

PD-ABM-418
97994

PROJECT ASSISTANCE COMPLETION REPORT

PROJECT TITLE: FAMILY PLANNING ENDOWMENT PROJECT
PROJECT NUMBER: 645-0237
PROJECT AMOUNT: \$1,681,000
COUNTRY: Swaziland
FINAL PROJECT EVALUATION: October 1995

1. SUMMARY OF SERVICES PERFORMED

On September 29, 1992, the United States Agency for International Development (USAID) signed a grant agreement with the Family Life Association of Swaziland (FLAS) establishing an endowment of \$1,681 million. The purpose of the Family Planning Endowment Project was to assist FLAS to sustain the provision of improved and expanded family planning services to the Swazi public. To this end, the Endowment Project capitalized an endowment for FLAS. FLAS invested the capital and has used the resultant income to improve the quality of its current family planning activities by recruiting new nursing personnel, in accordance with its strategic plan. USAID deposited the local currency equivalent of \$1,681 million (E5,329,610.50) into a separate FLAS bank account at the Meridien BIAO Bank on June 3, 1993. FLAS secured the advice of a local financial investment professional to assist in investment decisions. A Memorandum of Understanding was signed by FLAS, MERIDIEN BIAO bank and witnessed by USAID for the provision of investment advice. The Endowment capital has been invested as follows:

- Swaziland Sugar Assets debentures E1,300,000.00 on 30/7/93 bearing interest at 13.5% per annum;
 - Swaziland Posts and Telecommunications Corporation debentures of E2,542,200.00 on 31/10/93 bearing interest at 13.25% per annum; and
 - E 1,487,410 has been invested in a Meridien call account.
- Since the Grant Agreement precluded investment in South Africa due to the political situation, all investments were made in Swaziland.

2. STATUS OF COMPLETION OF PROJECT ELEMENTS

The Endowment project met its objective in that it capitalized an endowment for FLAS which has generated E1,423,111 from 3 June 1993 to 30 June 1995, which is an effective interest rate of 12.24%. An amount of E562,690 has been reinvested as part of the Endowment capital and E550,400 has been expended on personnel.

3. ACCOMPLISHMENTS IN TERMS OF PROJECT PURPOSE

The Project accomplished its purpose in that FLAS has been able to recruit new nursing staff and continue to support previously hired staff. The Project has successfully created an independent income stream for FLAS operations so that it can become more

4. FURTHER INPUTS EXPECTED INTO THE PROJECT

None.

5. LESSONS LEARNED

The primary lesson learned from the Family Planning Endowment Project is that endowments to NGO organization are a very useful tool to enable organizations to focus on fund-raising for programmatic activities rather than regular operating costs. The Endowment project involved minimum AID inputs and will have results that will outlast AID's presence in Swaziland.

6. RECOMMENDATIONS FOR FURTHER MONITORING, REPORTING AND EVALUATION

The Project Manager will prepare briefing notes on the Endowment to be forwarded to the Regional Center for Southern Africa (RCSA) as they will be responsible for maintaining minimal oversight over the Endowment until 2002. Specifically, FLAS is required to forward the annual audit for the Endowment to the RCSA. The final evaluation of the Family Planning Endowment recommended that FLAS document the specific AID audit requirements that are not within the scope of normal audits and notifies their auditors on an annual basis to ensure that the audit meets AID audit standards.

Donald Foster-Gross

Donald Foster-Gross
General Development Officer

12/21/95

Date

Drafted: AHenwood-Sampson, PGDO - PACR.END (OW) 26/10/95

Clearances: Jack Royer, Acting Director: [Signature]

Date: 12/27/95

Valencia Msibi, Program Officer: [Signature] 12/21/95

Date: _____