

PI-117-152

<b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b>		<b>1. TRANSACTION CODE</b> A = Add C = Change D = Delete	<b>Amendment Number</b> 1A 6256	<b>DOCUMENT CODE</b> 3
<b>PROJECT DATA SHEET</b>				
2. COUNTRY/ENTITY WORLDWIDE		3. PROJECT NUMBER 936-3038 (S&T DOC NO. 0002)		
4. BUREAU/OFFICE S&T/POP		5. PROJECT TITLE (maximum 40 characters) FP LOGISTICS MANAGEMENT		
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 1 2 31 96		7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY 86 B. Quarter 4 C. Final FY 95		

8. COSTS (\$000 OR EQUIVALENT \$1 = )						
A. FUNDING SOURCE	FIRST FY 86			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	2,175		2,175	31,800		31,800
(Grant)	( 2,175 )	( )	( 2,175 )	( 31,800 )	( )	( 31,800 )
(Loan)	( )	( )	( )	( )	( )	( )
1. S&T				28,620		28,620
2. BUY-INS				3,180		3,180
Host Country						
Other Donor(s)						
<b>TOTALS</b>	<b>2,175</b>		<b>2,175</b>	<b>31,800</b>		<b>31,800</b>

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	460	460				13,019		31,800	
(2)									
(3)									
(4)									
<b>TOTALS</b>						<b>13,019</b>		<b>31,800</b>	

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

13. PROJECT PURPOSE (maximum 480 characters)

1) To improve the capability of LDC public and private FP organizations to administer more effective and efficient FP service delivery programs, with emphasis on contraceptive logistics systems, through technical assistance, training, special studies, and the introduction of computerized MISs in selected LDCs. 2) To improve A.I.D. and other P/FP donors and LDCs capabilities to forecast and maintain necessary levels of contraceptive supplies.

14. SCHEDULED EVALUATIONS						15. SOURCE/ORIGIN OF GOODS AND SERVICES			
Interim	MM	YY	MM	YY	Final	MM	YY	MM	YY
	0	6	9	0		0	6	9	6
						<input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input checked="" type="checkbox"/> Other (Specify) 935			

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment.)

LOP cost over the ten-year period FY 86-95 is \$31,800,000 of which \$28,620,000 is expected to come from ST/POP. The remaining \$3,180,000 is expected to come from Regional Bureaus and USAID Missions. Authorization of \$13,019,000 is requested for the first five years with this action. It is anticipated that \$11,717,000 will be provided by ST/POP and that Regional Bureaus and USAID Missions will provide \$1,301,900 during this initial five-year period.

17. APPROVED BY	Signature <i>Steven W. Sinding</i>	Date Signed MM DD YY 04 08 86	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY
	Title Steven W. Sinding, Director Office of Population		

## PROJECT AUTHORIZATION

Country: Interregional

Project Title: Family Planning  
Logistics Management

Project Number: 936-3038

1. Pursuant to Section 104 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the centrally-funded project Family Planning Logistics Management, involving planned obligations not to exceed \$13,019,000 in grant funds over a five-year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process.

2. The purpose of the project is to improve the capability of host country public and private family planning organizations to administer more effective and efficient FP service delivery programs, with emphasis on logistics systems, and to improve donor and LDC capabilities to forecast and maintain necessary levels of contraceptive supplies.

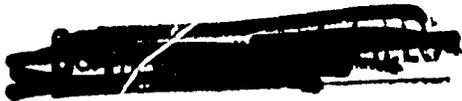
3. The contract which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following terms and conditions together with such other terms and conditions as A.I.D. may deem appropriate.

#### 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 and services for the activity being conducted in such country. Such activities may be undertaken in any country included in A.I.D. geographic code 935.



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

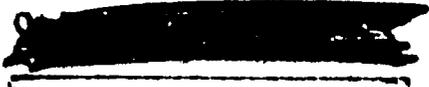
c. Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

N. C. Brady  
for Senior Assistant Administrator, S&T  
April 23, 1986  
Date

Clearances:

S&T/POP/FPSD:AFBoni	<u>[Signature]</u>	Date <u>[Date]</u>
S&T/POP:FPSD:JDumm	<u>[Signature]</u>	Date <u>[Date]</u>
S&T/POP:DGillespie	<u>[Signature]</u>	Date <u>[Date]</u>
S&T/POP:SSinding	<u>[Signature]</u>	Date <u>4/15/86</u>
GC/CP:STisa	<u>[Signature]</u>	Date <u>4/15/86</u>
S&T/PO:GGower	<u>[Signature]</u>	Date <u>18 Apr 86</u>
S&T:DBrennan	<u>[Signature]</u>	Date <u>4/21/86</u>

S&T/POP/FPSD:JPJames:pm/fc:4/01/86:235-8081:1654Y



15 APR 1986

ACTION MEMORANDUM FOR THE SENIOR ASSISTANT ADMINISTRATOR, S&T

FROM: S&T/POP, Steven W. Sinding *SW*

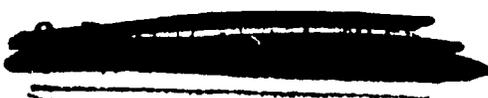
SUBJECT: Family Planning Logistics Management, 936-3038 (DOC NO. 0003)

Action: Your approval is required to authorize \$13,019,000 for the first five years of this project.

Discussion: A major component of family planning services is the provision of an adequate supply of contraceptives. Since 1974, the Family Planning Evaluation Division of the Centers for Disease Control (CDC) has provided technical assistance to A.I.D. and LDC family planning programs in contraceptive supply management and other technical areas. However, due to the increase in the number of bilaterally-supported FP programs and the increase in the variety of contraceptives supplied, the need for technical assistance and more comprehensive management systems in this specialized area is growing, particularly in Sub-Saharan Africa. CDC is unable to expand its level of technical assistance to meet this need. The Family Planning Logistics Management project will, under a competitively awarded contract, provide the additional technical assistance and support activities in other related areas. The two projects will be carefully monitored to ensure no duplication occurs.

Under this project, the Contractor or a consortium will work collaboratively with CDC to assist S&T/POP, USAID Missions, and LDC public and private-sector FP organizations in the following principal activities, in descending order of priority:

- 1) Assist in the analysis and preparation of annual estimates of requirements for contraceptives for each country
- 2) Assist in the design and evaluation of LDC FP logistics systems
- 3) Assist in the introduction of simplified clinic, community-based distribution, and logistics reporting systems
- 4) Assist in regional and in-country contraceptive logistics workshops in a effort to institutionalize sound FP logistics management practices in host country organizations



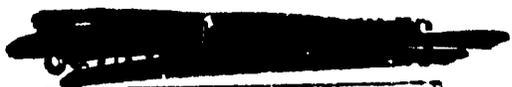
*d*

- 5) Assist in the warehousing and shipment of contraceptive supplies from the U.S. to the host country organizations
- 6) Assist in developing the capability of three regional institutions in LDCs to provide technical assistance and training in contraceptive logistics
- 7) Assist USAID Missions in the preparation of the annual Contraceptive Procurement Tables
- 8) Assist in the further development of the computerized Commodities Management Information System for AID-supplied contraceptives which S&T/POP/FPSD and CDC have initiated
- 9) Assist in the establishment of a computerized "Donor Contraceptive Information System (DCIS)"

Quantified targets for each of these nine principal activities are presented in the "outputs" section of the Project Paper's logframe. Moreover, in the Project Description section, 28 functions/activities, including the nine listed above, are specified and ranked in priority order. Taking into consideration the limits on the size of Contractor or consortium staff, the proposed budget, and the time that will be required to implement the project, it will be necessary to focus on the most crucial activities/functions during the first five years and gradually incorporate those that are relatively less urgent at later stages.

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

Clearances Obtained: A ten-year Project Paper (FY 1986 - FY 1995) was reviewed and endorsed at all relevant levels of the Agency. However, we are only requesting authorization for the first five years at this time. This five-year authorization: (a) reflects no commitment on your part to go beyond five years, and (b) encompasses activities which can be accomplished in five years. The Population Sector Council reviewed the PP on March 25, 1986 and unanimously recommended approval. Minutes of that review are attached. No major recommendations or issues were raised by the Sector Council.



2

Certification of the Procurement Plan: The certification required in accordance with your memorandum dated November 15, 1985, subject: Increasing the Use of Minority Organizations and HBCUs, is included in Section VIII., Page 47 of the Project Paper. The certification recommends full and open competition because of the importance of the project to the success of AID's Population Policy and Strategy, and because ST/POP believes that no single firm, 8-A, minority, or commercial has all of the necessary skills and P/FP experience.

Recommendation: That you sign the attached Project Authorization.

Attachments:

1. Project Authorization
2. Project Paper
3. Population Sector Council Minutes

Clearances:

S&T/POP/FPSD:ABoni	<u>[Signature]</u>	Date	<u>4/11/86</u>
S&T/POP/FPSD:JDumm	<u>[Signature]</u>	Date	<u>4-11-86</u>
S&T/POP:DGilespie	<u>[Signature]</u>	Date	<u>4/11/86</u>
GC/CP:STisa	<u>[Signature]</u>	Date	<u>4/22/86</u>
S&T/PO:GGower	<u>[Signature]</u>	Date	<u>18 Nov 86</u>
S&T:DBrennan	<u>[Signature]</u>	Date	<u>4/21/86</u>

~~CONFIDENTIAL~~

X

POPULATION SECTOR COUNCIL  
Special Project Review Meeting  
MINUTES

Date and Place: March 25, 1986, 10:00 a.m.  
SA-18 - 809

Participants: S&T/POP, Steven W. Sinding (Chairman)  
AFR/TR/P, John Thomas  
ANE/HPN, Charles Johnson  
LAC/DR, Maura Brackett  
PPC/PDPR, Anna Quandt  
S&T/POP, Duff Gillespie  
S&T/POP, John Dumm  
S&T/POP/FPS, Anthony Boni, ~~John Paul James~~  
S&T/POP/IT, Anne Aarnes, Marilyn Schmidt,  
Anselmo Bernal  
S&T/POP, Carl Hemmer (Executive Secretary)

Agenda Issues:

1. The regular monthly meeting, scheduled for March 27, at which Dr. Brady planned to meet with the Sector Council, was cancelled due to his absence on the 27th.

2. Mr. Hemmer provided a status report on preparations for the HPN conference in June.

3. Review of "FP Logistics Management" Project Paper: The Council reviewed this project which is designed to provide more efficient management of commodities. A demonstration of the new logistics system developed by CDC is tentatively planned for the May 15 meeting of the Sector Council. The Council unanimously approved the project paper.

4. Review of Amendment to "Family Planning IEC Support" Project Paper: This amendment continues the current project through 1991. Council discussion called attention to the satisfactory staffing of the current project, the need to strengthen the "lessons learned" section of the paper, and the relevance of the project's emphasis on improved access and information built on market research for Agency policy priorities. The Council unanimously approved the amended project paper.

Next Meeting: Thursday, April 17, at SA-18, room 809, at 9:30 a.m.. Dr. Brady plans to meet with the Council around 10:30.

Distribution:

S&T/POP Senior Staff  
S&T, N. C. Brady  
D. Brennan

Population Sector Council Members  
USAID Population Council  
S&T/MGT, E. Caplan

TABLE OF CONTENTS

	<u>Page</u>
I. Summary	<u>1</u>
II. Background	<u>4</u>
A. Introduction	<u>4</u>
B. The Functions of ST/POP/FPSD	<u>4</u>
C. Technical Assistance by CDC/Atlanta	<u>6</u>
D. LDC Contraceptive Delivery Systems	<u>8</u>
E. Proposed Course of Action	<u>12</u>
III. Project Description	<u>14</u>
A. Introduction	<u>14</u>
B. Goal	<u>15</u>
C. Purpose	<u>15</u>
D. Project Activities	<u>15</u>
E. Detailed Description of Principal Activities	<u>20</u>
F. Relative Regional and Country Priorities	<u>30</u>
IV. Cost Estimate and Financial Plan	<u>33</u>
V. Implementation	<u>35</u>
A. AID Management	<u>35</u>
B. Contractor or Consortium	<u>35</u>
C. Coordination with Other Population Projects	<u>39</u>
D. Implementation Schedule	<u>39</u>
E. Reports	<u>40</u>
F. Conditions and Covenants	<u>41</u>
VI. Evaluation	<u>41</u>
VII. Logical Framework	<u>43</u>
VIII. Certification of the Procurement Plan	<u>47</u>

*h*

## I. SUMMARY

The Office of Population, Bureau for Science and Technology (ST/POP), proposes a new ten-year project, FP Logistics Management (936--3038), at an estimated cost of \$31,800,000. Authorization for the first five-years of \$13,019,000 (\$11,717,100 from ST/POP and \$1,301,900 from Regional Bureaus and USAID Missions) is requested.

A major goal of AID's Population Policy and Sector Strategy is to enhance the freedom of couples in LDCs to choose voluntarily the number and spacing of their children. In order for couples to have this option they must receive adequate information on family planning and have immediate access to modern, effective, safe, and affordable contraceptive methods.

This project builds on AID's experience during the past decade in providing technical assistance for estimating requirements for contraceptives, designing and evaluating contraceptive logistics systems, and institutionalizing the capability for better management of contraceptive delivery systems in countries such as Guatemala, Honduras, and Thailand.

Since 1974, the Family Planning Evaluation Division of the Centers for Disease Control (CDC) in Atlanta has provided invaluable assistance (under a RSSA with ST/POP) to AID/W, USAID Missions, and host country public and private organizations in four areas: (1) contraceptive logistics; (2) contraceptive prevalence surveys; (3) epidemiological studies; and (4) patient flow analyses in clinics. CDC professional staff have made 699 person-trips to 70 LDCs during the past twelve years. In spite of this, the frequency of visits to a given LDC for assistance in contraceptive logistics (most countries receive only one visit annually) has been insufficient to make significant long-term improvements in the estimation methodologies for contraceptive requirements and in FP logistics systems. More frequent visits should permit better diagnoses of the existing FP delivery systems, their configuration, whether resupply policies (e.g. push/pull) exist and are followed, whether there are manuals and guidelines for FP Logistics, and whether shipping and transportation arrangements are effective.

Demand is growing for technical assistance in logistics management, particularly in Sub-Saharan Africa. A typical LDC may have as many as six different public and private organizations involved in the provision of FP services, each with its own type of delivery system. Therefore, potentially

six host country organizations in a typical country could utilize assistance from this FP Logistics Management Project. Currently, there are 42 LDCs with bilateral or regionally-funded P/FP programs. Priority will be given to these countries and USAID Missions, but assistance will also be provided to other demographically important countries receiving ST/POP funds through Cooperating Agencies, such as Nigeria, Brazil, and Mexico.

Because of CDC's record of sustained excellent performance, ST/POP first considered, in 1984, an increase in the RSSA to meet the growing requirements for technical assistance. However, because of personnel ceilings, CDC is precluded from any further expansion. It is therefore necessary to seek additional assistance from a U.S.-based organization or a consortium. An RFP will be issued for open competition and ST/POP will make every effort to be responsive to the provisions of the Gray Amendment.

The Contractor or a consortium will work collaboratively with CDC to assist ST/POP, USAID Missions, and LDC public and private-sector FP organizations in the following principal activities, in descending order of priority:

- 1) Assist in the analysis and preparation of annual estimates of requirements for contraceptives for each country.
- 2) Assist in the design and evaluation of LDC FP logistics systems
- 3) Assist in the introduction of simplified clinic, community-based distribution, and logistics reporting systems
- 4) Assist in regional and in-country contraceptive logistics workshops in an effort to institutionalize sound FP Logistics management practices in host country organizations
- 5) Assist in the warehousing and shipment of contraceptive supplies from the U.S. to the host country organizations
- 6) Assist in developing the capability of three regional institutions in LDCs to provide technical assistance and training in contraceptive logistics
- 7) Assist USAID Missions in the preparation of the annual Contraceptive Procurement Tables

- 8) Assist in the further development of the computerized Commodities Management Information System for AID-supplied contraceptives which ST/POP/FPSD and CDC have initiated
- 9) Assist in the establishment of a computerized "Donor Contraceptive Information System (DCIS)"

The basic functions and activities which will be carried out under this project have been discussed with all AID/W Regional Bureaus, and there is a consensus that the project is urgently needed. In addition, ST/POP has received written comments from the three Regional Population Officers stationed in Africa. REDSO/ESA said, inter alia, "REDSO/ESA's position on the need for a steady supply of contraceptives to FP programs in the region has been stated many times over the last few years. Problems of stock outs, oversupply, storage, transport, and poor logistics systems have already plagued most programs in the region. CDC, and most recently the Eastern and Southern African Management Institute, have provided assistance in this area, but due to competing demands on their time, the necessary follow-up, and extensive in-country technical assistance has not always taken place. This project will help alleviate some of these supply and technical assistance problems, and it is greatly needed in most Eastern and Southern African countries."

REDSO/WCA stated "First, all of us in REDSO support an enhanced capacity for technical assistance in establishing and maintaining commodity supply systems.... We also strongly endorse the need for technical assistance to USAID Missions and host country organizations in preparing procurement tables and commodity receiving reports."

Once the project paper is approved, ST/POP will forward a PIO/T to AAM/ST/HP by April 30, 1986. A contract should be awarded in August or September 1986.

The full list of specific functions and activities to be carried out by the Contractor or consortium starts on page 15)

A more detailed description of the activities the Contractor or consortium is expected to carry out begins on page 20.

Quantified outputs of the project are presented in the logical framework which starts on page 43.

## II. BACKGROUND

### A. INTRODUCTION

In the early 1960s, U.S. social scientists became aware of the problem of rapidly increasing populations in the developing world and by the mid-60s the U.S. Congress had become concerned that accelerating population growth rates would undermine the U.S. Government's attempts to assist LDCs in modernizing their economies and in improving the quality of life of their citizens. Consequently, almost twenty years ago, AID began to support voluntary Family Planning Programs in those developing countries which requested assistance. AID's support for Family Planning (FP) is based on the belief that every couple should have the right to freely decide the number and spacing of its children.

During the early years of AID's experience in this new area of development assistance six components were identified as essential for the successful implementation of population/family planning programs: 1) improvement in demographic data; 2) social science research for the development of appropriate population policies; 3) bio-medical and operations research ; 4) training; 5) information, education, and communications for FP; and 6) the provision of family planning services. AID's Office of Population was organized around these six components.

If urban and rural couples in developing countries are to have the option to freely determine the number and spacing of their children, FP services and contraceptive supplies must be readily available to them. Significantly, throughout the years, AID has allocated the largest share of the population account budget to FP services.

### B. The Functions of ST/POP/FPSD, COMMODITIES BRANCH

A major component of FP services is the provision of modern, safe, reliable, and affordable contraceptives. In order to achieve this objective, the Office of Population created a Commodities Branch in the Family Planning Services Division. Its basic functions are:

- 1) Recommending and implementing AID's world-wide policy and strategy relating to contraceptive commodity management, procurement and distribution.

- 2) Determining and monitoring contraceptive requirements, world-wide, for 40 or more LDC's and Private Voluntary Organizations (PVOs) and managing changes to these requirements as a result of the initiation of new programs or mid-stream changes in local (LDC) programs.
- 3) Arranging for the procuring, shipping, storing, distributing, paying, and accounting for commodities and their costs.
- 4) Planning, managing, and evaluating a program of technical assistance to AID's field missions, PVOs and LDCs in requirements estimation, logistics and distribution systems, contraceptive prevalence surveys, epidemiological studies, patient flow studies, and other areas by means of RSSA-supplied services and field visits by FPSD staff.
- 5) Collaborating with the U.S. Food and Drug Administration and U.S. manufacturers regarding planning and problem issues affecting the contraceptive commodity program.
- 6) Participating in the project development (PID/PP) activities of AID's Regional Bureaus and USAID Missions on projects having a family planning component which will affect estimates of commodity requirements and their management.
- 7) Designing automated and coordinated information systems for the receipt and analysis of data integrating requirements estimation, procurement, shipping, warehousing, physical inventories, distribution, and usage activities for participating LDCs and others.
- 8) Further developing and issuing policy guidelines regarding commodity procurement, distribution, and use, including the sale of contraceptives.
- 9) Providing training and technical assistance to LDC and USAID Mission field personnel in all the above areas--especially requirements estimation and logistics/inventory control.

- 10) Designing systems to collect information about activities of other ST/POP Cooperating Agencies, International Organizations, and donor nations (Canada, U.K., W. Germany, Sweden) which support population programs.
- 11) Assisting USAID Missions and host country organizations in negotiations with LDC customs agencies and local regulatory bodies concerning import duties, registration of products, pricing of commodities, and similar matters.

ST/POP will obligate between \$30,000,000 and \$40,000,000 for centrally-procured contraceptives in FY 86, and there are approximately \$100,000,000 dollars in the pipeline at any given time. AID's program of centralized procurement of contraceptive commodities has grown so large that it strains U.S. manufacturing capabilities and influences the commodity price structure throughout the world. The number of LDC's with bilateral population programs has grown to more than 40. The variety of commodities in the system has grown substantially in types, quantities, and packaging. The network of conduits through which commodities are channelled from manufacturer to acceptor has grown complex, the problems in the system have multiplied, and the choices in problem-solving have become more numerous. Of singular importance are: (1) improvement in the techniques and data bases for estimating country-specific, project-specific, and method-specific requirements for contraceptive commodities, and (2) improvement in procurement, logistics, and related processes to assure the estimated requirements will be fulfilled in a timely and economical way.

#### C. Technical Assistance by CDC/Atlanta

In order to respond to the needs of the rapidly growing number of FP programs in the developing world, the Office of Population, in 1974, entered into a RSSA agreement with the Family Planning Evaluation Division of the Centers for Disease Control in Atlanta to provide technical assistance in the areas of: 1) contraceptives supply management; 2) contraceptive prevalence surveys; 3) epidemiological studies; and 4) patient flow analyses in clinics.

Since 1974, CDC/Atlanta professional staff have made 699 person-trips to 70 developing countries. During FY 85, 109 person-trips were made to 45 countries. However, only 44% of this travel was related to contraceptive logistics, the remainder being used for the other three areas of technical assistance.

The following table indicates the number of countries receiving technical assistance for contraceptive logistics from CDC by Fiscal Year and by region.

<u>Region</u>	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>FY 85</u>
Africa	0	2	6	5	11	14
Asia	1	2	7	4	3	3
Near East	0	1	1	0	1	1
LAC	<u>9</u>	<u>7</u>	<u>11</u>	<u>15</u>	<u>6</u>	<u>16</u>
No. of Countries	10	12	25	24	21	34

It is interesting to note that only 14 out of some 50 countries in sub-Saharan Africa and 3 countries in Asia were visited in FY 85. While progress has been made in improving FP logistics systems in several countries, particularly in Latin America, the frequency of technical assistance visits has been a serious problem. FPSD believes that a minimum of two visits to a country each year is required to diagnose the country's FP supply management systems and to assist USAID Missions and host country organizations in preparing reliable estimates for requirements of contraceptives. Moreover, in selected cases, three or four visits annually may be needed for some countries.

Examples of CDC technical assistance that have led to improved contraceptive logistics can be found in, among other countries, Guatemala, Honduras, and Thailand. In Guatemala, CDC assisted in the development and implementation of what became known as the Direct Distribution Program (DDP). In this program, the local Family Planning Association was given the responsibility for supplying contraceptives to Ministry of Health facilities. The number of hospitals and health centers providing family planning services increased from 121 to 600 in just two years. These outlets were visited and resupplied at least once quarterly by only four drug detail men, a highly cost-effective ratio of staff to facilities. During the lifetime of the DDP, no supply imbalances (over or under stock) were reported, and the information flowing from each clinic on the numbers of women and men using FP services was timely and of better quality.

In Honduras, CDC assisted the local family planning association in the reorganization of its community-based distribution program. During reorganization the number of field supervisors was reduced from 35 to 16, or approximately

50%, thus saving financial resources for reprogramming. Within two years the number of active users served by the program increased from 22,000 to 32,000, or approximately 45%. Program officials were instructed in how to determine issue quantities, assess supply status in terms of months of supply on hand, and how to estimate active users served by the program using the couple-years protection methodology. These methods of analyzing program activities were later introduced to programs in Ghana, Nigeria, Zimbabwe, and Zambia.

A microcomputer-based system for monitoring a contraceptive supply system was implemented in Thailand. The system was designed to monitor the supply status of 2500 reporting locations and to project future supply requirements. Since the Thailand system was installed, a new microcomputer-based inventory control system has been developed which allows management to monitor individual contraceptive outlets, determine supply status, and estimate couple-years of contraceptive protection based on supplies dispensed to users.

While CDC continues to provide effective logistics assistance, personnel ceilings and other organizational responsibilities make it impossible for it to respond to all requests. For example, in FY 1985, CDC staff made one visit to 29 different countries, but were able to make the minimum two visits to only five countries, and only one (Panama), was visited three times. In Ghana, a country in which AID has a major bilateral project for contraceptives, CDC made only seven visits between 1977 and 1985, an average of less than one per year. It is anticipated that CDC will continue its FY 85 level of support and its future work in FP Logistics will be complementary to the project outlined in this paper. However, additional help is needed to make the long-term improvements in contraceptive logistics necessary in most developing countries.

#### D. LDC Contraceptive Delivery Systems

In 1986, the typical LDC will have multiple public and private sector FP programs. For example, in Ecuador the following organizations are providing FP services, supported by USAID or other donors: the Ministry of Health, the Ministry of Defense, the Ministry of Social Affairs, the Social Security Institute, the International Planned Parenthood Federation affiliate (APROFE), and CEMOPLAF, a private association of female doctors.

Public sector logistics systems in LDCs may have as many as five levels (national, regional, state, district, and local) through which contraceptives and FP supplies must flow. These are usually integrated systems which distribute a wide variety of medicines and clinic equipment.

Experience has shown that in the developing world family planning and health services in clinics and hospitals are not sufficient to meet either the people's needs or the government's goals. Operations research studies during the past decade have demonstrated in a wide variety of settings that alternative delivery systems, such as community-based, that were originally considered controversial, are acceptable, feasible, and cost-effective. Private-sector P/FP organizations have taken the lead in introducing community-based distribution of contraceptives in most LDCs, and the number of CBDs is expected to continue to increase, particularly in sub-Saharan Africa.

In recent years most LDCs have adopted outreach delivery systems as part of their national FP programs. These studies have also demonstrated that Community Based Distribution (CBD) results in a doubling, on average, of contraceptive prevalence rates within one to two years, particularly in areas with previous low levels of modern contraceptive use and where FP is a priority intervention. A program offering a broader mix of contraceptives will result in higher levels of contraceptive acceptance and use, and according to studies in Colombia, India and Egypt, etc., there is no clear evidence that the addition of health interventions in a FP delivery system improves contraceptive use. All of these important findings from over a decade of Operations Research need to be taken into account when providing technical assistance in designing FP logistics systems.

Both the process of estimating requirements for contraceptives and the design and improvement of LDC logistics systems are crucial to the success of AID's population sector strategy.

USAID Missions are responsible for submitting Contraceptive Procurement Tables (CPTs) annually. These tables, which contain estimates, need to be filled out for each host country organization, each discrete delivery system, and for each type of contraceptive. Consequently, in a country like Ecuador, with six organizations offering four types of contraceptives (orals, condoms, IUDs, and vaginal foaming tablets) a total of 24 CPTs would need to be submitted every twelve months.

~~\_\_\_\_\_~~

Even though the Contraceptive Procurement Tables need to be prepared only once each year, the indispensable collection of background information for the CPTs is a considerable burden to USAID Missions' staff, particularly in those Missions that do not have a full-time Population Officer. In most Missions the responsibility falls on the Health Officer or the Program Officer, and in many cases the Officer filling out the forms has to learn the process once again in order to ensure at least approximate figures on contraceptive inventories, estimates of requirements, method mix, and plans for FP program expansion through on-going or new host country organizations. For these reasons, it is clear that USAID Missions and host country organizations need sustained assistance in preparing the annual CPTs.

CPTs are based on data provided by the host country. Frequently, the data are insufficient, outdated, sketchy, or incorrect. The causes for this are numerous. Sometimes there are no up-to-date inventory data reflecting the quantities of commodities that are already in the system in warehouses; what the usage rate is; what effect new local FP program policy will have on needs or quantities on hand or to be ordered, etc. Frequently there are no annual (or other) physical inventory data. Likewise, attempts to calculate needs from census data reflecting populations at risk of pregnancy are sometimes outdated or untrustworthy or can be useful only in a gross way. Attention to the preparation of estimates is not always given the importance or priority that it should be. Overall procedures, staffing, equipment, recordkeeping systems, distribution of authority and responsibility, and similar matters may be in need of attention before reliable raw data can be assembled leading to derivation of quality estimates.

Once contraceptive requirements are known for a given country, shipments of contraceptives are made. It is at this point that the host country logistics systems play a critical role in making modern contraceptives continuously available to all couples in urban and rural areas who desire to practice family planning.

Experience has demonstrated that there can be many problems and weaknesses in LDC logistics systems. There may be problems upon arrival in customs such as the payment of import duties or the misclassification of the contraceptive product. In many countries they are imported simply as "medical supplies" and "donated--free from duties". Once out of port, there may be difficulties in warehousing (space available, conditions of

humidity, first-in first-out procedures, Kardex inventory control, etc.) and in transporting the supplies through several descending levels of the distribution system. Supervision and evaluation of the FP logistics systems is not carried out because of a lack of funds for these purposes and a lack of priority. Frequently, the inventory reporting system forms and the clinics active user registration forms have not been processed.

In August 1985, CDC and the Ministry of Health in Kenya surveyed 42 sites (11 District or Regional warehouses; 7 hospital MCH/FP clinics; 8 MOH Health centers; 5 community-based distribution locations; 3 industrial clinics; 2 church-supported clinics; and 4 Family Planning Association of Kenya clinics).

They found supply imbalances at all levels of the health system, whether public or private. Six out of eight MOH health centers were completely out of stock of at least one type of contraceptive. They found that stockpiling in several instances would likely result in the expiration and potential deterioration of commodities. Murang'a District had 1,016 months of supply for one oral contraceptive. In neighboring Embu District, the fastest moving oral contraceptive (Microgynon) was in very short supply (less than two weeks stock).

CDC's final report on the results of this survey stated: "Commodity management training will be needed at all levels of the health system, not just to introduce modifications or new systems, but also to ensure that the most basic system of commodity management, stock control, is used...."

"Very few health facility people with whom we met understood the relationship between stock control and forecasting commodity requirements. We recommend that minimum and maximum stock levels be established for each product in each facility through the use of a simple algorithm and draw-down data. In this way, as storekeepers approach the minimum level they can estimate quantities to reorder and submit their requisitions on a timely basis...."

"Physical inventories should be conducted approximately twice a year in warehouses and at least once a year in clinics. These inventories are the only practical means of confirming that a facility actually has what it thinks it has."

It is true that some weaknesses stem from basic organizational or structural problems that are extremely difficult to change. For example, in public sector programs especially, staff at all levels may be poorly qualified and experience low morale and high attrition rates because of low pay scales for government workers. Other system-wide problems, such as cumbersome procurement procedures throughout the government, may also present serious difficulties. This is a major reason why the Office of Population is proposing this ten-year FP Logistics Management project, because only long-term and sustained technical assistance in this area will foster the necessary institutional development which will bring about improvements in the estimation of contraceptive requirements and in more effective FP logistics systems.

#### E. Proposed Course of Action

AID's Population Sector Strategy provides strong justification for the improvement of contraceptive delivery systems. For LDCs at the initial stage of FP program development, assistance is needed to help increase the accessibility of FP services. Technical assistance for the design and evaluation of logistics systems can be effective in paving the way for expanded and strengthened FP service delivery programs. For countries receiving broad FP program assistance, it is essential to improve the effectiveness and efficiency of FP service delivery in both the public and private sectors. For countries entering a "phase-out" stage of external assistance, efforts must be directed at improving FP program management and ensuring an efficient allocation of resources for the contraceptive logistics function. The ultimate objective of this project is to strengthen host country capabilities to use supply management as a tool for achieving desired levels of contraceptive prevalence and fertility decline at a cost which is consistent with local human and financial resources.

Since 1974, CDC/Atlanta has steadily increased its professional staff and the amount of effort dedicated to the estimation of contraceptive requirements and to the design and evaluation of contraceptive logistics systems in all regions of the developing world. However, as pointed out earlier, the frequency of technical assistance visits to a given country rarely exceeds more than one visit per year. CDC logistics professionals spent 48% of the time funded by the ST/POP RSSA in travel status in FY 85, and because of many demands for their services they are usually scheduled three months in

advance. It is unrealistic to believe that one visit per year per country will lead to long-term and institutionalized improvement in LDC FP logistics systems. The increased frequency of visits proposed in this project should be considered as a means to achieving qualitative improvements in requirements estimation and FP logistics systems.

Since CDC/Atlanta has more than a decade of experience in the specialized area of FP logistics in the developing world, ST/POP, as early as 1984, began planning an expansion of CDC's technical assistance capacity to meet the growing needs of LDC FP programs, particularly in Sub-Saharan Africa. However, this course of action was not possible due to personnel ceilings in CDC. In 1986 the ceiling has been reached, and there is little likelihood that personnel constraints will change.

In view of this, the Office of Population is proposing this new FP Logistics Management project to complement and expand the work which CDC has been carrying out. It is expected that a Contractor or consortium will be selected through competition and that the future Contractor or consortium will work collegially with CDC professionals and ST/POP/FPSD.

### III. PROJECT DESCRIPTION

#### A. INTRODUCTION

More than eighty-five countries representing 95% of the developing world population provide some form of public support to family planning programs. The programs in these 85 countries represent a wide range of contraceptive service delivery patterns. They vary on such things as whether they are private or public sector activities, separate or integrated with other health programs, clinic-based combined with a community-based distribution strategy, or clinic-based only. The stage of development and success of these diverse programs also varies by country. For example, the family planning programs of East Asia provide greater access to services and a wider range of contraceptive availability than programs in Sub-Saharan Africa or Latin America. Contraceptive use and prevalence among currently married women 15 to 49 years of age in East Asia is approximately 51 percent compared to 6 percent for Sub-Saharan Africa and 40 percent for Latin America.

According to the World Fertility Survey and Fertility and Contraceptive Prevalence Surveys, and despite the stage of development of FP programs, even in the Asian and Latin American programs, there still exist uncovered rural populations, uneven quality of services, and substantial unmet need for contraception among some groups. It is clear that large unserved groups exist in most African countries. FP programs throughout the world face serious resource problems as well. To meet the desire for contraceptives and improve the quality of service delivery, family planning programs must have resources and they must use them in cost-effective ways. The way family planning programs are managed determines how well they do this. Management affects the way resources are obtained and used, how programs are implemented and how a service program meets the clients' needs. Programs that are not well managed tend to be inefficient and limit the number and types of services provided. This leads, in turn, to poor accessibility, which may be the single most powerful variable influencing the behavioral adoption of family planning. This project focusses on the accessibility to modern contraceptives.

B. GOAL

AID's population sector goal is to:

Enhance the freedom of couples in developing countries to choose voluntarily the number and spacing of their children.

This new FP Logistics Management Project will directly support AID's population sector goal by improving LDC public and private-sector FP programs.

C. PROJECT PURPOSE:

There are two interrelated purposes:

(1) To improve the capability of host country public and private FP organizations in administering more effective and efficient FP service delivery programs, with emphasis on contraceptive logistics systems, through technical assistance, training, special studies, and the introduction of computerized management systems in selected LDCs, where feasible and appropriate.

(2) To improve USAID Mission, AID/W, and other P/FP donors and LDCs capabilities to forecast and maintain necessary levels of contraceptive supplies.

D. PROJECT ACTIVITIES:

The following listing of activities which the Contractor or consortium is expected to carry out is organized into three levels: 1) the Contractor's Headquarters in Rosslyn, Virginia. 2) USAID Missions, and 3) Host countries.

The number of functions and activities which are presented below is comprehensive and optimal. There are 9 activities/functions at the Contractor or consortium headquarters level, 4 at the USAID Mission level, and 15 at the host country level, for a total of 28 activities/functions. Taking into consideration the limits on the size of contractor or consortium staff, the proposed budget, and the time that will be required to implement the project, it will be necessary to focus on the most crucial activities/functions during the first five years, and gradually incorporate those that are relatively less urgent at later stages.

ST/POP believes that the following 8 functions/activities, in descending order of priority, should be given concentrated attention during the first five years.

- 1) Estimation of contraceptive requirements.
- 2) Assessment of the major FP logistics systems in each LDC which requests assistance, leaving smaller host country organizations to a later stage. Relative priorities, among countries and geographic regions are discussed later in this paper.
- 3) Carry out host country and regional workshops for FP logistics.
- 4) Improvement in host country FP logistics management information systems.
- 5) Distribute AID in-kind contraceptives, which are funded by other AID project accounts, to all social marketing, CEDPA, and FP Enterprise Projects and to other projects when requested by ST/POP/FPSD, the Regional Bureau, and USAID Mission.
- 6) Carry out physical inventories of contraceptive supplies in the highest priority countries.
- 7) Establish a donor contraceptive information system.
- 8) Prepare bi-annual country-specific reports.

There will be cases during the first five years when assistance will be required in the other functions/activities, and the Contractor or consortium, in consultation with ST/POP/FPSD, will respond to such requests if time and resources permit.

The 28 functions/activities which the Contractor or consortium is expected to carry out, if requested by LDCs, USAIDs, and ST/POP, over the 10-year life of project are:

A). At the Contractor or Consortium's Rosslyn Headquarters Level

(1) Carry out daily coordination of activities with the Centers for Disease Control in Atlanta and ST/POP/FPSD, and with AID/W Regional Bureaus, USAID Missions, and other Donor Organizations such as Pathfinder, IPPF, FPIA, SOMARC, CEDPA, the FP Enterprise Project, and the UNFPA, as needed, for timely implementation of the project.

(2) Assist in improving the analyses of Contraceptive Procurement Tables, ABSs, PIO/Cs, PIDs, PPs, and other documents relating to contraceptive logistics and supply management.

(3) Respond to requests from Missions for information on the costs of shipments of commodities by different routes and different carriers, and for technical information materials relating to contraceptives.

(4) In collaboration with CDC/Atlanta, continue work already underway to establish a computerized Management Information System for all donor-provided contraceptives, and assist all donors and AID/W regional bureaus to have on-line access to the Contractor's Central Processing Unit.

(5) In collaboration with CDC/Atlanta, ST/POP, and AID/W Regional Bureaus, assist in establishing Regional Centers for technical assistance and training in FP logistics in Africa, Asia, and Latin America.

(6) Evaluate the cost-effectiveness and desirability of stationing Regional Logistics Advisors in Kenya and the Ivory Coast to work in Anglo-phone and Franco-phone African countries.

(7) Establish a contraceptive commodity management system, through a sub-contract, which will be capable of receiving AID-supplied commodities, warehousing them, and shipping them to all social marketing, FP Enterprise, and CEDPA projects, and to other projects when requested by ST/POP, the Regional Bureaus, and USAID Missions.

(8) Establish a small storeroom for contraceptives and publications, and as needed, ship such supplies to USAID Missions, other organizations, and LDCs.

(9) Participate in quarterly coordination meetings with FP/IA and Pathfinder in the warehouses in New Windsor, Maryland to discuss contraceptive stock levels and projected shipments.

**B. At the USAID Mission Level**

(1) Assist USAIDs and host country organizations in preparing the Contraceptive Procurement Tables.

(2) Assist in obtaining commodity receiving reports for A.I.D. shipments and ensure their delivery to ST/POP.

(3) Assist Missions in the preparation of proposed shipping schedules and other relevant documents such as logistics management components of PIDs, PPs, and ABSs, etc.

(4) Ascertain with host country organizations and other donor representatives the types and quantities of contraceptives which have been recently supplied or will be supplied by non-A.I.D. sources and provide this information to the USAID and to ST/POP.

C). At the Host Country Level

(1) Assist in the estimation of contraceptive requirements by taking into consideration current supplies, shipments which are in process, historical consumption rates, and demographic information already available such as census, survey, and FP program data.

(2) Assist in analyzing the FP logistics systems of public and private sector organizations from a cost-effective management perspective by assessing organizational structure, staffing patterns, resource allocation, and lines of authority.

(3) Provide T/A and funding, where needed and requested, to carry out regional and in-country workshops in the design and management of contraceptive logistics systems.

(4) Assist in the design of simplified FP service statistics and logistics reporting systems which could be used by public and private organizations in clinic-based or community-based distribution systems.

(5) On an experimental basis, provide T/A, funding, and equipment, where necessary and appropriate, to install micro-computer management information systems for contraceptive logistics.

(6) Assist public and private sector FP organizations to determine current inventories of contraceptives by age of stock, identify and select samples of products that are approaching or have exceeded recommended shelf-life limits and those products which show signs of deterioration, and arrange for the testing of samples in accordance with accepted industry standards and the applicable federal specifications governing the procurement of the commodity in question.

- (7) Monitor the warehousing and end use of contraceptives which the Contractor or Consortium provides to all social marketing, FP Enterprise, and CEDPA-supported projects, and to any additional projects which the Contractor or Consortium provides commodity assistance.
- (8) When needed and requested, through sub-contracts with host country organizations, provide funds and T/A to carry out physical inventories of contraceptives in warehouses (national, regional, departmental, district or local).
- (9) When needed and requested, determine levels of contraceptive supplies in a small number of clinics and points of distribution to contraceptive users (e.g. community-based distribution projects).
- (10) Determine, where feasible, the types and quantities of contraceptives supplied by other donors.
- (11) Prepare, and up-date bi-annually, a country-specific report which among other things will contain demographic information related to estimating contraceptive requirements, a description of the configuration of the different public and private sector FP service and delivery systems, their resupply policies and procedures, estimated inventories at the national level, trends in the quantities and types of contraceptives used, and information on the types of contraceptives in the local market, their prices, import duties assessed, and requirements.
- (12) Assist in identifying legal, political, administrative, and technical constraints which affect the reliable flow of contraceptives.
- (13) Provide T/A and funding, where needed and requested, to carry out special studies related to factors which impact on contraceptive supplies and distribution systems (such as review of the customs classification of contraceptives) and explore the possibilities for changing or eliminating such impediments.
- (14) Assist the host country to obtain data on imports, manufacture, and sales of contraceptives in the commercial sector.
- (15) On an ad hoc basis provide T/A to train counterparts in purchasing contraceptives through international tenders, assist in assessing the feasibility and desirability of establishing or expanding host country production of contraceptives, and in the registration of contraceptives.

E. Detailed Description of Principal Activities

The major function to be addressed under this project is contraceptive supply management. Technical assistance will be directed at various levels of managers with responsibility for this specific area. Supply management or logistics management, as commonly referred to, relates to the availability of supplies in a contraceptive distribution system. The principal objective of logistic management in a family planning program is to assure that adequate quantities of contraceptive and related FP supplies are continuously available in program outlets. In turn, evidence from well-functioning programs shows that continuous availability of supplies results in higher levels of user acceptance and continuation rates, and overall program success.

This project will finance technical assistance to (a) diagnose how well a particular logistics system is functioning; (b) prescribe remedial actions to address deficiencies identified in a system, as well as provide funding to carry out these actions; and (c) evaluate the impact of steps taken toward improving logistics management.

Each of the above requires a thorough understanding of the inter-related variables that determine how well a program's logistical system works. Specifically, the major variables are:

- a) the ability to analyze and forecast supply requirements which includes policy determinations on the quantities and types of supplies to be maintained at different distribution levels;
- b) identification of reliable sources of supply;
- c) regulations and policies regarding the importation, registration, distribution, and sale of contraceptives in a particular country;
- d) adequacy of storage facilities and transportation systems;
- e) existence of management information systems including inventory management and recordkeeping systems at the program outlet level;
- f) adequacy of staff assigned to logistics management functions;

- g) clear lines of authority and decentralized decision-making responsibilities related to supply management

These characteristics highlight that logistics management should not be approached in a vacuum, and that other areas of program management (staffing patterns, resource allocation, lines of authority) must be taken into account in evaluating a program's logistics performance. Focusing on the specific area of logistics management may lead to the identification of other management concerns that require assistance from the Family Planning Management Training Project, the Operations Research Project, or the FP Enterprise Project, which are also funded by the Office of Population.

1) Contraceptive Requirements Analysis: One of the basic inputs to a well functioning logistics system is a sound analysis of contraceptive needs both now and in the future. In general, this process has not been well-executed by family planning program managers. S&T/POP ranks this deficiency as one of the most important constraints to be addressed by the project.

An adequate decision-making process for projections of contraceptive requirements must take into account at least three basic elements. The first refers to historical data on changes in patterns of contraceptive use over time as well as actual and past availability and use of different commodities. Service statistics and logistics data, particularly when coupled with the findings of a survey that measures the prevalence of contraceptive use by method and source of contraception, can provide valuable tools for predicting future trends.

The second element involves proposed plans regarding the future orientation and implementation of the program. These might include new strategies for the expansion of service delivery, the relative emphasis to be placed on the different contraceptive methods, the perceived future availability of funding and contraceptive supplies, and the population growth rate targets set forth in planning documents. These factors are translated into important variables that must be given an appropriate weight in the forecasting process.

Third, and last, there are underlying assumptions, some of which are related to program plans, that serve as the basis for projections. These may refer to judgments as to how demand will vary over time, particularly for contraceptives that may have been in short supply in the past, probable method switching and the evolving contraceptive mix, likely substitution effect as regards source of contraception, and the relative reliability and validity of the many data sources used in making the projections. The most important point to be stressed is that a forecasting decision cannot be based exclusively on past performance. The forecasting process is best characterized as a complex of weighted considerations that must be constantly revised as new and relevant information and data inputs become available.

Currently, ST/POP/FPSD provides short-term technical assistance in requirements analysis to A.I.D. Missions and FP organizations through its RSSA with CDC. However, these consultations usually serve as a stopgap measure to obtain the requirements information needed by S&T/POP for its central procurement actions. This project will complement the assistance now being provided by CDC, and will seek to develop within local FP organizations the internal capability to carry out these analyses independently and on a continuing basis.

The Contractor or consortium will accomplish this goal through direct technical assistance to FP organizations and by conducting in-country and regional workshops for public and private FP service delivery program managers in A.I.D. recipient countries. During the first year of the project the Contractor or consortium will work closely with S&T/POP staff responsible for the Agency's contraceptive procurement system and CDC consultants who have completed short-term assignments in developing countries to obtain contraceptives needs data for S&T/POP. The Contractor or consortium will become familiar with A.I.D.'s Annual Budget Submission (ABS) cycle, and the relationship between the ABS process, analyzing a program's contraceptive requirements, and procuring and shipping a program's commodities. Procurement of contraceptives by FPSD involves conversion of requirements estimates made on a calendar year basis to funding requirements made on a fiscal year basis, and manufacturing production and shipping schedules which cross both calendar and fiscal year endings.

Funding is provided by both central and AID Mission budgets in their ABSs and subsequent PIO/Cs. Contracts for contraceptives involve various parts of AID and the General Services Administration. Three years of funding and procurement/shipping are open at all times, each of which is subject to amendment as changes in requirements or other circumstances occur. There is an elaborate system of amending/payback in process through buying by the central account to cover shortfalls or other changes for specific countries. This activity is voluminous, detailed, and intricate. It involves considerable improvisation to cover shortfalls, changes in requirements, temporary financing and subsequent payback. Strictly a central-office-type function, it is heavily dependent on requirements analysis and accurate logistics information from the field.

The Contractor or consortium will also need to become proficient in S&T/POP's computerized commodity management programs in order to utilize these tools in carrying out its requirements analysis responsibilities. Micro computers will be purchased under the project to transfer S&T/POP's automated commodity management programs to the Contractor's office and to enable the Contractor or consortium to directly access S&T/POP's data base, where changes occur daily.

It is estimated that two Contractor staff will be required to work full-time on improving the quality of contraceptive requirements analyses worldwide. Approximately 250 discrete tables each year from 35 to 40 countries will require analyses. Although it will be the decision of the Contractor or consortium to determine how the workload should be shared, a regional division of labor provides a sensible option. Similarities among countries in the same region are strong enough to capitalize on such a division of labor.

2). Logistics Workshops: FPSD and CDC are gradually persuading FP program managers in LDC's to recognize the importance of logistics as an essential element in service delivery. While a well-functioning logistics system cannot, by itself, guarantee services will be utilized, the opposite is nevertheless true: if a woman arrives at a service delivery point only to be told that a particular contraceptive is out of stock, she may well become pregnant, and the result will be an erosion of public confidence and the loss of many users to the program. A major problem which has been encountered in trying to strengthen family planning logistics systems is that local, regional and national staff are frequently unfamiliar with

logistics principles and practices. One of the solutions to this problem is to provide technical assistance for regional and in-country workshops for logistics staff and other program managers. The Contractor or consortium will provide technical assistance for national or regional logistics management workshops. This will include the provision of support for local costs and assistance in the development of source material. Higher priority will be given to in-country workshops in comparison to regional workshops.

As of February 1986, CDC has provided technical assistance for three regional workshops. Three-week "FP Supply Management Workshops" were carried out, in collaboration with the Eastern and Southern African Management Institute (ESAMI), in October 1984 and November 1985. The first one-week Latin American Regional Workshop, in collaboration with PROFAMILIA, the IPPF affiliate in Colombia, and Development Associates, was carried out in January 1986. Also, two in-country workshops were conducted in Zimbabwe and Zambia in January 1986.

CDC/Atlanta has developed nine training modules for these workshops which contain subject matter relating to forecasting, warehouse management, assessing supply imbalances, determining issue quantities, simplified inventory, clinic, and CBD reporting systems, supervision, and the application of microcomputers. Video training materials will be prepared and used in the workshops if it is determined that they are needed.

It is recommended that the Contractor or consortium collaborate with CDC in developing regional capabilities for technical assistance and training in contraceptive requirements estimation and logistics in ESAMI for Africa (the Africa Bureau is planning increased support to ESAMI for this purpose under the Regional Family Health Initiatives Project), in PROFAMILIA for Latin America, and in a site to be determined in Asia. It is anticipated that AID/W's Regional Bureaus will provide the funding for the institutional development costs of these Regional Centers.

3). Information Systems: As highlighted in the World Bank's 1984 World Development Report, the provision of family planning services in many countries is plagued by the lack of reliable information on which to base management decisions. The project will respond to this constraint by developing management information systems (MIS) which organize the collection and interpretation of data needed by managers to make decisions. Approached from a logistics perspective, the

Contractor or consortium would design a MIS to include information on availability and demand for supplies, number and location of distribution outlets, target group size and characteristics, and new and continuing acceptor rates. The Contractor or consortium may also include other informational variables, such as staffing patterns under the MIS, which are determined to affect how well a program's supply management system is functioning as well as understand other aspects of program performance.

Establishing a MIS also usually leads to streamlining current recordkeeping and reporting requirements currently imposed upon overburdened staff. Experience to date, in countries where MISs have been designed and implemented demonstrates a considerable reduction in the amount of time spent on recordkeeping and reporting, improved quality and consistency in the data collected, and better responses by managers to local needs. In sum, the existence of a MIS allows managers to make decisions based on current, reliable information that is collected as a matter of routine.

In addition, under this activity, the Contractor or consortium will provide advice on computerization of planned or existing MISs. Automated supply management systems have been or are in the process of being designed by CDC for some overseas family planning programs. The most complete automated system is the nationwide Ministry of Health service delivery program in Thailand. The Contractor or consortium will review the progress to date of these systems and, in collaboration with CDC, establish a list of criteria for establishing computerized MIS in other programs. At least one systems analyst/computer programmer will need to be part of the contract team to respond to technical assistance requests by organizations desiring an automated system. Funds will also be available under the project to finance related U.S.-manufactured hardware and software for the logistics components of family planning programs.

4). Physical Inventories: One of the key determinants of how well an organization estimates its contraceptive needs, both now and in the future, is its knowledge of what exists in the pipeline at any particular time. S&T/POP now requests an accurate report of each program's beginning of year stock as part of its requirements analysis exercise. Most often these stock figures are based on inventory records kept at the central warehouse level. Less often they reflect supply availability further down in the distribution system. Ideally,

the beginning of year stock would reflect aggregate product quantities at all levels of the logistics system, i.e., from the central level to the program outlet level. Seldom, however, are data from the services delivery outlets accurate or complete enough to provide such a comprehensive picture of an in-country stock situation.

Under this project component, the Contractor or consortium will be responsible for assisting FP service organizations in conducting physical inventories of in-country stocks. This assistance will be provided indirectly by subcontracting with a local firm or individual to conduct such an inventory. Initially, three selected LDCs will undertake these inventories each year. Training and participation of host country counterparts will be encouraged. This exercise should be done toward the end of each calendar year in preparation of the requirements analysis due in AID/W by March of the subsequent year.

By the end of the project, each service delivery program receiving project assistance should be conducting physical inventories as one of its basic management tasks. This activity can best be implemented under AID bilateral programs by including it during project design. The Contractor or consortium will review all existing and planned projects to assess whether physical inventories were taken into consideration during project design. If not, S&T/POP will recommend that they be included for project funding and offer technical assistance under the contract for implementation.

5) Sub-Contract for Management of Contraceptive Supplies:  
AID currently utilizes Family Planning International Assistance, the Pathfinder Fund, and INDEPS to warehouse and ship AID's in-kind contraceptive commodities. Since the number of FP projects in LDCs continues to increase, and since new ST/POP centrally-funded projects will require commodity assistance, it is advisable to include a discrete activity in this project which would provide contraceptive commodity support in addition to the work done in this area by FPIA, Pathfinder, and IPPF/Western Hemisphere Region/INDEPS.

The Contractor or Consortium, through a sub-contract, will be responsible for receiving, warehousing, and shipping AID in-kind contraceptive supplies for all AID-supported Social Marketing projects, the FP Enterprise Project, and CEDPA, and to any additional projects which are requested by ST/POP Regional Bureaus, and USAID Missions.

The Contractor or consortium will be responsible for monitoring the adequacy of warehouse facilities, ensuring first-in/first-out procedures, proper shipping containers and markings, the scheduling of shipments with sufficient anticipation to avoid to the extent possible more costly air freight shipments, ensure adequate accounting and inventory systems, and the timely presentation of host country organization's receiving reports. The Contractor or consortium will also be responsible for filing claims for lost or damaged commodities. This activity is one of the eight priority activities/functions of the FP Logistics Management Project and therefore it should become operational during the first year of the project.

6). Donor Contraceptive Inventory System: In addition to AID, there are a number of donor agencies providing contraceptive commodities to LDC family planning programs. As the major donor in this area, it is important that AID be aware, at all times, of the quantities and types supplied by these other donors. This information will enable AID to program its own requirements more effectively. The Contractor or consortium will develop a donor agency reporting system to monitor the provision of contraceptives to LDC family planning programs. Donor agencies include AID; the corresponding foreign assistance agencies of other developed countries; private sector AID - supported Cooperating Agencies such as FPIA, IPPF and the Pathfinder Fund; UN agencies, the World Bank, and other private voluntary organizations such as mission groups.

Each collaborating donor organization will have its own set of internal requirements for data, just as in the case with AID, but there are certain common elements which all donors will require such as, for example, the name of the donor, the name of the recipient country, the name of the host country organization, the name of the FP project, the types, quantities, and costs of contraceptives shipped to the country, order placement and receipt dates, etc. It is also possible that once the DCIS is fully operational, it may become the standard and most used system among all donor organizations.

To implement this system, starting in year 3 of the project, the Contractor or consortium will develop working relationships with these agencies, review their current information collection procedures, and design an appropriate and mutually acceptable data collection, storage and feedback system. For more effective management and to encourage their participation, all participating agencies, USAID missions, and LDC FP program directors will have immediate access to the information shared by all.

The establishment of the Donor Contraceptive Information System (DCIS) will need to be phased and borrow heavily from the on-going computerized system created by CDC/Atlanta and ST/POP/FPSD. During the first year, the Contractor or consortium professional staff will need to work with CDC and FPSD in learning and further developing this system which is designed to meet AID's requirements.

By the third year, and earlier if feasible, AID-supported donors such as FPIA and Pathfinder would be incorporated into the system. These organizations have already indicated that they want to participate. The DCIS will complement--not duplicate--the on-going systems of FPIA and Pathfinder. In the fourth year, or earlier if feasible, other organizations such as the UNFPA, the World Bank, and other donors would be invited to participate.

It is anticipated that the Contractor or consortium will require five IBM PC/ATs and appropriate software to establish the DCIS network and to computerize all aspects of the work to be performed by the Contractor or consortium on this project.

The Contractor or consortium will not provide computer equipment to donor organizations, but rather provide the necessary technical assistance to help the donors get "on-line" with the DCIS, e.g., recommend compatible equipment, transfer the software, and train donor-designated personnel in the use of the DCIS system.

7). Bi-Annual Country-Specific Logistics Reports: In addition to a program's contraceptive supply forecasting capabilities, there are a number of other country-specific variables that affect how well a program's supply management system functions. These variables include the configuration of the country's FP delivery systems, the country's warehousing facilities at all levels of the distribution system, its resupply policies, its transportation system, and its recordkeeping and inventory reporting systems. The Contractor or consortium will be responsible for developing bi-annual country specific logistics reports that provide a summary description of these and other relevant variables. (refer to item 11, on page 19)

These reports will be compiled in a central library at S&T/POP and used as references for A.I.D. central and Regional Bureau staff, cooperating agencies, and consultants working with FP organizations in developing countries. Based on follow-up visits, the Contractor or consortium will keep these reports up-to-date with developments in the subject country programs over time.

Through this activity, the project responds to a gap in information that now exists. Whereas, existing consultants' reports may describe some of these variables, nowhere is this information organized and compiled in a manner to be an easily accessible and useful reference. During the first year of the project, S&T/POP/FPSD staff will meet with the Contractor or consortium staff to outline specifically what information is needed and the preferred format.

8). The Importance of Logistics Management: One of the major constraints to improving the logistics management systems of family planning organizations is the lack of recognition given to this component as a critical and integral function of any well-managed family planning service delivery program by both FP organizations and the general donor community. One need only review a sample of A.I.D. Population Project Papers to observe the minimal attention given to this activity in project design work. In addition, one can visit existing family planning organizations and find a relatively low priority assigned to this function by program managers in comparison to other program activities. This, in turn, usually translates into inadequate and low-salaried staff responsible for commodity management within the organization. This project will seek to elevate the "status" of logistics management within recipient family planning organizations by focussing attention on this essential component.

It is only with a real acknowledgement of the importance of supply management to program success that managers will allocate adequate financial, personnel, and technical resources to this activity. Regardless of the amount of technical assistance provided under this project toward a better understanding of the principles and practices of logistics, limited programmatic improvements will result unless the value of logistics management is institutionalized and reflected in management decisions.

F. RELATIVE REGIONAL AND COUNTRY PRIORITIES

Based on discussions with AID/W Regional Bureaus, it was agreed that priority will be given to those countries with bilaterally-supported P/FP projects. In addition to these countries, priority should also be given to projects funded by regional projects (Zambia, Lesotho, Nigeria, Ivory Coast, Zaire) and by ESF or SAHEL funds (Egypt, Burkina Fasso, Senegal, Zimbabwe).

The Following countries have either on-going or immediately planned bilateral P/FP projects:

<u>Africa</u>	<u>Asia/Near East</u>	<u>Latin American/Caribbean</u>
Ghana	Bangladesh	Belize
Kenya	Egypt	Bolivia
Liberia	India	Costa Rica
Malawi	Nepal	Dominican Republic
Mali	Indonesia	Ecuador
Somalia	Pakistan	El Salvador
Sudan	Philippines	Guatemala
Zaire	Thailand	Haiti
Zimbabwe	Tunisia	Honduras
Togo	Morocco	Jamaica
Rwanda	Yemen	Peru

There are 42 LDCs and USAID Missions that need assistance, to a greater or lesser degree, from this project in 1986, but if criteria other than the fact that a country has a bilateral P/FP program are applied, such as the size of the population (Nigeria, Mexico) and/or the annual population growth rate, approximately 70 LDCs could benefit from this project during the forthcoming ten years.

The following chart of relative need by region was developed with AID/W Regional Bureaus.

LDCs THAT COULD POTENTIALLY BENEFIT FROM THE FP LOGISTICS  
MANAGEMENT PROJECT

	<u>Major Need</u>	<u>Moderate</u>	<u>Minor</u>
<u>Asia:</u>	Nepal Bangladesh Burma Pakistan	Philippines India Sri Lanka	Thailand Indonesia
<u>Near East:</u>	Egypt Yemen	Morocco Tunisia Jordan Turkey	
<u>Latin American/ Caribbean:</u>	Bolivia Ecuador Haiti Peru Honduras El Salvador	Jamaica Dominican Rep. Guatemala Costa Rica Caribbean Islands Belize	Mexico Brazil Colombia Panama Paraguay
<u>Africa:</u>	Nigeria Ghana Kenya Sudan Madagascar Tanzania Uganda Zambia Ivory Coast Zaire Malawi Mozambique Cameroon Senegal Rwanda	Benin Burkina Faso Cape Verde Gambia Guinea Guinea-Bissau Liberia Mali Mauritania Niger Central African Rep. Chad Congo Sierra Leone Togo Burundi Lesotho	Zimbabwe Swaziland Mauritius Seychelles Reunion Djibouti Comoros Equat. Guinea
No. of Countries =	27	30	15
Total Countries =	72		

Approximately 45% of AID's bilaterally-supported P/FP programs are located in Sub-Saharan Africa, 28% in LAC, 17% in Asia, and 4% in the Near East. The combined assistance of CDC/Atlanta and the Contractor or consortium should be distributed roughly according to these percentages. However, flexibility must be maintained, and if a non-bilateral country requests assistance, every effort should be made to meet this need without jeopardizing the bilateral programs and USAID Missions.

The outputs of the project are quantified and presented in the logical framework matrix which begins on page 43.

#### IV. COST ESTIMATE AND FINANCIAL PLAN

It is estimated that during the ten years of project implementation a total of \$31,800,000 will be required, and that ST/POP will provide \$28,620,000 of this total. Regional Bureaus and USAID Missions are expected to provide approximately \$3,180,000 through "buy-ins". The budget for the first five-year period is estimated to be \$13,019,000, of which \$11,717,100 would be provided by ST/POP and \$1,301,900 through "buy-ins".

In order to provide coordination, centralized management, and maximum flexibility across regions, the principal source of funding for this project will be ST/POP (about 90% of the total budget). Regional Bureaus and Missions not only have the option to "buy-in" to the project, but they may also provide direct assistance for the establishment of Regional Technical Assistance and Training Centers, e.g. the Africa Bureau's support to ESAMI through the Regional Family Health Initiatives Project.

The project's financial plan is flexible enough to allow for inputs from other sectoral, regional, or country accounts (ESF, Sahel). This maximizes the project's capability to meet the FP Logistics Management technical assistance requirements when ST/POP funds are limited. Experience with other centrally-funded projects has demonstrated that such flexibility was critical when central funds decreased, contractor funds were already committed, and additional opportunities and needs emerged.

Table "A" presents the total estimated ten-year budget by fiscal years and by twelve budget elements. It is an extrapolation of Table "B", which contains an estimated budget for the first year. Future year budgets will be modified by ST/POP/FPSD based on experience, relative need, and evolving priorities.

The estimated budget for element #12, "Sub-contract for management of contraceptive supplies," is based on FPPIA's experience during cy 1985 and the anticipated level of effort of the contractor during the first and subsequent years of the project.

Costs for travel to Africa, Asia, LAC, and the Near East, and of Regional Logistics Management workshops are based on experience by CDC/Atlanta during FY 85.

Most budget components are increased by 5% annually for inflation.

All other project costs were calculated in accordance with ST/POP's Program Guidance 85-02 dated November 21, 1984.

Finally, the budget does not decline in the out years because ST/POP believes that there will continue to be a demand by LDCs for technical assistance in FP Logistics Management. The present project permits only 1 1/2 visits, on average, to each of 42 countries each year. This level of effort may in fact increase as USAIDs and LDCs incorporate additional funding for improved FP logistics systems into their projects.

TABLE A

PROJECTIONS OF OBLIGATION BY PROJECT YEAR  
(In US \$000)

<u>Project Element</u>	<u>Yr. 1</u>	<u>Yr. 2</u>	<u>Yr. 3</u>	<u>Yr. 4</u>	<u>Yr. 5</u>	<u>Yr. 6</u>	<u>Yr. 7</u>	<u>Yr. 8</u>	<u>Yr. 9</u>	<u>Yr. 10</u>	<u>Total</u>
1) Personnel	516	542	569	597	627	658	692	726	762	800	6489
2) Fringe Benefits	113	119	124	131	137	144	151	159	167	176	1444
3) Indirect Costs	629	660	693	728	764	803	843	885	929	976	7910
4) Fixed Fee	198	208	218	228	240	253	265	279	292	307	2489
5) Short-Term Consultants	45	47	50	52	55	57	60	63	66	70	565
6) Travel & Per Diem	253	266	279	293	307	323	339	356	374	392	3182
7) Logistics Workshops in LDCs	75	79	83	87	91	96	100	105	111	116	943
8) Training Materials	10	11	12	12	13	13	14	14	15	15	129
9) Microcomputers for Contractor Hdqtrs.	50	-	-	-	-	-	-	-	-	-	50
10) Microcomputers for MIS in LDCs	40	42	44	46	49	51	54	56	59	62	500
11) Sub-Contracts with LDC Organizations	50	52	55	58	61	64	67	70	74	77	628
12) Sub-Contract for Management of Contraceptive Supplies	196	332	446	599	737	826	922	1015	1143	1275	7491
Total	2175	2358	2573	2832	3081	3288	3507	3728	3992	4266	31,800

- 34A -

Inflation is calculated at 5% annually.

TABLE B  
Detailed Budget for Year 1

<u>I. Personnel</u>	<u>Approximate G-S Level</u>	<u>Step 5 Salary</u>
Project Director (12 P/M)	15	59,230
Senior Program Analyst (12 P/M)	14	50,354
Program Analyst (12 P/M)	13	42,611
FP Logistics/Mgt. Advisor (Africa) (12 P/M)	13	42,611
FP Logistics/Mgt. Advisor (Africa) (12 P/M)	13	42,611
FP Logistics/Mgt. Advisor (Asia/NE) (12 P/M)	13	42,611
FP Logisitcs/Mgt. Advisor (L.A.) (12 P/M)	13	42,611
Systems Analyst/Computer Programmer (12 P/M)	14	50,354
Data Input Assistant (12 P/M)	9	24,712
Secretaries (4) (48 P/M)	6	72,720
Chief Manager of Contraceptive Supplies (12 P/M)	9	24,712
Asst. Manager of Contraceptive Supplies (12 P/M)	8	20,266
Sub-Total Personnel=		\$515,403
<u>II. Fringe Benefits (22%)</u>		113,389
<u>III. Indirect Costs (100%)</u>		628,792
<u>IV. Fixed Fee (10% of Contract)</u>		197,724
<u>V. Short-Term Consultants</u>		45,500
\$250 daily rate x 130 days per year (\$32,500)		
\$100 per diem x 130 days per year (\$13,000)		
<u>VI. Travel &amp; Per Diem</u>		253,160
28 trips to Africa x \$5,000 (\$140,000)		
18 trips to L.A. x \$1,800 (\$32,400)		
10 trips to Asia x \$5,240 (\$52,400)		
6 trips to NE x \$3,560 (\$21,360)		
Domestic Travel 20 trips x \$350 (\$7,000)		
<u>VII. Logistics Workshops in LDCs</u>		75,000
5 countries/regional per year x \$15,000		
<u>VIII. Training Materials &amp; Translations</u>		10,032
<u>IX. Microcomputers for Contractor(s) Headquarters</u>		50,000
Network of 5 IBM PC/ATs		
<u>X. Microcomputers for MISs in LDCs</u>		40,000
4 IBM PC/ATs		
<u>XI. Sub-Contracts with LDC Organizations for Inventories and Special Studies</u>		50,000
Five countries x \$10,000		
<u>XII. Sub-Contract for Management of Contraceptive Supplies</u>		196,000
Warehousing (\$40,000)		
Air and Sea Freight (\$150,000)		
Communications and Documentation (\$6,000)		

## V. IMPLEMENTATION

### A. AID MANAGEMENT

Primary technical and administrative responsibility for the FP Logistics Management project will be located in FPSD, Commodities Branch of the Office of Population. The AID Cognizant Technical Officer (CTO) will provide the Contractor or consortium with overall technical guidance and insure that project implementation is consistent with the design set forth in this project paper.

FPSD staff will define country and activity priorities in close consultation and cooperation with Regional Bureaus and USAID Missions. Likewise, FPSD staff will provide continual guidance to the Contractor or consortium and closely monitor progress in implementation of project activities. This will include making site visits, providing technical assistance as necessary, and conducting management reviews.

Field trip reports, quarterly reports and other significant findings produced by the Contractor or consortium will be shared with Regional Bureaus, USAIDs, other FP Donor Organizations, and LDC Program Directors.

There will be frequent exchange with USAID Missions throughout the life of the project by cables, telephone, and field trips.

An initial cable to the field will describe the new project and its major components, and Missions will be asked to identify future needs in the area of contraceptive logistics management.

All Contractor or consortium-related travel will be cleared by ST/POP/FPSD with the respective Regional Bureau and the appropriate USAID Mission.

### B. Contractor or Consortium

This Project will be carried out by a U.S.-based Contractor or consortium selected through the competitive procurement process. ST/POP will make a concerted effort to broaden the base of U.S. organizations with experience and expertise in FP Logistics Management in the developing world and to institutionalize this capability in the shortest time

possible. FPSD has reviewed the experience of several U.S. firms in this field and concludes that any future Contractor or consortium staff will need to learn ST/POP/FPSD's complex commodities management system from the ground up, and to acquire experience in providing technical assistance to LDCs in the specialized area of contraceptive requirements estimation and FP logistics system.

In accordance with Deputy Administrator Morris' guidance contained in State 243643 dated 8/8/85 and State 348103 dated 11/13/85, which relates to the Gray Amendment, and the memorandum of November 15, 1985 from Senior Assistant Administrator Brady on the same subject, ST/POP will make every effort to give full consideration to maximally involving minority and women-owned firms, historically black colleges and universities, and minority controlled PVOs in the provision of required goods and services under the FP Logistics Management Project. See section VIII for the required certification.

As presented in the Project Description section of this paper, the Contractor or consortium will need to function at three levels:

- 1) Contractor or Consortium Headquarters Office in Rosslyn, Virginia
- 2) USAID Missions
- 3) LDC Host Country Organizations

In addition, the Contractor or consortium should collaborate and coordinate with CDC/Atlanta, since it is expected that CDC's current level of effort in contraceptive supply management will continue, with annual extensions of the RSSA, throughout the life of this project.

In order to ensure that the policies and strategies of ST/POP and CDC in contraceptive logistics, which are based on many years of experience working with USAID Missions, and LDCs, are continued and further evolved, it is essential that the Contractor or consortium work as an integral part of a team composed of ST/POP/FPSD and CDC/Atlanta.

CDC has already indicated that it is prepared to train Contractor or consortium personnel in Atlanta, and ST/POP/FPSD will provide orientation and training in AID's Contraceptive Commodity Management systems and activities. Once training in the U.S. is completed, it is recommended that CDC and Contractor or consortium staff undertake joint missions to LDCs when feasible. It is also recommended that the Contractor or consortium Systems Analyst/Computer Programmer collaborate with CDC's Systems Analyst in Atlanta, Rosslyn, and in LDCs.

It should be made clear that the Contractor or consortium will perform the functions presented in the project description section, but unlike CDC/Atlanta, the Contractor or consortium will not be involved in carrying out national fertility and contraceptive prevalence surveys, epidemiological research, and patient flow analyses.

The project will provide assistance preferentially to 42 LDCs where AID has bilaterally and regionally-funded FP programs. The travel budget would permit 1.5 visits (average) annually to each of these countries, or 3 visits annually to 21 countries. Actual travel, however, will be a function of Regional Bureau, USAID Mission, and LDC requests for assistance under this project.

Because of the nature of ST/POP/FPSD's work, the computerized MIS, daily cables and telephone calls with USAIDs, changes in contraceptive orders and shipping schedules, it is essential that the Contractor or consortium office be located within walking distance of ST/POP/FPSD.

This project will provide assistance to approximately 42 LDCs over the 10-year life of the project and will involve both small and large-scale FP programs. The complexity of the project is suggested by, for example:

- a) The involvement of both the public sector and the private sector in carrying out family planning programs
- b) The necessity of working with many different types and levels of personnel, both medical and non-medical, in implementing programs
- c) The difficult management issues involved in developing services to dispersed, often isolated populations--issues which require improvement and coordination of efforts in logistics, communications, training, and other areas
- d) The fact that decisions and actions on population/family planning programs are often taken at the national level by the highest government leaders and involving several ministries

The Contractor or consortium must be able to provide a professional staff with prior experience in designing, administering, monitoring, and evaluating family planning programs in the developing world. Ideally, the staff will contain professionals who have field experience and specialized skills in contraceptive logistics systems in LDC public and private sector FP programs. In addition, the four Regional Logistics Advisors would be expected to have prior experience in the regions they will preferentially serve (although they may be called from time to time to help in other regions) and to be in travel status approximately 40% of the work year (about five months). French and Spanish language capabilities will be necessary in Africa and Latin America. The Contractor or consortium should make every effort to utilize third country nationals, who are recognized as experts in FP Logistics Management, when providing T/A. Because of the sustained level of effort required to make this project successful, it is necessary for the Contractor or consortium to provide full-time and exclusively-dedicated staff to this project in its headquarters. Except for some specialized short-term consultancies abroad, ST/POP would prefer that work on the project not be performed by part-time employees that have other commitments and demands on their time.

It should be emphasized that this project is a Family Planning logistics management project and not a Public Health drugs supply project. For this and other policy, management, and administrative reasons, the project does not include "buy-ins" from AID/W or Mission Health funds.

The Contractor or consortium should understand that the fundamental objective of this project is to improve the quality of estimating the requirements for contraceptives and to improve public and private-sector organizations' contraceptive delivery (logistics) systems. When the Contractor or consortium is working with "integrated" logistics systems, particularly in Sub-Saharan Africa, technical assistance should be focussed on the contraceptive component, while recognizing that there could be some positive "spin off" for the drug supply system, but the objective of this project is not to accept responsibility for major technical assistance for the improvement of Ministry of Health Drug/Medicines/Equipment supply systems.

The Contractor or consortium will need to be able to respond quickly to requests from AID/W, USAID Missions, and host countries for assistance.

The Contractor or consortium will need to demonstrate an understanding of AID procedures and policies such as travel clearances, funding cycles, contract guidelines, financial management, legislative requirements, etc.

The Contractor or consortium should have a network of contacts with public and private-sector P/FP organizations in developing countries and with other P/FP donors and USAID Missions.

#### C. COORDINATION WITH OTHER POPULATION PROJECTS

Because FPSD's work intersects and impacts on many other Office of Population projects, special efforts will be made to coordinate the FP Logistics Management Project with FPIA, Pathfinder, IPPF/WHR, SOMARC, IPPF/London, UNFPA, the FP Management Training Project, and the FP Enterprise Project. FPSD will organize periodic meetings between CDC/Atlanta, the Contractor or consortium, and Regional Bureaus and ST/POP CTOS responsible for these intersecting Cooperating Agency activities.

The Contractor or consortium will have almost daily coordination discussions with ST/POP/FPSD and CDC/Atlanta. Close and regular coordination will be required with all P/FP donors and ST/POP cooperating agencies.

#### D. IMPLEMENTATION SCHEDULE

ST/POP and ST/PO review of the draft Project Paper should be completed by March 10, 1986. Regional Bureaus' review should be completed by March 21. The Population Sector Council should review the project by March 28. The Director of the Office of Population should approve the project by April 4. The PIO/T should arrive in SER/AAM/ST by April 30. By August 30, SER/AAM/ST should be able to award the contract and obligate FY 86 funds of \$1,000,000.

The Contractor or consortium will establish an office in Rosslyn, recruit additional staff, if necessary, and begin in-service training in ST/POP/FPSD and CDC/Atlanta. The Contractor or consortium will also begin the installation of the network of IBM PC/ATs in the headquarters office, and simultaneously begin the process of learning the FPSD/CDC computerized system. FPSD will send a cable to the field announcing the new project in September 1986, indicating that Contractor or consortium staff will be available for initial field visits in March 1987, and that CDC/Atlanta will continue to be available at any time during this initial phase.

Plans for the Contractor or consortium field work and other activities will be discussed and reviewed by FPSD, each calendar quarter. Upon arrival in a LDC, Contractor or consortium's staff should contact the USAID Mission for a briefing and to schedule a de-briefing before departure if the Mission determines it is necessary.

#### E. REPORTS

CDC/Atlanta has developed an excellent reporting system since 1974. It consists of an annual work plan beginning in October of every year. Quarterly progress reports are submitted for the 1st, 2nd, and 3rd quarters, and the 4th quarter report serves as an annual progress report. Finally, CDC submits detailed reports of the results of each field trip, within 60 days of having completed the field trip. USAID Missions receive a verbal report before departure and a preliminary draft report within 15 days, if requested.

The quarterly progress reports include highlights of the previous quarter, scheduled travel during the next quarter, project highlights, the status of trip reports, and the status of the project's budget.

The Contractor or consortium should review CDC's reporting system and provide FPSD with ten copies of similar-type reports. In addition, two copies should be sent to CDC/Atlanta. In those cases where a joint report is prepared on a joint field trip, either CDC or the Contractor or consortium may submit that report to FPSD.

At the end of the contract, five years after the project begins, the Contractor will be responsible for submitting a final report. The content and parameters of that report will be agreed upon before funding for the fifth year begins.

All financial reports and vouchers for payment, and reporting of expenditures must conform to standard AID regulations and procedures.

In addition to these reports, the Contractor or consortium shall immediately notify the AID/CTO and the AID Contracting Officer in writing, in the event that circumstances arise that have or may have an adverse impact on the timely performance of the contract, of the incurrence of unanticipated costs under this contract. This provision is applicable to the subcontracts as well as to the prime contract.

In accordance with AID regulations, the AID/CTO reserves the right to review and approve for publication any and all project publications and documents prior to their issuance.

#### F. CONDITIONS AND COVENANTS

##### Source of Origin of Commodities and Nationality of Services

Waiver: Each developing country where training, or other assistance takes place under this project shall be deemed to be a cooperating country for the purpose of permitting local cost financing. The aggregate cost of all goods and services procured under each sub-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 services at this level in AID Geographic Code 935 countries is essential for the implementation of the project. The essence of the FP Logistics Management Project is that host country institutions be supported in assessing public and private sector delivery of family planning services. Therefore, except for technical assistance provided by a US-based Contractor or consortium and associated US-purchased commodities, almost all expenditures in the project will be within the cooperating countries. Since these projects are almost totally 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 contraceptive logistics systems.

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.

#### VI. EVALUATION

Overall project evaluations will be conducted by AID/W, S&T/POP/FPSD and external evaluation teams. There are three types of overall evaluations in this project.

1. Continuous monitoring and assessment by S&T/POP/FPSD. The cognizant technical officer (CTO) will closely monitor and evaluate the project on a continuing basis. Annual internal management reviews will be held in April (coinciding with the CDC/Atlanta management review) to consider project progress, issues, and needed corrective actions.

2. Mid-term project evaluation. This evaluation, scheduled to take place in June 1990, will be conducted by an external evaluation team. A.I.D. staff may or may not participate on the team. The purpose of this evaluation is to examine project effectiveness and continuing needs for project assistance. The evaluation will provide guidance for mid-term correction and give early indication of need for follow-on activities.

The mid-term evaluation will focus both on the process of project operations, and on the project's success in producing the planned outputs and achieving its purpose. For example, the evaluation team will consider the efficiency with which project actions occur--whether project staff is in place and well qualified; whether the project headquarters operates smoothly; whether planning and implementation of the project's activities take place on schedule, and whether they are responsive to Mission and host country needs and requests; whether consultants and sub-contractors are well-qualified for their tasks, and supplied in a timely manner; and whether the overall project implementation plan is realistic. The evaluation team will also examine progress toward achieving project outputs; organizing and conducting appropriate training, providing follow-up and technical assistance as needed; etc. Finally, the evaluation team will examine evidence which indicates whether the project has begun to achieve its purpose.

3. Final project evaluation. This evaluation, scheduled for June 1996, will also be conducted by an external team, with possible participation by A.I.D. staff.

The final evaluation team will examine the same questions as the mid-term evaluation team, but will concentrate on examining indicators that the project has achieved its purpose, and to a lesser extent, quality, quantity and timeliness of planned project outputs. The final evaluation will make recommendations on changes in content, scope, or focus for follow-on projects.

VII. PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

PROJECT TITLE & NUMBER: FP LOGISTICS MANAGEMENT (936-3038)

PROGRAM OR SECTOR GOAL

Enhance the freedom of couples in LDCs to choose voluntarily the number and spacing of their children.

MEASURES OF GOAL ACHIEVEMENT

LDC couples' actual and desired fertility are consistent, and safe and affordable contraceptives are available to all couples desiring to use them.

MEANS OF VERIFICATION

Fertility and Contraceptive Prevalence Surveys, FP service and logistics statistics, census, and vital registration data.

ASSUMPTIONS

Accepting couples have ready access to contraceptives and choose to use them for family planning purposes.

PROJECT PURPOSE

1) To improve the capability of host country public and private FP organizations to administer more effective and efficient FP service delivery programs, with emphasis on contraceptive logistics systems, through technical assistance, training, and special studies, and the introduction of computerized management information systems in selected LDCs where feasible and appropriate.

END OF PROJECT STATUS

- 1)
  - (a) Estimates of contraceptive requirements are more current and accurate.
  - (b) Contraceptive logistics systems are functioning more efficiently.
  - (c) FP programs are providing services to a larger number of people.
  - (d) LDC organizations are more able to analyze problems and take remedial actions.
  - (e) Up to three regional technical assistance and training centers in Africa, Asia, and Latin America are functioning and meeting the service delivery and logistics needs of LDCs in their regions.
  - (f) Contraceptive supplies are being provided on time to all social marketing, FP Enterprise, and CEDPA projects.

1) Analysis of contraceptive procurement tables and supporting documentation, trends in over or under supply, evaluations of contraceptive logistics systems, FP program statistics.

1) The use of a Contractor or consortium to supplement SI/POP/FPSD and CDC/Atlanta is the most effective way of providing the range of management services required. The contractor will successfully fulfill the scope of this project.

VII. PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

<u>PROJECT PURPOSE (cont.)</u>	<u>END OF PROJECT STATUS</u>	<u>MEANS OF VERIFICATION</u>	<u>ASSUMPTIONS</u>
2) To improve USAID Mission, AID/W and other P/FP donors' and LDCs capabilities to forecast and maintain necessary levels of contraceptive supplies.	2) (a) A central computerized management information system for contraceptives which are provided by P/FP donor organizations is functioning and each donor has immediate access to the information. (b) AID/W, USAID Missions, and LDCs are more knowledgeable about contraceptive supplies and requirements and better able to take necessary actions.	2) Contractor, CDC/Atlanta, and other donor reports.	2) Necessary funding will be available. Donors will agree to participate in the MIS.

<u>OUTPUTS</u>	<u>MAGNITUDE OF OUTPUTS</u>	<u>MEANS OF VERIFICATION</u>	<u>ASSUMPTIONS</u>
1) A central computerized management information system for donor-provided contraceptives.	1) A central MIS which may be accessed immediately by at least 3 donor and technical assistance organizations.	1) Contractor, CDC/Atlanta, Host Country, USAID Missions, and other P/FP donor reports.	1) Host countries will in fact be interested in and accept the technical assistance offered.
2) Establishment of regional technical assistance and training centers for Family Planning Logistics.	2) Up to three centers, one in Africa one in Asia, and one in Latin America.		
3) In-depth analyses of contraceptive procurement tables.	3) 250 discrete tables from 35 to 40 countries annually.		
4) Technical assistance visits to LDCs and USAID Missions.	4) Approximately <u>60</u> total visits to <u>20</u> countries annually.		
5) Physical inventories of contraceptive supplies in warehouses.	5) Approximately <u>3</u> physical inventories annually.		
6) Regional FP logistics workshops.	6) Approximately <u>3</u> regional workshops annually.		
7) In-country workshops on contraceptives logistics.	7) Approximately <u>3</u> in-country workshops annually.		
8) Persons trained in contraceptive logistics (workshops and in-service).	8) Approximately <u>160</u> persons trained from <u>20</u> countries annually.		
9) Assessments of host country contraceptive logistics systems.	9) Approximately <u>10</u> assessments of contraceptive logistics systems annually.		
10) Special studies in host countries relative to the availability of contraceptives.	10) Approximately <u>2</u> special studies annually.		
11) Design of simplified FP service statistics and logistics reporting systems.	11) Approximately <u>6</u> FP reporting systems annually.		
12) Establishment of micro-computerized MIS for contraceptive logistics systems.	12) Approximately <u>4</u> FP logistics MIS systems in <u>4</u> countries annually.		
13) Bi-annual country-specific reports on contraceptive logistics systems.	13) Approximately <u>5</u> country reports annually.		
14) AID-provided contraceptives supplied to Social Marketing, FP Enterprise and CEPD projects.	14) Approximately <u>20</u> projects receiving commodities annually.		

VII. PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

INPUTS

Funding from SI/POP and "buy-ins" from Missions and Regional Bureaus, joint collaboration between CDC/Atlanta and the Contractor, and organizations such as Pathfinder, UNFPA, IPPF, World Bank FPIA and others providing information on shipments of contraceptives to individual countries.

IMPLEMENTATION TARGET

<u>AID Financed Inputs</u>	(\$000)
Personnel	6489
Fringe Benefits	1421
Indirect Costs	7910
Fixed Fee	2489
Short-term Consultants	565
Travel & Per Diem	3182
Logistics Workshops	943
Training Materials	129
Donor Information System	50
LDC Logistics MIS	503
Sub-Contracts with LDCs	628
Sub-Contract for Management of Contraceptive supplies	7491

Total \$31,800

MEANS OF VERIFICATION

AID/W and USAID Mission financial records and contractor records.

ASSUMPTIONS

Congressional appropriations permit AID funding at planned levels.

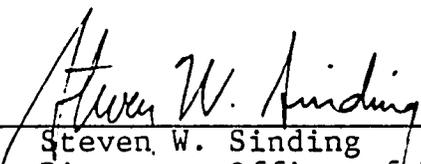
VIII. Certification of the Procurement Plan

As the project paper states on pages 2 and 35, ST/POP will give optional consideration to 8-A and Gray-Amendment firms in this procurement. Moreover, we will work with the Office of Acquisition and Assistance Management (AAM) and the Office of Small and Disadvantaged Business (OSDB) to include such firms on the Bidders' list.

However, since it is unlikely that 8-A or minority firms will have the requisite experience and capability to carry out the full range of activities contained in this project, ST/POP recommends that the project be "fully and openly competed."

S&T/POP considers this project to be critical to the long-term success of the Agency's Population Policy and Strategy. There are a total of 28 discrete functions/activities that will have to be carried out by the contractor with AID/W, other U.S. Government Agencies, International Organizations, USAID Missions and Host Country organizations. The project is clearly complex and will require an organization with extensive worldwide experience in population/family planning programs, technical and language skills, and sufficient institutional and administrative depth to implement the project quickly and effectively. S&T/POP has a range of 8-A and minority firms that are used regularly for specific functions such as RONCO, ISTI, Development Associates, and CEDPA, but none of these firms, individually or collectively, has the full range of skills that will be required in the new project. It can also be said that no other consulting or commercial organization has all of the requisite skills and P/FP experience.

Therefore, S&T/POP believes that the interests of the Agency will best be served by full and open competition, thus permitting a combination of skills and experience from different organizations.

  
\_\_\_\_\_  
Steven W. Sinding  
Director, Office of Population

8 April 1986  
Date