

4970188 (4)

**I. PROJECT IDENTIFICATION**

1. PROJECT TITLE: **Family Planning Assistance - Services**

APPENDIX ATTACHED:  YES  NO

2. PROJECT NO. (M.O. 1025.2): **497-15-580-188.0**

3. RECIPIENT (specify):  
 COUNTRY: **Indonesia**  
 REGIONAL  INTERREGIONAL

4. LIFE OF PROJECT  
 BEGINS FY: **1968**  
 ENDS FY: **Open**

5. SUBMISSION ORIGINAL:  ORIGINAL  
 REV. NO: **2, 5/13/74**

UNITED STATES AID: **10 p.**

**II. FUNDING (\$000) AND MAN MONTHS (MM) REQUIREMENTS**

A. FUNDING BY FISCAL YEAR	B. TOTAL \$	C. PERSONNEL		D. PARTICIPANTS		E. COMMODITIES \$	F. OTHER COSTS	G. PASA/CONTR.		H. LOCAL EXCHANGE CURRENCY RATE: \$ US (U.S. OWNED)			
		(1) \$	(2) MM	(1) \$	(2) MM			(1) \$	(2) MM	(1) U.S. GRANT LOAN	(2) COOP COUNTRY		
											(A) JOINT	(B) BUDGET	
1. PRIOR THRU ACTUAL FY	12,614	374	NA	624	NA	11,553	63	154	NA				
2. OPRM FY	5,478	128	44	93	54	5,041	216	-	-				11,266
3. BUDG FY	5,995	135	51	50	46	5,710	100	25	3				6,000
4. BUDG +1 FY	6,815	155	51	50	46	6,510	100	25	3				8,800
5. BUDG +2 FY	7,675	165	51	50	46	7,360	100	25	3				10,600
6. BUDGET +3 FY													12,700
7. ALL SUBQ. FY													
8. GRAND TOTAL	38,577	957	-	867	-	36,174	579	229					49,366

9. OTHER DONOR CONTRIBUTIONS

(A) NAME OF DONOR	(B) KIND OF GOODS/SERVICES	(C) AMOUNT
See details in Part V.A.		\$22,000.

**III. ORIGINATING OFFICE CLEARANCE**

1. DRAFTER: <b>J. Jarrett Clinton, M.D.</b>	TITLE: <b>Chief, Population Division</b>	DATE: <b>4/8/74</b>
2. CLEARANCE OFFICER: <b>Kenneth M. Kaufman</b>	TITLE: <b>Director, USAID/Indonesia</b>	DATE: <b>5/13/74</b>

**IV. PROJECT AUTHORIZATION**

1 / Includes AID/W funding for contraceptives.

**2. CLEARANCES**

BUR/OFF.	SIGNATURE	DATE	BUR/OFF.	SIGNATURE	DATE

**3. APPROVAL AAS OR OFFICE DIRECTORS**

SIGNATURE	DATE	SIGNATURE	DATE

**4. APPROVAL A/AID (See M.O. 1025.1 VI C)**

SIGNATURE	DATE

TITLE: **ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT**

PROJECT NO. <b>497-15-500-100.0</b>	SUBMISSION		DATE	PAGE <u>2</u> of <u>10</u> PAGES
	<input type="checkbox"/> ORIGINAL	<input checked="" type="checkbox"/> REVISION <u>1</u> (Number)	<u>5 1974</u>	

**INTRODUCTION**

The sine qua non of a modern fertility control program is the availability of modern contraceptives and, when appropriate, sterilization equipment.

Numerous factors affect the Indonesian family decision to reduce the total family size through the use of contraceptives. Once that important decision has been made, however, there must be readily available an adequate supply of reliable, appropriate and effective contraceptive techniques. Though futurists prophecy the near availability of once-a-month or once-a-year contraceptive devices, the oral contraceptive, IUD and condoms remain to be the safest, most available and effective contraceptives for the present and most probably for the life of this project.

In the January 1974 DAP Population Sector Review, USAID/Indonesia, seven critical program issues were identified. Three of the seven were as follows:

- "Wider access of all acceptable types of contraceptives to the people. Greater use of private sector and non-clinical distribution schemes.
- Improved management of complex programs.
- Long term procurement of contraceptives for public programs and subsidized private schemes."

This subproject, therefore, responds to those critical program issues by providing an abundant supply and adequate variety of contraceptives to the people through the national family planning program. USAID and the GOI agree that the BKKBN should be preparing itself for eventual self-financing of contraceptive supplies. As these preparations proceed, USAID will encourage the BKKBN to increasingly assume responsibility for financing their contraceptive needs with USAID complementing GOI inputs as necessary to introduce new technology and insure adequacy of supply.

**II. GOAL**

**A. Statement of Goal**

The stated goal of Indonesia's population/family planning program is to decrease the natural rate of increase of the population through a rapid reduction of fertility.

The short-run, intermediate GOI goal is the successful implementation of a national population/family planning program. The

PROJECT NO. <b>497-15-500-188.0</b>	SUBMISSION <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> REVISION	(Number) <b>1</b>	DATE <b>5/13/74</b>	PAGE <b>3</b> of <b>10</b> PAGES
--	--	----------------------	------------------------	----------------------------------

long-run GOI goal is to include fertility reduction measures as an integral part of development policies and programs leading to a 50% reduction in the crude birth rate. Beyond the offering of services, serious consideration will be given by the GOI to creating desire for a small family size through granting family incentives, tax structure changes and improving old-age insurance.

#### B. Measures of Goal Achievement

Progress toward goal achievement will require analysis of both short and long term program objectives. Short term considerations will be:

1. Evaluation of the national population/family planning program's demographic impact.
2. Measurement and monitoring of mortality experience and fertility measures such as age-specific birth rates, total fertility rates, gross reproduction rates and net reproduction rates.
3. Reviewing available indices of contraceptive coverage and use prevalence.

Long-run considerations will be:

1. Fertility and mortality trends and their impact on population growth.
2. Reassessment of fertility goals to insure compatibility with Indonesian socio-economic developmental goals.
3. Evaluation of fertility impact of family formation, socio-economic and other intermediate variables.
4. GOI success in creating Indonesian desire for a small family norm.

#### C. Means of Verification

Data for such evaluations and the measures of verification in achieving objectives will be generated through surveys, mini-census, extensive analyses of existing data, and review of research and development projects. Such efforts will be coordinated by the National Family Planning Coordinating Board (BKKBN) and conducted by such research units as the Demographic Institute, Central Bureau of Statistics, Social and Economic Research Institute, Faculty of Public Health, Department of Health and other central and regional private/non-private organizations.

PROJECT NO. <b>497-15-500-100.0</b>	SUBMISSION <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> REVISION <u>1</u> (Number)	DATE <b>5/13/74</b>	PAGE <u>4</u> of <u>10</u> PAGES
--	--	------------------------	----------------------------------

#### D. Assumptions of Goal Achievement

Successful achievement of this goal assumes that the GOI will continue its interest and high priority in reducing Indonesian fertility as rapidly as possible. This will be demonstrated through continued policy and budgetary support to the population/family planning sector.

### III. PROJECT PURPOSE

#### A. Statement of Project Purposes

The specific purpose of this project is to effectively and efficiently increase the accessibility, quality and variety of appropriate family planning products and services through both the public and private sector, to all income groups within Indonesia.

#### B. Conditions Expected at the End of the Project

The requirement to continue the accessibility of contraceptive services will continue for many years. In the context of this three-year assistance project, however, attainment of the project purposes will be measured by the degree of new family planning acceptors, prevalence of contraceptive use, contraceptive continuation rates, the degree to which contraceptives at reasonable prices are provided in the private sector and the overall cost per new acceptor or per birth averted required to attain these project purposes.

Based on the GOI National Family Planning Coordinating Board's program projections, there should be the following magnitude of new family planning acceptors through the government supported clinics:

	<u>GOI FY 74/75</u>	<u>75/76</u>	<u>76/77</u>
Java and Bali New Acceptors	1,400,000	1,500,000	1,600,000
<u>Prevalence of Use*</u>	16-20%	25-30%	30-36%
Outer Islands New Acceptors	50,000	100,000	150,000
Prevalence of Use*	<u>+0.5%</u>	<u>+1.0%</u>	<u>+1.5%</u>

\*USAID/POP estimate of percent of fertile women contracepting.

Quantitative targets for private sector distributions have not yet been determined.

PROJECT NO. <b>497-15-300-188.0</b>	SUBMISSION <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> REVISION	(Number) <b>1</b>	DATE <b>5/13/74</b>	PAGE <b>5</b> of <b>10</b> PAGES
--	--	----------------------	------------------------	----------------------------------

Contraceptive continuation rates should approximate 60% for the first 12 months after initial acceptance and 50% for the first 24 months. The present prevalence of contraceptive use of approximately 9-10% of fertile women in Indonesia should grow by approximately 60-90% per year for the life of this project.

While the benefit-cost ratio of fertility reduction is enormous, it is nevertheless prudent to maximize the cost-efficiency of the national family planning program. Again, the National Family Planning Coordinating Board has not established definite cost efficiency targets.

Based on recent Indonesian analyses and world experience, a three-year average cost efficiency of \$5-7 per current acceptor seems reasonable and feasible.

#### C. Means of Verification

End of project new acceptor and contraceptive use indicators can be verified through analyses of program data derived from the family planning service statistics system, sample contraceptive use surveys and contraceptive continuation rate surveys being implemented now and in the future. The degree of non-clinic contraceptive distribution can be confirmed through the above, by distribution records, and through retail outlet surveys.

Cost efficiency analyses have been conducted for earlier periods and will continue to be taken periodically. The data are available from BKKBW financial records, annual expenditures and aggregated family planning/population foreign assistance data.

#### D. Important Assumptions

The primary and critical assumption for this project purpose is that there will be a growing demand for contraceptive use. While an increase in the accessibility, quality and variety of family planning products and services can in itself increase demand for contraceptive services, this alone may not be sufficient. The GOI has implemented a broad scale information/motivation program which includes mass media, family planning field workers, a reenergized health education program (USAID financed Project 188.1), traditional media and population education for both in and out-of-school. These programs are receiving GOI support and donor assistance from the IDA/UNFPA, Ford Foundation, International Planned Parenthood Federation, World Education, Inc. and the Pathfinder Fund. Many of these agencies receive AID/W funds.

PROJECT NO. <b>497-15-500-188.0</b>	SUBMISSION <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> REVISION <u>1</u> (Number)	DATE <b>5/15/74</b>	PAGE <u>6</u> of <u>10</u> PAGES
--	--	------------------------	----------------------------------

Family planning demand research, encompassing a broad spectrum from applied social science research to explicit evaluation of information programs has only begun. Donor assistance to these efforts is provided by IDA/UNFPA, Population Council, USAID and others. USAID will accelerate support to this area through the Research, Evaluation and Development subproject (188.3).

#### IV. OUTPUTS

##### A. Statement of Project Outputs

The specific outputs of this project are the development and continuation of both public and private sector contraceptive products and services distribution schemes.

##### B. Output Indicators

Specifically, there will be the following number of family planning clinics, capable of providing oral contraceptives, IUDs, condoms:

	<u>Cumulative</u>	
	<u>Java &amp; Bali</u>	<u>Outer Islands</u>
GOI FY 74/75	2,330	340
75/76	2,430	375
76/77	2,540	415

Unspecified at this time is the number of clinics and medical facilities which will provide, in addition to the above, male and female sterilization services. At the end of this three-year project, it is estimated by USAID that no less than 500 sterilization centers or centers capable of receiving mobile sterilization teams will be in operation.

By the end of this project, extra-clinical distribution of oral contraceptives, commercial, quasi-commercial and extra-clinical distribution of condoms will be established throughout the entire program. The extra-clinical oral contraceptive distribution will primarily focus on facilitating re-supply. Commercial oral contraceptive distribution will be pursued to the degree allowed by law. Condom distribution via indigenous drug outlets, consumer product firms, village leaders, mail order and clinical workers (extra-clinical) will be implemented.

PROJECT NO. <b>497-15-580-188.0</b>	SUBMISS. OF: <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> REVISION <u>1</u> (Number)	DATE <b>5/13/74</b>	PAGE <u>7</u> of <u>10</u> PAGES
--	--	------------------------	----------------------------------

### C. Means of Verification

That these outputs have occurred can be confirmed through review of the computerized clinic registration forms and the official quarterly and annual reports.

Commercial and quasi-commercial contraceptive distribution schemes can be evaluated through distribution records, retail outlet surveys and through the periodic reports of Indonesian private companies and foundations engaged in non-clinical contraceptive distribution schemes.

### D. Assumption

These magnitudes of outputs, even with considerable USAID and other foreign assistance cannot be achieved unless the GOI continues their policies of establishing and financing family planning clinics and approving non-clinical distribution schemes both within the public and private sector. Further, these outputs cannot achieve long term success unless the schemes prove attractive either from a profit or social service standpoint to traditional and modern marketing groups.

## V. INPUTS

### A. Statement of Project Inputs

The specific inputs for this project include short term advisory services (4 man/year) to supplement the USAID/POP staff, approximately 65 million monthly cycles of oral contraceptives (AID/W financed), up to 600 thousand gross condoms (AID/W financed), small quantities of other contraceptive supplies, assorted medical equipment for IUD insertion, sterilization and related fertility control services, up to 100 four wheel or equivalent two wheel vehicles for program management and logistics, long term (LT) and short term (ST) fellowships (2 ST and 3 LT/year) and approximately \$100,000 equivalent local currency per year for development of contraceptive distribution schemes and managerial improvement programs.

GOI support to the national family planning program is budgeted and channeled through the National Family Planning Coordinating Board (BKKB).

USAID estimates that the total BKKB budget will increase no less than approximately 20% per year from a base of Rp. 3.5 billion (equivalent to \$8.4 million) in GOI FY 74/75.

PROJECT NO. <b>497-15-580-188.0</b>	SUBMISSION <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> REVISION	(Number) <b>1</b>	DATE <b>5/13/74</b>	PAGE <b>8</b> of <b>10</b> PAGES
--	--	----------------------	------------------------	----------------------------------

USAID assumes that by the end of this project, the GOI will be financing 30% of its oral contraceptive requirements, 30-50% of its condom requirements, will be capable of forecasting and programming their oral contraceptive and condom requirements, and will have plans for assuming primary responsibility for the supply of orals and condoms. However, complementary USAID inputs will still be necessary to insure adequacy of supply and to introduce new technology.

USAID is one of more than twenty donors to the national family planning program and for the foreseeable future will continue to make the largest annual financial obligations.

Other major donors include the current combined IDA/UNFPA package (approximately \$3-5 million per year), International Planned Parenthood Federation (approximately \$1.0-2.0 million per year), Ford Foundation (\$300-500 thousand per year), Pathfinder Fund (\$300-500 thousand per year), Population Council (approximately \$150 thousand per year). Several other donors provide between \$5-50 thousand per year.

Total foreign assistance and total BKKBN budget + 10% allocation for non-BKKBN funded staff and buildings is approximately as follows (USAID estimates only):

	<u>GOI FY 74/75</u>	<u>75/76</u>	<u>76/77</u>
	( \$ millions)		
GOI	8.8	10.6	12.7
USAID	6.5*	6.8*	7.7
Other Donors	6.5	7.2	8.3
<b>Total</b>	<b>21.8</b>	<b>24.6</b>	<b>28.7</b>

\*Does not include \$5.25 million for 30 million cycles of oral contraceptives funded by AID/W in FY 73 to be delivered during these periods.

**B. Budget****AID Project Inputs**  
(\$ 000's)

	<u>FY 75</u>	<u>FY 76</u>	<u>FY 77</u>	<u>Total</u>
<b><u>AID/W Financed</u></b>				
Oral Contraceptives ● \$0.250/cycle	4,250	5,500	6,750	16,500
Condoms ● \$4.00/gross	1,200	800	400	2,400
Subtotal	5,450	6,300	7,150	18,900
<b><u>USAID/Indonesia Financed</u></b>				
A. Administrative Support (Direct Hire)	110	130	140	380
TDY (contract)	25	25	25	75
B. Commodities	260	210	210	680
Medical Equipment and Contraceptives	(40)	(40)	(40)	(120)
Vehicles	(200)	(150)	(150)	(500)
Micellaneous	(20)	(20)	(20)	(60)
C. Participant Training (44 mm per year)	50	50	50	150
D. Local currency Development Projects	100	100	100	300
Subtotal	545	515	525	1,585
<b>TOTAL</b>	<b>5,995</b>	<b>6,815</b>	<b>7,675</b>	<b>20,485</b>

PROJECT NO. <b>497-15-100-100.0</b>	SUBMISSION <input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> REVISION	(Number) <b>1</b>	DATE <b>5/13/74</b>	PAGE <b>10</b> of <b>10</b> PAGES
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**C. Means of Verification**

AID documents such as PROPs, Project Agreements, PIO/s and PARs will provide means of verification of USAID inputs.

GOI and other donor inputs can be verified through plans, budgets, budget expenditures and program reports.

**D. Assumption**

An important assumption in the utilization of these inputs is that all donor agencies will contribute toward effecting a high degree of cooperation between donors and the relevant GOI organizations. This coordination applies to the utilization of human and material resources provided by the various agencies.

USAID direct hire staff, complemented as necessary by TDY personnel, will work with the BKKBW, and thru the BKKBW with other GOI agencies, institutions and private foundations and organizations to plan, implement and evaluate the inputs described in Section V. of this PROP.

Specific assistance provided through this subproject will be described and obligated through annual Project Agreements between the GOI National Family Planning Coordinating Board and USAID.

Though AID/Washington will procure and finance the oral contraceptives and condom supplies, the annual Project Agreement will describe and justify these requirements.