the business skills of existing and nascent family planning PVOs by: 1) developing and improving financial and human resource management systems; and 2) providing assistance in developing an improved economic base. Subprojects designed to expand PVO coverage will include assistance in areas such as financial analyses to decide among fee-for-service alternatives, logistical and accounting techniques, and designing personnel time management and incentive systems.
2. Incorporating family planning into existing commercial channels. Assistance in this area will include subprojects for training, financial support, management and evaluation assistance, and the development of market-based procurement, distribution, and information and education systems. In some cases commercial channels may provide new family planning markets which can be expected to reach self-sufficiency and result in the sale of contraceptives at market prices (e.g. health maintenance organizations, pharmacies). In other cases, the delivery of family planning services to hard to reach populations may require local businesses to cost-share with PVOs (e.g. family planning services for factory employees or plantation workers).

Implementation of the project will be carried out through a five-year contract to be awarded in the fourth quarter of FY 85. The contractor will provide staff and consultants with extensive experience in financial and human resource management, and in the implementation of family planning programs in LDCs.

Over the five-year life of the project the contractor will complete approximately 80 subprojects (averaging \$100,000) in an estimated 30 LDCs. Each subproject will require substantial technical assistance and training support from the contractor. Additionally, the project will support approximately ten regional or topic-specific workshops, and will place up to five long-term regional advisors to support project activities.

II. RATIONALE

A major objective of AID's population program is to enhance individuals' freedom to choose voluntarily the number and spacing of their children. Recent contraceptive prevalence surveys suggest that from ten to 40 percent of fertile women in AID recipient countries express an unmet demand for family planning. For example, percentages of fertile women who want no more children but are at risk of pregnancy reaches 29 percent in the Philippines, 22 percent in Egypt and ten percent in Kenya.

Meeting this unmet demand for family planning services will require both an understanding and acceptance of family planning on the part of women, their families and communities, and the availability of information and services. Traditionally AID assists public entities and PVOs to improve the availability of family planning services in LDCs. While this institutional emphasis is successful and consistent with AID's role as a government to government donor agency, evidence suggests that AID's population program would benefit from a more comprehensive effort to incorporate both the skills and channels of delivery found in the profit-making private sector. (Boone, Farley and Samuel, 1985; Holshauser, 1984; PIP, 1985; World Bank, 1984)

A. New Skill Requirements for PVOs

AID's entire program portfolio benefits from working with developing country PVOs. PVOs operate outside the bureaucratic and policy confines of government. They respond more quickly, can generate considerable community support and can design programs tailored to local requirements. However, while family planning delivery benefits from the institutional characteristics of PVOs, the roles of these institutions are changing.

For the most part PVOs played a pioneering role in family planning delivery for the poor, often as a substitute for weak or non-existent public programs. Recently, however, many governments, including some in Africa (e.g. Nigeria, Niger), have adopted health and development policies which support childspacing and reduced rates of population growth. Many of these policy changes have been translated into public programs for family planning delivery. Stronger public policies and programs combined with considerable increases in the number of couples in LDCs entering their childbearing years change the demands put on family planning PVOs. No longer symbolic "flags" of support for family planning, these PVOs are now expected to help meet national population goals, often under specific mandates to

provide family planning coverage in areas not covered by public programs.

Certainly many family planning PVOs have evolved into sophisticated institutions ready to meet their new role (e.g. PROFAMILIA in Colombia, CBFPS in Thailand and FEMAP in Mexico), and it is equally the case that many family planning PVOs, especially in small African and Middle Eastern countries should not be expected to move beyond their pioneering roles at this time. In general, however, family planning PVOs must make a more concerted effort to improve their business and economic skills to meet new performance mandates.

Specifically, PVOs need to update and improve systems for financial and human resource management, and augment their services and financial resources. Additionally, many must re-examine their organizational structure and community links. Examples of new directions required and barriers to improved performance which characterize many family planning PVOs include the following:

Financial analyses of family planning PVOs must focus more on the cost efficiency appropriate to their systems of service delivery, and incorporate more specific cost data into their ongoing accounting systems. The objectives of many PVOs have evolved from initiating family planning activities to increasing the number of acceptors or users. The more acceptors or users, or the fewer dropouts, the more successful the program. More careful analyses equate program performance with percentages of national contraceptive prevalence and even changes in a country's fertility rates. However, possibly because PVOs tend to be donor recipients and often rely on volunteers or semi-volunteers to staff their organizations and perhaps because the cost per user of PVO projects tends to be low, few PVOs outside of Asia have dedicated much attention to the cost-efficiency of their service delivery systems: how much coverage are they getting for their (or someone else's) money. Even where cost-efficiency studies have resulted in programmatic changes (e.g. Thailand, Colombia) the studies tend to be ad hoc. A sustained accounting of cost-efficiency is especially important as programs continue to experiment with fee-for-service plans. (Vriesendorp and Strachan, 1984; PIP, 1985; Development Associates, Inc. 1984)

Personnel management, especially as it affects incentives and disincentives for useful staff performance, is probably the best documented and

perhaps most successfully exercised area being considered in this project paper. Nevertheless, program managers must continue to address issues such as time management, appropriate award systems and creating a productive atmosphere of voluntarism among workers who are generally low-paid. The range of personnel productivity problems varies widely. In some cases, a lack of management information systems causes project staff to spend too much time on record-keeping and in staff meetings and not enough time delivering services. In other cases, PVOs lack ways of providing volunteer workers with community recognition. (PIP, 1985; World Bank, 1984)

Income generation, especially for income required to cover recurrent costs, is a concern of many PVOs. Traditionally income generation by family planning PVOs means grant applications (primarily to international donors), and small scale local fund-raising activities. As the availability of international and national funding continues to decline in real monetary terms and in relation to the number of potential family planning acceptors it is expected to serve, PVO efforts in this area must become more sustained and effective. Grantsmanship that at present tends to focus on a wide variety of "new" project opportunities should be refocussed so as to first reinforce and maintain existing programs. Fund-raising among the business communities of countries where charitable giving to organizations, as opposed to individuals, is not a common practice must evolve from small gifts into large donations of money, facilities or equipment. (World Bank, 1984) Additionally, co-financing and co-programming the delivery of family planning services with profit-making firms can expand the delivery of services while cutting PVO costs.

Voluntary organizations providing family planning services are not going to become thriving profit-makers, however improved efficiency and progress towards self-financing can be expected. The first, and part of the second, set of activities proposed under the Family Planning Enterprise project are designed to assist PVOs become more efficient and more able to finance new projects and recurrent costs as they expand their services. As the project becomes operational we should expect increased family planning coverage or increased coverage per dollar of inputs.

B. Advantages of the Profit-making Sector

In recent years, the private sector has increased access to family planning services. Countries such as Thailand and Korea are well-known for their commercial delivery systems. In Brazil's state of Sao Paulo the private sector accounts for more than 85 percent of prevalence and over one million users. In Ecuador, more than half, and in Peru, two-thirds, of users of modern methods obtain supplies from doctors or commercial outlets.

AID recognized the economic efficiency and increased potential for coverage of working with the private commercial sector in the early 1970s when it began supporting Contraceptive Retail Sales (CRS) and Contraceptive Social Marketing (CSM) projects. Using a combination of public and private sector support to improve contraceptive availability, CRS and CSM projects generally have two characteristics not shared by the regular market-based private sector: 1) CRS and CSM family planning projects keep product prices to the consumer subsidized, and 2) self-sufficiency in contraceptive procurement is not a specified goal of these projects. These characteristics allow low cost products to reach the poor through commercial channels (although sometimes, as occurred in Jamaica, costs are so low that the product is devalued in the eyes of the consumers.) They also allow commercial retailers and other CRS and CSM distributors to take advantage of AID's commodity donations and in turn AID's economy of scale in contraceptive procurement.

Clearly CRS and CSM projects augment public and traditional PVO activities and form an important part of AID's portfolio. However evidence suggests that LDC population programs could benefit from more market oriented projects. Socio-economic trends in AID recipient countries and the success of private health-care markets in LDCs indicate a potential for incorporating family planning into existing commercial channels which will not require long-term support by AID. Some of these trends are as follows:

Public family planning programs will need assistance to meet the growth targets set by LDC governments. Given continued economic crises and political constraints, it is unlikely that many LDC governments will be able to allocate adequate resources and assistance to overcome these problems in the near future. Health allotments, as percentages of national budget spending in LDCs have decreased in the last ten years. In Egypt, for example, the government spent approximately 5.6 percent of its

total budget for health care in 1976; in 1982-83 they spent 1.4 percent. (Badran, 1984) Furthermore, little of any of these health budgets are devoted to preventive health care. Within this context, it is even more unlikely that public sector programs will effectively improve, increase or even maintain current contraceptive prevalence levels, even where social, religious and political climates are supportive. For example, in Mexico, despite the success of the public family planning program it is estimated that the major public provider of family planning services, the Social Security Institute (IMSS), will have to increase its coverage from approximately two million women in 1982 to over four million by 1990 to maintain present national population growth rate targets. To assist public programs, there is a need to "privatize" services in some countries by weaning people who can afford to pay for family planning away from government programs and into the market-place.

An increasing number of citizens of AID recipient countries are part of the money economy. This is most apparent in urban areas where most employment is wage-based. The proportion of labor force in agriculture is declining and an increasing number of the world's population are employed in services and industry and are a part of monetized societies. Concurrently, more people in developing countries exist in and around formalized marketplaces and thus purchase more and more of their required goods and services. They are also increasingly likely to belong to formal public or private structures such as health care systems, and social security plans.

Health care markets which could provide an appropriate conduit for family planning service delivery appear to be growing successfully in many LDCs. For example, in Brazil over 15 million people receive health care from health maintenance organizations (HMOs). Group prepayment plans also exist in India, Egypt, the Philippines and Tunisia. In countries such as Kenya, Turkey, and India, employers are playing an increasing role in providing health care. In Egypt, the public health care system which covers ten percent of the population is actually a social financing scheme based on prepayment, contributory insurance, and consumer cost sharing.

Taken together, long-term trends and the demonstrated success of the private sector enlarges the role of the marketplace in the distribution of contraceptives and the sale of family planning services and increase prospects for cost recovery. A major part of the second set of activities under the Family Planning Enterprise project is devoted to incorporating family planning delivery into existing profit-making businesses in LDCs.

III. FAMILY PLANNING ENTERPRISE PROJECT

A. Program Goal

AID's population program goal is to enhance the freedom of individuals in less developed countries to choose voluntarily the number and spacing of their children. The Family Planning Enterprise project joins AID's portfolio of projects which directly addresses this goal.

B. Project Purpose

The purpose of the Family Planning Enterprise project is to increase the delivery and use of acceptable, affordable family planning services through private sector sources.

C. Project Description

The Family Planning Enterprise project represents a comprehensive effort to improve the business efficacy of existing systems for the delivery and use of family planning and to expand into new private enterprise avenues.

Here the term "private enterprise" refers to a variety of business activities such as business creation, financial and human resource management and revenue generation. Two sets of private enterprise activities are proposed in this project paper. The first introduces or reinforces useful business and economic skills into existing private family planning organizations, primarily PVOs based in LDCs. The general outcome of this activity will be family planning PVOs better prepared to serve the increasing number of LDC couples demanding family planning services.

The second set of activities is a combination of tried and new approaches to integrating the provision of family planning products and services into existing profit-making commercial channels and employee benefit plans. The outcome of this set of activities will be the expansion of market based family planning services in LDCs with many of the costs of delivery shared with the private sector.

The contractor for the Family Planning Enterprise project will provide staff and consultants with extensive experience in financial and human resource management, and in the implementation of family planning programs in LDCs. It is also necessary that the group or groups chosen demonstrate an understanding of market behavior and the ability to communicate and work with leaders and managers in business, family planning service delivery, and health-care markets.

The following outlines the approaches, subproject activities and outputs expected under the two sets of private enterprise activities.

C. 1. Improving Business Skills of Family Planning Providers

This set of activities is designed to address the business and economic skill requirements of growing and nascent family planning PVOs in LDCs as these organizations expand or improve the delivery of planning services. The objective is to increase the efficiency of PVO delivery systems, personnel and money, and thus better meet demands for family planning in the developing world. Considerable attention will also be given to assist PVOs plan and execute income generation projects.

Approach: In general, meeting unmet demand for family planning requires:

- individual, couple, family and community level information and education on family planning services and their availability;
- systems of distribution which provide an appropriate variety of safe, efficacious, and affordable services; and
- government support for population and family planning programs or at least government non-interference.

The first set of private enterprise activities addresses part of the second requirement for meeting unmet demand in that it is designed to improve the ability of PVOs to use effectively present resources to improve or expand their operations, and their ability to tap into the local community for financial and programmatic support.

The approach is one of technology transfer, where cost-saving business practices and private sector experience in income generation are brought to bear to the benefit of private family planning delivery systems.

Activities: The contractor will implement this project component through subprojects, short-term technical assistance activities and workshops. Activities will generally include:

- Technical Assistance and Training in various business skill areas such as:
 - Finance: cost-efficient accounting and financial management techniques, financial analyses and fee-for-service planning;
 - Personnel Management: human resource development in private enterprise areas, and incentive mechanisms to improve staff productivity;
 - Income Generation: assistance in grantsmanship and developing local financial support;
 - Organizational Structure: assistance in the design of family planning distribution systems which are appropriate in size, location, and level of community involvement; and
 - Logistics and Commodities Support: assistance in developing and managing more efficient procurement systems;
- Workshops: in-depth working sessions in topics such as cost-efficient accounting systems, financial planning, and structuring professional incentive programs;
- Micro-computer transfer: installation and training for use of micro-computers in financial analyses, commodity inventory and user accounting, evaluation and reporting; and
- Long-term Regional Advisors: on-site technical assistance for large PVOs requiring substantial support in private enterprise project areas. Experts can provide assistance to all projects in a country or region.

This approach is flexible to assure responsiveness to the needs and stages of development of family planning PVOs. The menu of assistance will be tailored to the individual situation on the basis of need and country priority. The following examples indicate the possible range of activities:

- A large PVO in the Near East provides clinic and community based family planning services. As the PVO expands operations it contemplates adding fee-for-service requirements to its program. During a subproject design stage the legal and

general economic feasibility of the idea is examined. The idea passes this initial stage successfully and the contractor provides on-site technical assistance in financial and human resource management to determine what part or parts of the program should add a fee-for-service, what services are to be sold, and pricing. The urban clinic part of the PVO's program is found to be most promising for a fee-for-service program, if two small urban clinics are opened to increase client accessibility. The subproject provides funding to open these clinics. Technical assistance also includes the installation of a microcomputer with software and training in financial and commodity accounting for the entire PVO operation, and follow-on monitoring to observe, fine-tune, or possibly redirect the fee-for-service project.

- The clinic based section of an African PVO notices that its drop-out rate is high and it is attracting few new acceptors. Other family planning services are not available around the clinics so the PVO begins to question its own operation. Among the identified reasons for the problem is low worker or volunteer motivation. The contractor develops a subproject with the PVO to develop a worker incentive plan with an awards system offering financial gain and community-wide prestige awards for workers demonstrating the highest number of return acceptors or the fewest drop-outs. The incentive is designed to achieve the maximum worker output given the PVO's financial and human resources, and the existing cultural setting. The contractor also works with program managers on employee relations techniques. Technical assistance includes a before and after documentation of acceptors, users and drop-out rates. If required, long term assistance with personnel management may be provided through the Managing Family Planning Delivery Systems project monitored by the ST/POP/R.
- Within separate subprojects, three or four family planning PVOs in either Latin America or Asia select a "director of income generation." These people are brought together to receive training in different approaches in income generation and then visit a family planning PVO successful in fund raising before returning to their own institutions with a contractor representative to plan and initiate a strategy. As the project progresses

another subproject provides technical assistance in resource investment.

Most activities will be implemented through subprojects taking anywhere from a few months to two years. The subproject mechanism has been found to be useful in that it requires a written agreement between the subcontractor and a local entity, in this case a family planning PVO, which outlines inputs and expected activities. Subcontracts in this project will include substantial technical assistance and training inputs from the contractor and will require the participating PVO to adequately absorb the contractor support and meet performance objectives in service delivery.

While a few subprojects will be specifically designated to assist nascent PVOs develop, a typical subproject will be directed at an existing family planning PVO and will contain the following elements:

1. Country Assessment: Contractor will identify subproject PVO and activity focus in collaboration with Missions, Regional Bureaus, and S&T/POP staff, and the program leaders and managers within the PVO.
2. Subproject Development: Contractor will enter into a subproject agreement with the PVO which stipulates subproject inputs (e.g. type of activities to occur, PVO staff time involvement, computer transfers, resident advisor requirements), and a timetable for activities and deliverables.
3. Subproject Implementation: Contractor will provide PVOs with technical assistance throughout the grant/subcontract period. PVOs will be responsible for programming deliverables and documentation of scheduled skill improvements.
4. Evaluation: Subprojects will be evaluated on the basis of whether a business skill was incorporated into PVO's and whether an improvement in the PVOs efficiency in delivery occurred.

In some cases, training monies provided for under the subprojects will allow PVOs to send staff to existing family planning training programs sponsored by AID (e.g. Parmedical Auxiliary Community Personnel, Johns Hopkins Program for International Education in Gynecology and Obstetrics). In cases where existing training programs are not available, the Family Planning Enterprise project will have to develop appropriate training modules for subjects such as pricing,

family planning accounting, implementing income generation projects. Besides subprojects, the contractor for this component will provide technical assistance in private enterprise areas on an ad hoc basis. This assistance will allow a certain amount of flexibility in meeting short-term PVO and country needs and will serve as a valuable entre or follow-up mechanism for subproject activity.

This component will also include workshops designed to train PVO managers and staff in financial analysis, human resource development and income generation. Subprojects or technical assistance will be designed to lead into and follow-up on most workshop training.

C.2 Incorporating Family Planning into Existing Commercial Channels

This set of private enterprise activities will incorporate family planning into commercial channels and benefit offerings of private firms. The objective of these activities is to complete a series of subprojects which encourage and assist businesses to provide family planning services in the marketplace.

Approach: Four major requirements exist for integrating family planning into commercial channels:

1. appropriate markets must be chosen;
2. government trade and sales policies must support the private distribution of family planning;
3. private businesses must be willing to accept an initial period of financial (and perhaps political) risk; and
4. owners and managers must learn about family planning commodity and service procurement and delivery.

Operationally the Family Planning Enterprise contractor will have to address all these requirements, however it is expected that a major portion of effort will be directed to requirements three and four. When appropriate, the contractor will collaborate with the S&T/POP/PDD Private Sector Policy Initiatives project designed to encourage profit-making commercial channels to add family planning to their commodity or service offerings.

The right market: Among existing profit-making channels, it appears that the most appropriate fit for family planning

will be in the various types of health care markets which flourish in LDCs. The many suppliers in this marketplace which may find it profitable to include family planning commodities or services among their sales include:

- Medical Personnel - doctors, nurses, midwives, paramedics, traditional birth attendants;
- Fixed Facility Service Providers - hospitals, clinics, health centers;
- Retail Outlets - pharmacies, sundry stores, street vendors, distributors, national associations of pharmacists, grocers;
- Contraceptive Manufacturers - pharmaceutical companies, sales groups, distributors; and
- Financial Providers- group health plans, insurance, companies, pension plans, private associations.

Many of these health markets could find the provision of family planning services or commodities complementary to their present portfolio and profitable. Pre-paid health and insurance plan managers may also find that providing family planning will reduce fertility among their clients and, in turn, the provider's pediatric and pregnancy related costs. With some start-up costs and technical assistance these markets may be expected to assume costs of selling their new product.

Additionally, many private firms, such as tea plantations, assembly plants or department stores which employ a large number of fertile aged women, may view family planning not as a product to sell but as a benefit to offer employees. These firms may expect reduced turnover rates and absenteeism due to pregnancy and child care if their employees contracept, or they may just want to offer an attractive benefit. In this situation family planning enters the marketplace as a cost savings to the firm or as part of the wage. We might expect these firms to assume some, but not all, of the costs of family planning delivery. In this project local family planning PVOs are expected to co-program and co-finance these activities.

Government support: Governments and special interest groups (e.g. medical associations, religious groups, business leaders) are important external influences on the marketplace. Governments, and interest groups working through governments, can determine product lines (condoms,

pills, etc.), pricing (through taxes, duties, regulations) and availability (through licensing and bureaucratic procedures).

Risk-taking: Due to start-up costs, new lines of business almost always operate in the red during the first months of existence. It is during these months that the entrepreneur takes the most risks and the business is most vulnerable to failure. For firms wishing to sell family planning services or commodities, one of the functions of the Family Planning Enterprise project will be to lessen the risk to the entrepreneur by providing human and capital inputs. For firms offering family planning as an employee benefit, a cost-sharing approach involving local family planning PVOs is envisioned.

Family Planning: Although health care markets may be "naturals" for incorporating family planning services into their portfolios, and the businesses chosen to participate in this project will likely have considerable experience in commodity or service delivery, these businesses will require considerable assistance in learning enough about safe, efficacious family planning commodities to assure that the new business component meets the demand for quality services, fits the existing delivery system and is profitable. For factories offering family planning as an employee benefit, this assistance will likely involve long-term involvement of a local family planning PVO.

Activities: The contractor will implement this project component principally by developing subprojects with private businesses in existent or nascent markets or with local family planning PVOs which demonstrate potential to co-program or co-finance with private firms. Subproject funds will be allocated to finance development costs and short-term operational expenses. Activities can take many forms but generally will include:

- training - assistance to private provider personnel to learn methods of family planning, assistance in management methods, and financial analysis for the delivery of family planning services and commodities, observational study tours to observe the management of family planning service and commodity delivery. In many cases, training monies will enable subproject recipients to send staff to existing family planning training programs sponsored by AID (e.g. Parmedical Auxiliary Community Personnel, Johns Hopkins Program for International Education in Gynecology and Obstetrics);

- promotional/educational materials - assistance in preparing and distributing promotional materials to sales staff and consumers;
- technical assistance for program administration management and evaluation;
- financial support - short-term assistance to initiate and support family planning delivery (e.g. hire staff, procure local equipment);
- commodities - assistance in developing procurement systems, product lines, provision of supplies;
- business analyses - pricing, demand, supply, and return on investment analyses; and
- workshops - to train in selected project activities and review subproject performance.

The combinations of potential suppliers and inputs mentioned above indicate that the subprojects will address a wide range of market activities. The variety and flexibility of this approach is necessary because all economies are at different stages of development and are influenced by disparate cultural factors. This milieu invites imaginative and diverse subprojects. Some illustrative subprojects reveal the range of potential activities:

- A pharmaceutical distributor serving local physicians wishes to expand its sales network to include traditional midwives. A subproject supports short-term market research, profit analysis, and training. Follow-up assistance might include start-up commodities, training, and equipment.
- With the assistance of a full-time consultant, contraceptive distribution is initiated through a pharmaceutical and consumer goods distribution and retailing system. A local pharmaceutical distributor can assume responsibility for managing the project after product launch. Assistance includes training in family planning commodity inventory and pricing necessary to assure that both a profit and a reasonable sales volume are possible.
- Due to potential cost-savings and possibly as a community/employers service, a local factory

employing a large number of married women of reproductive age agrees to cost share the expense of providing family planning activities to its employees with a family planning PVO. In this case assistance is provided the PVO to design an on-site service and referral program and to cover initial commodity and personnel costs and some recurrent costs. In the long-run the factory's financial involvement in the delivery of family planning services will increase and may evolve into a situation where the factory contracts the PVO for family planning services.

- An HMO receives assistance under the Private Sector Policy Initiatives project to study the cost-savings of adding family planning to its health services. Research shows evidence that short-term maternal and child health care costs will decline if a family planning component is added and the HMO decides to add family planning to its services. The Family Planning Enterprise project then assists in price-setting, logistical planning, and as both a trainer and a referral base for information and personnel training in family planning delivery.

Subprojects could take anywhere from six months to several years to complete and, as is the case with the first set of activities described above, they will require substantial technical assistance and training support. A typical subproject will require the following:

1. Subproject Development: Contractor will identify potential markets and develop subprojects in consultation with local business and health experts, Missions Regional Bureaus and S&T/POP. If necessary, they will conduct market research, pricing studies, and analyze procurement processes.
2. Subproject Implementation: Contractor will design subproject strategy with subcontractor, arrange for expert business consultants, implement and fund subproject agreements to initiate family planning service delivery. Arrange for training, and, if and when appropriate, transition to self-sufficiency.
3. Evaluation and Follow-up: Contractor will conduct a subproject evaluation from both financial and management standpoints to determine prospects for continuation of activity, and where appropriate, conduct workshops with business leaders and

government officials demonstrating benefits of market-based family planning, and disseminate case findings in business periodicals.

Aside from individual subproject evaluations, AID is interested in the effectiveness of the different approaches to the private delivery of family planning services and commodities. For example, how does the PVO's approach to co-financing or co-programming family planning activities with profit-making companies compare from a standpoint of coverage and cost-effectiveness with the incorporation of family planning in existing health markets. The contract will provide such a comparative analysis (or documentation) as part of a project report.

C.3. Project Outputs

Over the five year contract, approximately 50 subprojects in an estimated 30 countries will assist PVOs in the areas of financial planning, personnel management, income generation, or an appropriate mix of the three. Subprojects in approximately three countries will be dedicated to the initial stages of family planning PVO development. The cost per subproject will average \$100,000. Five long-term regional advisors will be placed at selected subproject sites for periods of approximately two years. It is expected that ten micro-computers will be installed in family planning PVOs. For as many subprojects as possible, the contractor will develop a financial, commodities and a user management information system for use on a micro-computer to enable clear reporting and comparative analysis.

There will be an estimated 30 subprojects in approximately 18 countries devoted to incorporating family planning into existing commercial channels and employee benefit programs. The cost of a subproject will average \$100,000. There will likely be one observational study tour (2-4 people) per country. Each subproject will have an evaluation and some type of dissemination/review activity.

Approximately ten regional or topic specific workshops will be held over the life of the contract: eight for the PVO activities and two for incorporating family planning into existing commercial channels. Workshops will range in length from five to ten days and the number of participants will range from 20 to 30 people.

The project will support the design of approximately two or three project-specific training modules in areas not covered by existing AID projects (e.g. pricing, family planning

accounting). Additionally, approximately two man-years of ad hoc technical assistance will be available over the five years, primarily to PVOs not covered by subprojects.

To document the project implementation, the contractor will prepare trip reports, annual reports and approximately five special documentations of project experience.

D. Regional Foci

In general, the regional distribution of project resources will reflect FPSD's Resource Allocation Plan (RAP), with some accounting for the fact that this project is likely to be better absorbed in Asia than it is in Africa. The Division expects about 25 percent of project resources to be devoted to work in Africa, 30 percent in Latin America, 35 percent in Asia, and 10 in the Near East. Within each geographic region, FPSD resources are to be distributed according to country priority which is primarily determined by the following four criteria:

- demographic importance;
- absence of other sources of family planning support;
- interest and capacity to use family planning assistance; and
- the opportunities for private sector involvement in family planning services delivery.

IV. PROJECT PROCUREMENT AND IMPLEMENTATION

A. Procurement

The Family Planning Enterprise project will be implemented over a five year period under a contract. A contract between AID and a Cooperating Agency (CA) is advised because FPSD wishes to maintain a good degree of management control over project direction and activities, and to be assured of receiving a specific type and level of project outputs. The CA will be selected on the basis of cost and technical bids in response to an RFP.

A contractor will be sought that can offer staff and consultants with extensive experience in financial and human resource management, and in the implementation of family planning programs in LDCs. Due to the range of technical and geographic requirements of this project it is likely that some sort of prime-sub or consortium arrangement will surface during the RFP stage, however a single managing contractor will be imperative to assure the rapid response necessary to successfully complete the work outlined above. Whenever possible, the services of minority and disadvantaged firms and HBCU's will be used. Prime contractors will be encouraged to be responsive to the provisions of the Gray Amendment by, for example, drawing upon minority institutions for the hiring of staff and consultants, procurement of microcomputers and other equipment and services, document translation, and printing of publications.

It is expected that approximately ten microcomputer systems will be transferred over the five year project. Microcomputer systems have been found to increase efficiency in the small-scale work situations in which LDC PVOs find themselves. The contractor will be asked to provide computer components, specifications, and software required for the described task and developing country environment. All microcomputer transfers will be accompanied by at least two-week instruction in their use, including applications for the particular task. The CA will be responsible for providing replacement parts, as required, over the project's life, and if possible, this responsibility will be transferred to future agreements involving the transfer of computer equipment.

B. Implementation Schedule

A capsuled version of the implementation schedule for the Family Planning Enterprise project appears as Chart 1. Project Paper approval is expected to take place in the

CHART 1

SUMMARY IMPLEMENTATION SCHEDULE FOR
FAMILY PLANNING ENTERPRISE PROJECT:
BY QUARTER (FY 85-90)

ACTIVITY	FY 85 3/4	FY 86 1/2/3/4	FY 87 1/2/3/4	FY 88 1/2/3/4	FY 89 1/2/3/4	FY 90 1/2/3/4
PP approval	X					
Process PIOT	X					
Process RFP	X					
Select CA	X					
Contract Implem.		X X X X	X X X X	X X X X	X X X X	X X X X
80 Subprojects ¹		6	24	48	56	26
Tech. Asst.		X X X	X X X X	X X X X	X X X X	X X X
10 Workshops		2	2	4	2	
5 Residents in place			1	2	2	
Outside Evaluations			X		X	
Management Reviews			X	X	X	X

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¹Subproject length is expected to range anywhere from six months to several years, however, an average length of two years per subproject is used for planning and budgeting estimates.

third quarter of FY 85. Procurement for the contract will begin in the fourth quarter of FY 85.

Two outside evaluations are scheduled for the third quarter of FY 87 and the third quarter of FY 89. Internal management reviews are scheduled at the conclusion of each year with the fourth review (last) to include an extensive review of project performance and evaluation of future requirements in the private enterprise area.

C. Monitoring and Coordination

The following summarizes the responsibilities of FPSD and other relevant AID offices in this project's planning, implementation and monitoring:

S&T/POP/FPSD: Primary technical and administrative responsibilities for the project will lie in FPSD. FPSD will provide continual guidance to the contractor and will closely monitor project implementation through activities such as the review of regular and special reports, holding project debriefings, making site visits and conducting management reviews. Major project accomplishments will be shared with S&T/POP, S&T/H, PRE, PCC, regional bureaus and missions. FPSD will also organize special presentations of other interested AID personnel and representatives of other agencies.

Within FPSD, the project will coordinate information and experience exchange with SOMARC and other projects in FPSD which include private enterprise components.

S&T/POP: Throughout the life of the project FPSD will be in contact with other Divisions in the Office of Population to review priorities and activities. Coordination will be especially important with the Private Sector Policy Initiatives project managed by S&T/POP/PDD, the Leadership and Management Training, Paramedical Auxiliary Community Personnel (PAC), Johns Hopkins Program for International Education in Gynecology and Obstetrics (JHPIEGO), and Population Communication Services (PCS) projects managed by S&T/POP/IT, and the Managing Family Planning Delivery Systems operations research project managed by S&T/POP/R.

PRE, S&T/H, M/SER, PPC, Regional Bureaus and Missions will also be consulted on various procurement and technical issues throughout the life of the project. FPSD and the project contractor will work closely with the regional bureaus and missions in identifying and implementing project activities. All contractor travel to a particular country

and the stationing of long-term personnel will of course require approval from the appropriate mission. While S&T/POP will authorize the full amount estimate to complete this project, it is expected that regional bureaus and missions may decide to "buy-in" to the project with through their own procurement mechanisms.

Additionally, the project will exchange experiences with other donor institutions (e.g World Bank, United Nations, regional development banks), and commercial distributors of contraceptives (e.g. UpJohn, Wyeth, Schering).

V. FINANCIAL PLAN

Table 1 presents the estimated budget and line item descriptions for the project over its five-year term by line item categories. An estimated \$39.4 million in funding is needed to support project activities at the specified level of effort.

Estimates assume a 100 percent overhead rate on personnel, consultants, travel, other direct costs, training, resident advisors, and the first \$25 thousand of subcontracts. A five percent inflation factor is assumed on personnel, consultants, travel, other direct costs, training, resident advisors, and freight costs. A ten percent fixed fee on all project costs is estimated.

ST/POP plans to authorized the entire amount estimated to complete project activities, however, past FPSD experience indicates that the project will attract bureau and mission "buy-ins."

FAMILY PLANNING ENTERPRISE PROJECT
(US dollars in thousands)

	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Personnel	776	815	855	898	943	4,287
Consultants	249	262	275	289	303	1,378
Travel	582	611	641	673	707	3,214
Oth Dir Costs	95	99	104	109	115	522
Workshops	0	17	69	55	38	179
Training	0	11	35	49	26	120
Reg. Long-term	315	331	347	365	383	1,741
Subs:Dir Costs	100	350	600	650	300	2,000
MTDC (100%)	2,116	2,495	2,927	3,088	2,815	13,441
Computer	19	20	21	22	23	104
Commod/Equip	0	110	463	365	255	1,193
Freight	0	138	579	456	319	1,492
Subs:MTDC exclu	300	1,050	1,800	1,950	900	6,000
SUBTOTAL	4,552	6,308	6,717	6,968	7,127	35,671
Fixed Fee (10%)	455	631	672	697	713	3,567
Formal Evaluation		40		43		83
TOTAL	5,007	6,978	9,589	9,907	7,840	39,321
INFLATION (5%)	1.05	1.10	1.16	1.22	1.28	

- Personnel:** based on 15 full-time professionals, two full-time administrative aides, and five full-time secretaries. (A prime/sub(s) institutional arrangement is envisioned). While subprojects are designed to encourage recipients in LDCs to be responsible for project outputs, a considerable amount of technical assistance, training and follow-up is expected from the contractor beyond the initial subproject design stage.
- Consultants:** based on an estimated 950 days per year at an average rate of \$250 a day. This estimate assumes that on average approximately two consultants will be working on the project at any one time.
- Travel:** based on an estimated 150 international trips per year averaging two weeks in duration, costed at \$1,200; and 50 local trips averaging \$600.
- Workshops:** ten regional or topic-specific workshops for 15-30 people over 10P.
- Other Direct Costs:** includes reports, publications, approximately three special documentation studies, presentations and other activities incidental to the execution of the contract.
- Training:** to prepare training modules in areas not covered by training programs (e.g. income generation planning, pricing, family planning accounting).
- Long-term Regional Advisors:** based on 5 on-site experts to be placed in LDCs for a period of two years at an estimated cost of \$150,000 a year.
- Subprojects:** based on 80 subcontracts over five years averaging \$100,000. Subproject funds are to be used to support the expansion of family planning service delivery, subcontracting institution's personnel and material costs to participate in subproject activities, to buy family planning training when necessary, plus subproject evaluation and dissemination.
- Commod. & Equip.:** approximately \$1,000,000 in commodities and equipment to be provided on top of subproject support assist 100% and private businesses in LDCs expand family planning delivery.
- Freight:** for shipping and necessary subcontracting by DDC for storage of commodities and equipment.

ESTIMATED BUDGET

TABLE 1 Best Available Document

IV. EVALUATION PLAN

Two outside evaluations will be conducted for this project. A mid-term evaluation will be conducted in May 1987 and a final evaluation in June 1989. Four major questions will be asked about the contract during the evaluations:

1. were the contract activities adequately designed to meet the objectives of the project;
2. did the project reach its intended recipients;
3. what is the technical quality of contract activities and did these activities meet the project objectives; and
4. was the contract managed so as to adhere to AID management regulations and satisfactorily complete project objectives?

The purpose of the evaluations is to identify technical and administrative barriers to the successful execution of the contract. We should also be able to glean an indication of the worth of the private enterprise approach to improving and expanding family planning delivery. An important output of the first evaluation will be a series of recommendations for redirecting the final years of the contract and the second evaluation should be especially useful when preparing future projects in this area.

Both outside evaluations will be conducted by an independent team selected by the Office of Population and funded through an outside evaluation contract. The team will include three or four people and have a combined expertise in business financial and personnel management, family planning service delivery, and contract management.

Throughout the life of the contract there will also be annual management reviews conducted by the project manager in FPSD. These reviews will provide a regular internal assessment of project activity and management.

VII. CONDITIONS, COVENANTS, AND NEGOTIATING STATUS

Source of Origin of Commodities and Nationality of Services Waiver: Each developing country where subproject, technical assistance or workshop activities take place under this project shall be deemed to be a cooperating country for the purpose of permitting local cost financing. (Each country where research, training, technical, or other assistance takes place under the project shall be deemed to be a cooperating country for the purpose of permitting local cost financing of goods or services for the activity being conducted in such country.) The aggregate cost of all goods and services procured under each contract in a cooperating country from AID Geographic Code 935 countries (Special Free World) may not exceed \$750,000.

Justification: The authority to procure goods and local services at this level (in AID Geographic Code 935 countries) is essential for the implementation of the project. The essence of the Family Planning Enterprise project is that host country institutions be supported in implementing private enterprise approaches to the delivery of family planning services. Therefore, except for technical assistance provided by US-based institutions and associated US-purchased commodities, project expenditures will occur within the cooperating countries. Since these projects are dependent on the use of goods and services, it is only through the local procurement of goods and services that the project can encourage the development of improved institutional capacity in the delivery of family planning services.

Certification: Exclusion of procurement from Special Free World countries other than the cooperating country and countries included in Code 941 would seriously impede attainment of US foreign policy objectives and objectives of the foreign assistance program.

**PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK**

Life of Project:
From FY 85 to FY 90
Total U.S. Funding \$39,321
Date Prepared: 4/3/85

Project Title & Number: Family Planning Enterprise Project 936-3034

NARRATIVE SUMMARY	OBJECTIVELY MEASURABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS										
<p>Program or Sector Goal: The broad objective to which this project contributes:</p> <p>To enhance the freedom of individuals in LDCs to choose voluntarily the number and spacing of their children</p>	<p>Measures of Goal Achievement:</p> <p>Increases in active family planning users over time; Increases in time intervals between pregnancies; Decline in fertility; and Decreases in population growth rate.</p>	<p>WFS Data National census data; Ministry of Planning, MOH data; and other expert analysis of indicators</p>	<p>Assumptions for achieving goal targets:</p> <p>LDC individuals wish to influence the number and spacing of their children. Demand exceeds available, acceptable affordable family planning services. If such services were made available, they would be used.</p>										
<p>Project Purpose:</p> <p>To increase the delivery and use of acceptable, affordable family planning services through the private sector</p>	<p>Conditions that will indicate purpose has been achieved: End of project status.</p> <p>Family Planning information and services being provided by LDC private sector organizations.</p> <p>Increased contraceptive use and prevalence attributable to subprojects developed with these private sector organizations</p>	<p>Baseline and follow-up surveys of knowledge, attitudes and practices of trainees; Program evaluations; Requests to donors for funding new FP initiatives and/or commitments of national funds; Service statistics; Contraceptive prevalence surveys; and A.I.D. mid-term project evaluation.</p>	<p>Assumptions for achieving purpose:</p> <p>Present system for providing family planning services only reach a portion of those desiring services (unmet demand); and Private sector organizations e.g. private enterprises and/or private voluntary groups represent effective channels for service delivery; (continued)</p>										
<p>Output:</p> <p>Improved business and management systems for LDC family planning PVOs; and</p> <p>The delivery of family planning services through new private sector markets.</p>	<p>Magnitude of Output:</p> <p>To assist family planning PVOs in an estimated 30 countries, approximately 50 subprojects, 8 workshops, 10 microcomputer transfers and an estimated two years of ad hoc technical assistance to PVOs without sub-projects. (continued)</p>	<p>Eight semi-annual reports, a comprehensive mid-term report and final report, plus approximately 160 debriefings; Two outside evaluations; Annual internal management reviews; Site-visits by AID staff; and Program audits.</p>	<p>Assumptions for achieving output:</p> <p>Developing country laws and policies will permit project activities; and Private sector organizations interested and able to utilize project assistance exist.</p>										
<p>Input:</p> <p>S&T/POP funds; Contractor technical expertise and administrative capability; and AID/W technical monitoring.</p>	<p>Implementation Target (Type and Quantity)</p> <p>Approximately \$ 39.4 million of AID funding over five years along with ongoing project management: (\$000s)</p> <table border="0"> <tr> <td>Technical Assistance</td> <td>\$18,745</td> </tr> <tr> <td>Subprojects</td> <td>19,043</td> </tr> <tr> <td>Workshops, Training & Project Reporting</td> <td>1,450</td> </tr> <tr> <td>Outside Evaluation</td> <td>83</td> </tr> <tr> <td>Total:</td> <td>\$39,321</td> </tr> </table> <p>S&T/POP to authorize the full amount however Regional Bureau and Mission buy-ins are expected.</p>	Technical Assistance	\$18,745	Subprojects	19,043	Workshops, Training & Project Reporting	1,450	Outside Evaluation	83	Total:	\$39,321	<p>Financial records and reports; Vouchers, and AID and contractor audits.</p>	<p>Assumptions for providing inputs:</p> <p>AID will make available necessary funds for project implementation; and A contractor can be found with extensive experience in financial and human resource management, and in the implementation of family planning programs in LDCs.</p>
Technical Assistance	\$18,745												
Subprojects	19,043												
Workshops, Training & Project Reporting	1,450												
Outside Evaluation	83												
Total:	\$39,321												

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PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORKLife of Project: _____
From FY 85 to FY 90
Total U.S. Funding: 39,321
Date Prepared: 7/3/85Project Title & Number: Family Planning Enterprise Project 936-3034

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Program or Sector Goal: The broader objective to which this project contributes:	Measures of Goal Achievement:		Assumptions for achieving goal targets:
Project Purpose:	Conditions that will indicate purpose has been achieved: End of project status.		Assumptions for achieving purpose: From page 1 Private sector organizations can become more effective service providers with additional resources; and; Resources exist in-country which private sector organizations could use to delivery more services.
Outputs:	Magnitude of Outputs: from page 1. To incorporate family planning into new private sector markets in an estimated 18 countries: approximately 30 subprojects and two workshops; and To support both sets of activities; approximately \$200,000 for training and \$1,000,000 in commodities and equipment.		Assumptions for achieving outputs:
Inputs:	Implementation Target (Type and Quantity)		Assumptions for providing inputs:

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APPENDIX B

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