

USAID/INDIA
ANNUAL REPORT FY 2002

March 2002

Please Note:

The attached RESULTS INFORMATION is from the FY 2002 Annual report, and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Annual Report is a “pre-decisional” USAID document and does not reflect results stemming from formal USAID review(s) of this document.

Related document information can be obtained from:
USAID Development Experience Clearinghouse
1611 N. Kent Street, Suite 200
Arlington, VA 22209-2111
Telephone: 703/351-4006 Ext. 106
Fax: 703/351-4039
Email: docorder@dec.cdie.org
Internet: <http://www.dec.org>

Released on or after July 1, 2002

COVER MEMORANDUM

March 4, 2002

To: ANE/AA, Ms. Lori Forman
From: USAID/India, Walter North
Subject: FY 2002 Annual Report

Introduction

Stability in South Asia is increasingly important to the United States. India is not only a key US partner in the war on terrorism but also a determining factor for ensuring stability and economic growth in South Asia. India remains an economically and socially strong democracy in an otherwise fragile and dangerous part of the world. USAID/India is planning a robust program of assistance that recognizes the importance of India to US interests and strengthens the ability of India to fulfill its leadership role in South Asia. In order to implement this program, the Annual Report requests funding and staffing increases commensurate with the planned program.

In March 2002, the Mission will submit for Washington approval its new five-year Country Strategic Plan for FYs 2003-2007. The current program is focussed on reproductive health and child survival, environment, economic growth and women's equity. We propose to continue sharpening our focus in these activities, as well as developing long-term, Indian-based capacity for disaster preparedness, response and management. Additionally, the new strategy will propose a long-term vision that postulates the eventual completion of the bilateral US-India development agenda. The principal elements of this longer-term vision include exploring: phasing-out the PL 480 Title II program; the establishment of a Global Development Alliance Partnership Fund to test concepts and operating principles for cooperation on development issues; and the ultimate establishment, during a subsequent strategy period, of a permanent Legacy Foundation as an enduring vehicle to cooperatively address remaining priority development issues once formal bilateral cooperation has ended.

Results

Fiscal Year 2001, while not an outstanding year for overall program performance, was a year of significant achievements in important segments of our portfolio. For example, although USAID's program for tetanus immunizations in children missed its target by 3.5%, the momentum of the program is strong and increasing. The cumulative increase in the percentage of children immunized in the target areas (54%) represents an impressive accomplishment. USAID helped India actually exceed its cumulative target for reduction of CO2 emissions. In Gujarat, one year after the earthquake, 3,000 home sites were cleared and more than 300 new homes were completed. Our Title II program continued its service to 100,800 villages and 7.3 million poor women and children by successfully implementing the "Take-Home Ration" approach that increased coverage rates for children under three.

Resource Request

Assuming additional resources under the new strategy, we will launch interventions in education, governance, justice and agriculture. Such interventions form a critical part of India's reform agenda and would strengthen USAID's existing activities.

A more robust program for India will require more resources, especially from Economic Support Funds (ESF). In accordance with USAID/Washington's established parameters for design of the new country strategic plan under the high funding scenario, the Mission will request an ESF level of \$55 million a year and a DA/CSH level 20% above the straight lined FY 2002 CBJ level. Although our FY 2003 CBJ DA/CSH level of \$75.2 million is in line with the 20% increase scenario, the CBJ ESF level of \$25 million **needs to be more than doubled** to match the strategy development parameters. Our request for higher ESF levels is consistent with the FY 2003 Mission Performance Plan (MPP). The Embassy has endorsed the ESF request levels and will promote this within the State Department.

The Mission's FY 2003 CBJ control levels for operating expense of \$4.626 million are lower than our requirements. To help put in place the new activities, USAID/India will create a new Economic Growth office. The Mission proposes strengthening staff capabilities in the social equity and education technical office. To accomplish the strengthening in both areas, we propose adding two USDH officers (one more than instructed in the Washington strategy parameters cable). One would be a senior economic growth officer with experience in agriculture, and the second would be a senior democracy officer with experience in education. To accommodate these plans, the Mission requests a total USDH ceiling of **17** (the present ceiling is 15 including two former RUDO staff) for FY 2003 and beyond. Our revised OE request levels of **\$4.85** million for FY 2003 and **\$5.1** million for FY 2004 include \$350,000 a year for the USDH level of 17.

Annual Report Part III: Program Performance

SO 386-002: Reduced Fertility and Improved Reproductive Health in North India

With more than a billion people, India accounts for 17% of the world's population and adds a further 17 million people a year - one fifth of global population growth. The purpose of the SO2 is to reduce the current high level of fertility and improve women's reproductive health in north India. North India accounts for more than forty percent of India's population and has a substantially higher growth rate than the rest of India. The major intervention under the SO is the Innovations in Family Planning Services (IFPS) activity implemented in Uttar Pradesh (UP), India's most populous state (166 million) and the new state carved out from UP, i.e., Uttaranchal (8.5 million). The direct beneficiaries of IFPS are married women of childbearing age (15-49) in UP and Uttaranchal, totaling approximately 27 million women. Secondary beneficiaries are children under age five, whose survival will be enhanced by the program. Complementary to IFPS is the Program for the Advancement of Commercial Technology/Child and Reproductive Health (PACT/CRH) activity, designed to stimulate private sector participation and commercial partnerships for the development, promotion and availability of reproductive health and child survival technologies.

A population-based survey conducted in January 2002 established that progress has not been satisfactory since targets were not met on two indicators. Though progress was below planned levels, contraceptive use increased from 25.8% in 2000 to 26.7% in 2001 in the 38 IFPS focus districts of UP and Uttaranchal. During the same period, the percentage of births attended by trained providers significantly increased from 36.3% to 41.3% in the 38 IFPS focus districts. The coverage of pregnant women with two recommended doses of Tetanus Toxoid is 61.8%, which is lower than the planned levels, but a vast improvement from the 1998 coverage rate of 40.5%.

Achievements

IFPS: Most program interventions of the IFPS project are focussed within 38 districts of UP and Uttaranchal. These districts account for around half of the population of these states. The interventions that cover the entire state of UP and Uttaranchal are training of medical personnel, contraceptive social marketing, contraceptive logistics, Tetanus immunization and, information, education and communication (IEC) activities. Each intervention of the IFPS project is tested on a small scale in select areas/districts and, if potential is established, it is scaled up in a phased manner to the priority districts and thereafter to other districts. Thus of the 38 focus districts, results in the priority 21 districts seem more encouraging where IFPS interventions have been more intensive compared to the results of the 17 other IFPS districts. For example, the use of modern methods of family planning in the priority districts is 29.1% compared to 22.7% in the other IFPS districts (the aggregated IFPS district mean = 26.7%). The proportion of deliveries assisted by trained providers in the priority districts is significantly higher than in the other IFPS districts (45.8% vs. 34.7% respectively). The mean for all IFPS districts is 41.3%.

There is a substantial need for family planning that is not currently being met in U.P. The public sector is the key provider of modern family planning methods, accounting for more than two-thirds of the services. Therefore, public sector performance needs to be improved tremendously to meet the unmet need. One of the major bottlenecks towards improving public sector performance is the poor accountability of the system. In order to enhance public sector accountability and accelerate the performance of the project, an integrated public/private sector-programming approach known as the District Action Plan (DAP) was initially tried in six priority districts. Now it is being scaled up to cover all 33 focus districts of UP by end March, 2002. Further, to increase access to FP services, two key interventions, Reproductive Child Health (RCH) camps and contraceptive social marketing, are being implemented.

In the past year, the sale of condoms in rural UP and Uttaranchal increased by 24% percent from 62 million in 2000 to nearly 77 million in 2001, while pill sales registered a decline in sales from 3.35 million cycles in 2000 to nearly 3 million cycles in 2001, due to a decline in promotional efforts. Greater attention will be paid this year to intensifying promotional efforts in project areas. Further, to accelerate sales of pills and condoms, a pilot integrated marketing approach that includes a wider basket of products is being planned in rural U.P.

USAID and the World Bank are providing support for contraceptive logistics in UP and Uttaranchal. The Logistics Management Information System supported by USAID is currently being piloted in three districts prior to statewide expansion. In FY 2002, USAID plans to expand the IFPS activity to cover the entire state of UP, Uttaranchal and another north Indian state, likely Jharkhand.

PACT-CRH: USAID supports an eight state generic campaign "Goli Ke Hamjoli" (GKH--Friends of the Pill Campaign) to promote acceptance and use of oral contraceptives in urban areas of north India. Showing encouraging results, the sale of pills in the GKH areas increased by 40% from 7.7 million cycles in 1998 to 10.8 million cycles in 2001. Inspired by the results of the campaign, similar efforts are planned to increase use of condoms and oral rehydration salts.

SO 386-003: Improved Child Survival and Nutrition in selected areas of India

Results of the final evaluation of the five-year program (1997-2001) conducted during FY 2001 are encouraging. All indicators show an upward trend over the baseline and have exceeded targets. In the CARE program, immunization rates for children increased from 18% to 57%; iron-folate supplementation rates for pregnant women went from 13% to 37%; timely complementary feeding rates for infants improved from 46% to 67%; and the supplementary feeding coverage of children under two years expanded from 40% to 64%.

These indicators provide evidence that the program strategy of integrating food and ancillary health services to improve women's and children's health was successful. The strategy helped to institute processes and build capacities that have led to improved program implementation, coverage and community ownership. The program has influenced Government of India's policy regarding the Integrated Child Development Services (ICDS) program. Through CARE/India, USAID supports the ICDS (the world's largest outreach child survival program) in eight states of the country.

Achievements

Outreach: The CARE and CRS programs reached approximately 7.3 million poor women and children in over 100,800 villages. CARE's "take-home ration" (THR) strategy was successful in improving coverage rates of the priority target groups of children under three and pregnant and nursing mothers. 86% of the beneficiaries reached by the CRS program belonged to the most disadvantaged sections of society: Scheduled Caste and Schedule Tribes.

Advocacy and policy change: The success of key strategies and processes under CARE's Integrated Nutrition and Health Program (INHP) has led to change in government ICDS policy in several states. Some examples are:

- The state governments of Orissa and West Bengal have issued orders for universalizing the take home ration concept (THR) to all INHP areas. This is in addition to similar policy change adopted by five state governments in the last two years.
- Several state governments issued orders to institutionalize Nutrition and Health (NH) days, during which take home rations are distributed and health service providers are on-site to provide basic health services like immunizations and/or ante-natal care, including distribution of iron-folate tablets. Because of the success of the CARE/ICDS program, the government of Madhya Pradesh has asked CARE for help in expanding NH days to cover all ICDS projects;
- CARE instituted ICDS and Department of Health advisory committees at the state, district and the block levels. The committees are proving extremely effective in planning, problem solving and coordination between different GOI and state government agencies.
- CARE's INHP best practices and case studies are being incorporated into several state government training institutions' curricula for medical functionaries.

Capacity Building: Over 182,000 participants, (government functionaries, NGO partners, village level workers, and key community members) were reached with capacity building efforts by CARE and CRS.

Cross-visits and joint training of Ministry of Health and ICDS village level functionaries have significantly improved coordination between the two ministries, thus resolving a key implementation constraint.

Partnerships and strategic alliances: Besides the GOI and state governments, CARE's partners include local NGOs, community-based organizations, and local governance bodies at district and block levels. During FY 2001, CARE partnered with nearly 100 NGOs to implement the program in tens of thousands of villages. CRS implemented their program through over 50 counterparts and their network of over 2,500 operating partners. CARE has built strategic alliances with several partners such as UNICEF, NIPCCD (research and training agency for ICDS), Child in Need Institute (an NGO), and other USAID projects such as the IFPS in UP and Micronutrient Operational Strategies and Technologies (MOST). CARE networked with organizations such as the National Neonatology Forum, Breastfeeding Promotion Network of India and the All India Institute of Medical Sciences.

SO 386-004: Increased Environmental Protection in Energy, Industry and Cities

USAID/India's current portfolio focuses on global climate change issues through reduction of greenhouse gas emissions in power generation utilities, industry, and in the transport sector through improved energy conversion and end-use efficiencies. Key activities include the Greenhouse Gas Pollution Prevention Project (GEP), the Clean Technologies Initiative (CTI), the Energy Conservation and Commercialization Project (ECO), the Financial Institution Reforms Expansion - Debt (FIRE-D) project, and the South Asia Regional Initiative in Energy (SARI/E). Overall the SO exceeded targets with notable successes in ISO 14001 environmental certification in industry, greenhouse gas reductions, demand side management, and energy efficiency.

Beneficiaries of these activities include, at a national level, all Indians who benefit from cleaner air due to clean energy technology promoted under GEP and CTI. In addition, electricity consumers who receive better value for service through ECO demand side management and strengthened electricity regulatory bodies are beneficiaries. Under FIRE-D, urban dwellers (particularly the urban poor) benefit from improved water and wastewater infrastructure development and from improved quality and reliability of power supply.

Given the current focus on greenhouse gas mitigation, a challenge the team has faced is continuing to constructively engage our Indian counterparts. We have focused our program on clean energy technologies while sharing the message that the U.S. administration supports Global Climate Change (GCC) related research, technology transfer, and market-based approaches. A second challenge has been one created by the transition from the current strategy to the proposed new strategy. The proposed new strategy addresses access to clean energy and water through power distribution reform, improving efficiency of the water-energy nexus, and better provision of urban services. We have met this challenge by focusing current activities so that they contribute to or pave the way for the restructured strategic objective that will begin in FY 2003.

Achievements

Advancing Regulatory Reforms and Institutional Capacity: USAID's support for power sector reform was achieved through our work with the electricity regulatory commissions (ERC), collaboration with the Indian Administrative Service (IAS), water-energy policy reform dialogue at multiple levels, and passage of the Energy Conservation Bill by the Indian Parliament. Specific accomplishments include:

1. Arranging technical visits between U.S. and India for ERC staff from Andhra Pradesh and Uttar Pradesh to study regulatory framework, consumer involvement in regulation, and tariff applications
2. Developing a training curriculum to enhance the decision-making skills of IAS officials in the areas of clean and sustainable energy development, including sector reforms.
3. Analyzing the policy reform agenda related to the important nexus between energy and water sectors in India through a series of workshops, conferences, seminars, and focus groups that brought together stakeholders from government, NGOs, academia, and the private sector representing groups from each side.

4. Providing technical assistance for drafting elements of the now approved Energy Conservation Act. This legislation creates a policy environment for energy efficiency market development and investment in India and paves the way for formation of the Bureau of Energy Efficiency (BEE).
5. Facilitating the establishment of a Demand Side Management (DSM) Cell in one of India's first unbundled electricity distribution companies located in Jaipur, Rajasthan.
6. Financing the Energy Efficiency Testing Laboratory of the Consumer Education Research Center in Ahmedabad that will enhance consumer awareness of energy conservation and standards on major household electric appliances (air conditioners, refrigerators, etc.)

Clean Energy and Sustainable Development (Climate Change Initiative): During FY 2001, USAID has helped India avoid over one million tons of greenhouse gas emissions. USAID helped India exceed a cumulative target of 4.19 million tons of CO₂ reduction, the actual reduction being 4.40 million tons. This equates to significant financial savings in coal costs and tremendous benefits to the environment and to human health. With an initial investment of approximately \$7 million in sugar mill biomass co-generation, USAID was able to leverage over three times that amount in private investment in this developing technology. Other specific examples include:

1. Strengthening the Center for Power Efficiency and Environmental Protection (CenPEEP), which includes two regional energy efficiency service centers established in Lucknow and Patna.
2. Collaborating with the Climate Change Outreach Centers for Indian Industry and NGOs, which has resulted in a portfolio of clean energy projects for potential CO₂ mitigation financing.
3. The Government of India approved its participation in SARI/Energy, which will complement bilateral activities in power sector reform, rural energy, and energy efficiency.

Clean Energy Technology Development and Commercialization: USAID's efforts (in association with industry) to promote environmental management systems and build capacity to incorporate clean energy technology have been successful. As of September 2001, 33 firms have received ISO 14001 certification against a target of 23. Today, Indian industry is actively pursuing ISO 14001 certification and USAID is declaring success and phasing out this activity. Other specific clean energy technology accomplishments include:

1. Catalyzing the commercial development of REVA, India's first electric car, thus contributing to the mitigation of air pollution in Bangalore.
2. Facilitating development of an improved bicycle rickshaw of which over 1,000 are operating on the roads around the Taj Mahal in Agra and neighboring towns, as well as in New Delhi.
3. Assisting with business plan development for the Green Business Center, a state-of-art building that reflects cost effective energy and environmental management practices and systems.
4. Planning a full feasibility study of an Integrated Gasification Combined Cycle (IGCC) power plant, among the cleanest technologies available to produce power from high-ash Indian coals.
5. Partnering national and international NGO's, financial institutions, and a solar power private sector entity to promote solar energy under the Solar Finance Capacity Building Initiative. Over 400 bankers from 28 banks have been trained to increase lending for solar projects.

Urban Services: Assistance provided by USAID has improved the capacity of municipalities and expanded their access to urban planning and finance tools which allows them to provide enhanced urban water and sanitation services. USAID technical assistance and training resulted in the following specific accomplishments:

1. The city of Kolhapur awarded a Build-Operate-Transfer contract for the city's solid waste management to a U.S. company, demonstrating private sector participation in infrastructure service delivery.
2. Two more cities in Maharashtra completed Environmental Status Reports which enable them to identify environmental needs, prioritize them, prepare investment plans, and report to the city councils about actions taken.

3. Thirteen local governments actively have one or more of the urban environmental management tools like Environmental Status Reports/maps and City Corporate Plans that assist the cities in privatizing investment in infrastructure.
4. The state of Maharashtra established guidelines for involving private sector participation in urban water and wastewater delivery.
5. Pune and Indore, under the Sustainable Cities initiative, have institutionalized energy efficiency measures in their water and sewerage systems which helped the city government in achieving substantial savings in energy bills.
6. Collaboration with the International Council for Local Environmental Initiatives (ICLEI) in 6 cities to inventory and create action plans for GHG reduction.
7. An approved DCA project in Tamil Nadu state to facilitate investment for municipal water sanitation projects via a pooled financing mechanism. Water and sanitation projects will benefit over 95,000 urban poor. GOI is considering a central Pooled Finance Development Fund to assist states.
8. The Institute of Chartered Accountants developed technical guidelines for accrual based accounting for Urban Local Bodies (ULBs). Over 100 Tamil Nadu ULBs adopted this improved accounting system. The system is being piloted in four Maharashtra municipalities prior to state-wide expansion. The improved accounting system in cities will help them to access debt funds including capital markets for investment in city services.

SO 386-007: Reduced Transmission and Mitigated Impact of Infectious Diseases, especially STD/HIV/AIDS in India

Performance of the Infectious Diseases SO has not met targets, although some progress has been made (see Achievements Section below). Over the last six year, the AIDS Prevention and Control (APAC) Project in the state of Tamil Nadu has been addressing high-risk groups including commercial sex workers and truck drivers. Another bilateral project in the state of Maharashtra, the Avert Project, addresses specific high-risk groups, including commercial sex workers, truckers, youth and people living with HIV/AIDS.

As a result of the success of the APAC project, the Government of India requested USAID to extend and expand the project for an additional five years. Some of the new activities envisaged include care and support, industrial interventions and expansion to the neighboring Union Territory of Pondicherry. The Government of India has recognized the APAC project as a model for capacity building in other states in India on targeted sexual behavior change interventions among high risk groups. After a very slow start-up phase, the activities of the Avert Project have begun. A consultancy is in place to finalize the strategic plan for the project. Now that systems and procedures for project management have been fully developed, on-the-ground activities through NGOs will commence shortly.

Additionally, USAID is supporting six NGO projects to address children affected by AIDS. The Mission plans to expand this activity.

Under new initiatives through field support, the Mission has expanded its program by partnering with Population Services International (PSI) (through the AIDSMARK Initiative) to carry out STD/HIV/AIDS interventions in port communities around India's 12 major and 170 small ports. The Mission has begun a new collaboration with CARE to support HIV/AIDS prevention activities in highly populous states with comparatively low HIV prevalence.

The Mission continues to support WHO's Model DOTS program in the state of Tamil Nadu under the supervision of the Tuberculosis Research Center. Operational research activities are well underway. Training capacity and quality has been steadily improving. Under the Polio Eradication Initiative, USAID has constantly collaborated with WHO, UNICEF and Rotary International providing technical assistance and financial support to carry out national and sub-national immunization days (NIDs and SNIDs), mop-up campaigns, surveillance, maintenance of the laboratory network, as well as training and social mobilization.

A difficult challenge faced by the Mission in India is to maintain a prudent balance between HIV prevention and care and support activities. In order to prioritize resources to maximize impact within the Indian context, USAID is presently focussing on the prevention aspects of HIV/AIDS, while developing models for care and support activities.

Achievements

The result indicators show significant achievements in sustaining behavior change in Tamil Nadu. APAC activities have shown statistically significant increases in condom use among truckers. Preliminary data in 2001 reported an 8% increase in condom use by truckers during their last non-regular sexual encounter (70.1% in 2000 to 78.1% in 2001). The condom use among Commercial Sex Workers during the last sexual encounter remains consistently high, although there has been a slight decrease in condom use (91.2% in 2000 to 88.25% in 2001). The overall target for the indicator on condom use was 62% and the achievement is 59%. The overall target could not be met since it is calculated by simple arithmetic averages for commercial sex workers, truckers and Sexually Transmitted Diseases (STD) clinic attendees. The significant reduction of condom use among STD clinic attendees (19% in 2000 to 10.9% in 2001) has pulled the combined figure down.

The target for the second indicator of STD treatment seeking behavior is 75% and the achievement is 62.7%. These figures are arithmetic averages for male factory workers, truck drivers and helpers. There has been some reduction in the care seeking behavior of truckers and helpers (from 86% in 2000 down to 78.6% in 2001) and marginal improvement in male factory workers (from 44.7% in 2000 up to 46.8% in 2001). For both STD clinic attendees and truckers, the decline is possibly due to some miscommunication messages in media which imply that AIDS is curable. In the next year, APAC will make extra efforts to promote correct information in the target groups as well as work with the local government for possible legislation to curb entry of misleading messages in the media.

Under the Avert project, activities are gaining momentum. A work plan and budget for six months has been approved. A statewide HIV/AIDS prevention campaign "DARE to CARE" was launched throughout Maharashtra State on World AIDS Day, December 1, 2001, in collaboration with local state government, reaching 25 million people throughout the country. Now that efforts are underway to build the institutional capacity of NGOs to manage and implement Avert's HIV/AIDS activities, grant awards to begin implementation activities are imminent.

Additionally, the expansion of NGO grants under "children affected with AIDS" activities is well underway. A strategic plan has been developed in collaboration with Family Health International to provide guidance to these activities. This will include additional grants to a variety of NGOs for capacity building and model projects for care and support.

Under the polio eradication activity, support from USAID and other donors resulted in the immunization of 195 million children (under five years of age) over a three day period in December 2001.

USAID is consistently supporting a TB control program through the World Health Organization. In Tamil Nadu, working through WHO, USAID is helping to institutionalize DOTS therapy for control of TB. Data from the DOTS project indicate that 70% of cases are detected in the project area and of those cases 75% are treated successfully. This is a doubling of treatment success over the last 18 months. More than 50% of Tamil Nadu has been covered by DOTS, although the effectiveness of coverage needs to be improved. A TB resistance survey has been completed; data indicates about 2% of TB patients present some form of resistance. More than 2,000 medical and paramedical staff have completed in-depth training at the TB Research Center so far.

USAID has made significant contributions to scientific epidemiological research through the IndiaClen Project. Results from this research and other evaluation conducted under this mechanism are used to drive policy and decision making on infectious diseases prevention and treatment. For example, IndiaClen for the past two years has conducted surveys on the polio eradication effort and identified key

programmatic issues such as acceptor resistance in certain populations and social mobilization deficiencies.

USAID is leading the donor effort in India to assist the Government of India (GOI) in prevention and control of HIV/AIDS. It is a member of a donor coordination committee set up by the GOI.

SO 386-009: Expanded Advocacy and Service Delivery Networks for Women and Girls

Overall this SO met planned targets. Designed to enhance the status of women, the SO supported activities focused on expanding women's access to micro-finance, reducing violence against women, reducing the trafficking of women and children, and child labor elimination. The activities were targeted at poor women largely from rural areas, but some of our child labor and anti-trafficking activities also included urban poor women and girls.

Achievements

USAID's **child labor elimination** activities, in collaboration with UNDP and Catholic Relief Services, ensured access to quality education to 67,000 children in this first year of the activity, against a planned target of 75,565 over three years. Of these, special efforts were focussed on 12,000 children. Over two hundred teachers were trained in child-centered teaching, and 70 bridge courses were held to mainstream school drop-outs and never-enrolled children into regular schools. The activities also promoted significant community mobilization activities in the project areas resulting in formation and strengthening of local people's organizations such as women's groups, village education communities, youth groups, and vigilance committees.

Our **India Anti-Trafficking Initiative** helped rescue nearly 200 women and children from brothels in Delhi and enrolled around 1000 children of commercial sex workers in schools in Hyderabad city. In addition to a non-formal school, an adult education center has been set up in the red light area of Nalanda District in the State of Bihar to provide education to sex workers. Information booths and helplines have been set up at important points like bus and train stations in the cities of Pune and Solapur in Maharashtra for trafficked women in distress who are seeking assistance. Research studies have been undertaken on the links between migration and trafficking, and examining vulnerabilities associated with migration. Mapping of the trafficking of women and children in coastal and tribal districts in Orissa was launched. Advocacy remained a critical component of our ongoing efforts. Special workshops were targeted at the police and officials from the State Commissions for Women to enhance political will and commitment.

New legislation against **domestic violence** has been passed by the GOI. USAID funded a grant to the International Center for Research on Women (ICRW) to organize and coordinate research on violence and masculinity and to assess community-based responses to domestic violence. (These include zero violence zones and alternative dispute resolution mechanisms as practiced in West Bengal). ICRW conducted several capacity strengthening workshops to build research skills of partner research organizations and to develop data collection and analysis tools. With USAID support, ICRW also produced television spots to create public awareness on the issue of domestic violence for airing on the Indian national television network in early calendar year 2002. Well-known national private television channels Star TV and Sahara TV agreed to provide free airtime.

Considerable dissemination and advocacy work took place during the last year. The ICRW reports resulted in expanded media coverage in print media and in the electronic media. The number of institutions participating in violence related research, or involved in dissemination and advocacy efforts went up to eighty, thereby meeting the target. ICRW was invited twice to conduct training sessions on gender-based violence for trainee bureaucrats by the Lal Bahadur Shastri Academy of Administration at Mussorie. Presentations were made at the Planning Commission to sensitize bureaucrats to the issue of domestic violence and at the Madras School of Economics to expose economics researchers to the problem.

The girls' education activity, in collaboration with the Academy for Educational Development, came to an end in September 2001. As part of the deliverables, the BETI Foundation was successfully launched as an autonomous, legally-registered NGO to serve as a public resource on girls' education in the state of Uttar Pradesh. However, on the basis of a final evaluation, the Mission decided not to continue support to that activity. The Mission will however design a new education activity under the new Mission strategy.

Following the successful completion of its earlier micro-finance activity, USAID has supported **Friends of Women's World Banking**, (an Ahmedabad-based national level apex micro-finance institution) to develop a critical mass of financially sustainable micro-finance institutions (MFIs) that can offer basic financial services to large numbers of poor women.

386-011: Increased Capacity of Financial Markets and Government to Transparently and Efficiently Mobilize Resources

USAID's economic growth initiative promotes the integrity and stability of India's financial system to improve efficiency in mobilization and allocation of resources. The first phase (1994-98) of USAID's work in this area under the Financial Institution Reforms and Expansion (FIRE) program helped significantly reduce systemic risk and transaction costs in India's equity market. The current phase of this program began in 2001 (following the lifting of sanctions) and is focused on:

- Building capacity of the capital market institutions in market supervision, best market practices, and self-regulation;
- Enhancing investor protection through improvement in disclosure standards, corporate governance, and promotion of financial literacy and alternative dispute resolution mechanisms; and
- Broadening and deepening the long-term bond market through insurance and pension sector reforms.

Activity implementation of this phase of the SO began in July 2001. As a result, the USAID contractor and the U.S. Securities and Exchange Commission (SEC) have been providing technical expertise and training support to the Securities and Exchange Board of India (SEBI) to help build its ability to conduct market surveillance, examination of regulated intermediaries, investigation capacity and enforcement. Champions for reform within SEBI acknowledge that the current approach to surveillance and enforcement relies too heavily on institutional memories of SEBI staff. There is a recognized need to develop written manuals and clear procedures for conducting routine periodic and "for cause" inspections of regulated entities, reviewing issuer filings, and determining whether an investigation is warranted. Additionally, communication between SEBI and the self-regulatory organizations (exchanges and clearing/ settlement institutions) needs strengthening.

Restructured SO Planned: Ongoing activities under the existing SO will fold into a restructured economic growth SO. The restructured SO will work extensively with:

- Securities market and insurance regulators to strengthen their regulatory oversight competence;
- Government of India task force on pension reform to help with the formulation of recommendations and their implementation;
- Industry trade/professional associations to implement prudent supervisory and market practices;
- Key stake holders to support the development of enabling systems, regulatory standards and prudent practices conducive to the growth of sustainable microfinance in India;
- Selected state governments to promote best practices in fiscal management;
- Selected urban local bodies to build their capacity to promote mobilize resources to fund urban infrastructure projects; and
- Government and other entities on initiatives in agriculture.

- **Achievements**

Although the activities under this SO only resumed in July 2001, there are indications that USAID assistance has again influenced the regulatory approach of SEBI. USAID is providing technical assistance and competence building to implement key SEBI recommendations in the areas of surveillance and enforcement. The U.S. SEC has provided international training to selected SEBI staff on disclosures and securities regulatory enforcement.

Prospects for further enhancing the regulatory competence of SEBI under the FIRE program appear positive, as evidenced by the initial technical dialogue, SEBI cooperation, and training completed. In 2002, USAID will continue working with SEBI in surveillance and enforcement, as well as new areas of futures and options markets, bond markets, licensing and certification of retail market intermediaries, securities law education, and investor education. At the same time, FIRE will build on its start-up activities with India's national insurance regulatory agency, IRDA. It will remain engaged with the national pension sector through the Task Force. USAID supported the participation of senior insurance regulatory officials to the training programs organized by the National Association of Insurance Commissioners in Kansas City. The Actuarial Society of India (ASI) is currently being supported to bring the quality of the non-life actuarial profession to international standards. USAID has provided critical inputs to the Government of India national task force on civil service pension reforms.

SO 386-012: Recovery, Reconstruction and Rehabilitation Needs Met for Target Vulnerable Groups

Activities have progressed as planned for this new Special Objective since its approval in March 2001. It has focussed exclusively on households affected by the devastating earthquake that hit the district of Kutch in the state of Gujarat on January 26, 2001. Grant agreements with CARE, Catholic Relief Services and World Vision were executed in June and July, providing for \$8 million in earthquake reconstruction assistance focussed on rebuilding nearly 3,000 homes and re-instituting critical child survival and health services. An additional agreement with UNDP was signed in September 2001 for \$500,000 to improve dissemination of field-level reconstruction information and to improve equity of services among more vulnerable groups of earthquake-affected people. The implementation pace for field activities must be maintained given the urgent need for information, shelter and health services and the fact that all these agreements will close during the final quarter of FY 03.

Achievements

Mobilization of field staff under the four grant agreements was facilitated by the fact that CARE, Catholic Relief Services, World Vision, UNDP and their indigenous NGO partners had been engaged in initial earthquake relief activities and were present in the area since the occurrence of the earthquake.

Confirmation of target villages and beneficiary households for reconstruction activities grew more complicated than anticipated when some households opted out of initial agreements with the NGOs instead choosing to take advantage of an alternative and exclusive Gujarat state government cash grant program. The NGOs have responded by entering into agreements with other willing families and by increasing the number of villages where USAID-assisted shelter reconstruction activities will take place.

Shelter reconstruction began with the clearing of 3,000 home sites. By the first year anniversary of the earthquake on January 26, 2002, over 300 homes had been completed and 600 initiated. All four grantees were engaged in training local masons, carpenters and other building trades artisans in more earthquake resistant building techniques to help ensure all new housing structures in Kutch are built back more earthquake resistant than previously. Critical child survival and health needs were being addressed by CARE, which by the anniversary of the earthquake had fielded mobile health units and begun providing vital services and supplies to reconstructed health centers.

Field-level reconstruction information flows have benefited from the unusually central role played by NGOs seeking to assure that disadvantaged households have access to reconstruction resources. The

indigenous NGOs receiving USAID assistance through UNDP have begun producing a series of reconstruction radio programs targeted at earthquake affected women.

Table 1: Annual Report Selected Performance Measures

December 3, 2001

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
Pillar I: Global Development Alliance: GDA serves as a catalyst to mobilize the ideas, efforts, and resources of the public sector, corporate America and non-governmental organizations in support of shared objectives					
1 Did your operating unit achieve a significant result working in alliance with the public sector or NGOs?	Yes	No	N/A X		
2 a. How many alliances did you implement in 2001? (list partners) b. How many alliances do you plan to implement in FY 2002?					
3 What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?					
Pillar II: Economic Growth, Agriculture and Trade: USAID works to improve country economic performance using five approaches: (1) liberalizing markets, (2) improving agriculture, (3) supporting microenterprise, (4) ensuring primary education, and (5) protecting the environment and improving energy efficiency.					
4 If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met	Not Met		
If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets?386-003				DA	
If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets?386-004				DA	
If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets?SO386-011				DA	This is a new SO and targets therefore don't have to be set until one year following SO approval
USAID Objective 1: Critical, private markets expanded and strengthened					
5 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		Per SO11 activities
USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged					
6 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	PL480 Title II & CSD	Per SO3 activities

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable					
7 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded					
8 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
9 a. Number of children enrolled in primary schools affected by USAID basic education programs (2001 actual) b. Number of children enrolled in primary schools affected by USAID basic education programs (2002 target)	Male	Female	Total		
USAID Objective 5: World's environment protected					
10 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	DA	Per SO4 activities
11 a. Hectares under Approved Management Plans (2001 actual) b. Hectares under Approved Management Plans (2002 target)					
Pillar III: Global Health: USAID works to: (1) stabilize population, (2) improve child health, (3) improve maternal health, (4) address the HIV/AIDS epidemic, and (5) reduce the threat of other infectious diseases.					
12 If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met	Not Met		
If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets? SO 386-002			X	DA/CSD	SO performance is mixed, two indicators(eg. TT coverage and CPR) fall short of expectations but have increased significantly over previous years.
If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets? SO 386-003		X		PL480 Title II & CSD	
If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets? SO 386-007			X	CSD	SO has met expectations in most of the high-risk groups and ighly significant progress has been made in decreasing high-risk behaviors

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
USAID Objective 1: Reducing the number of unintended pregnancies					
13 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	DA	Per SO2 activities such as DAP expansion, statewide adoption of RCH camps and initiation of social marketing activities
USAID Objective 2: Reducing infant and child mortality					
14 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	PL480 Title II & CSD	Per SO3 activities
USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth					
15 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A		Per SO3 activities
USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries					
16 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	CSD	Per SO7 activities
USAID Objective 5: Reducing the threat of infectious diseases of major public health importance					
17 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A		Per SO7 activities that include model DOTS in Tamil Nadu state and assistance in development of national surveillance program
Pillar IV: Democracy, Conflict and Humanitarian Assistance					
18 If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets?SO 386-009	Exceed	Met X	Not Met	DA	
If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets?SO 386-012		X		DA	This is a new SO and targets therefore don't have to be set until one year following SO approval

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
USAID Objective 1: Rule of law and respect for human rights of women as well as men strengthened					
19 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	DA	Per SO9 activities
USAID Objective 2: Credible and competitive political processes encouraged					
20 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
USAID Objective 3: The development of politically active civil society promoted					
21 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
USAID Objective 4: More transparent and accountable government institutions encouraged					
22 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
USAID Objective 5: Conflict					
23 Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
24 Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A		
25 Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total		
USAID Objective 6: Humanitarian assistance following natural or other disasters					
26 Did your program achieve a significant result in the past year that is likely to contribute to this objective? SO 386-012	Yes	No	N/A X	DA/CSD	Per SO11 activities
27 Number of beneficiaries	15,000 direct beneficiaries in relation to the family shelters constructed; 2,000 beneficiaries in relation to multipurpose building constructed; 700 construction trades person trained				

Table 2: Selected Performance Measures for Other Reporting Purposes

The information in this table will be used to provide data for standard USAID reporting requirements

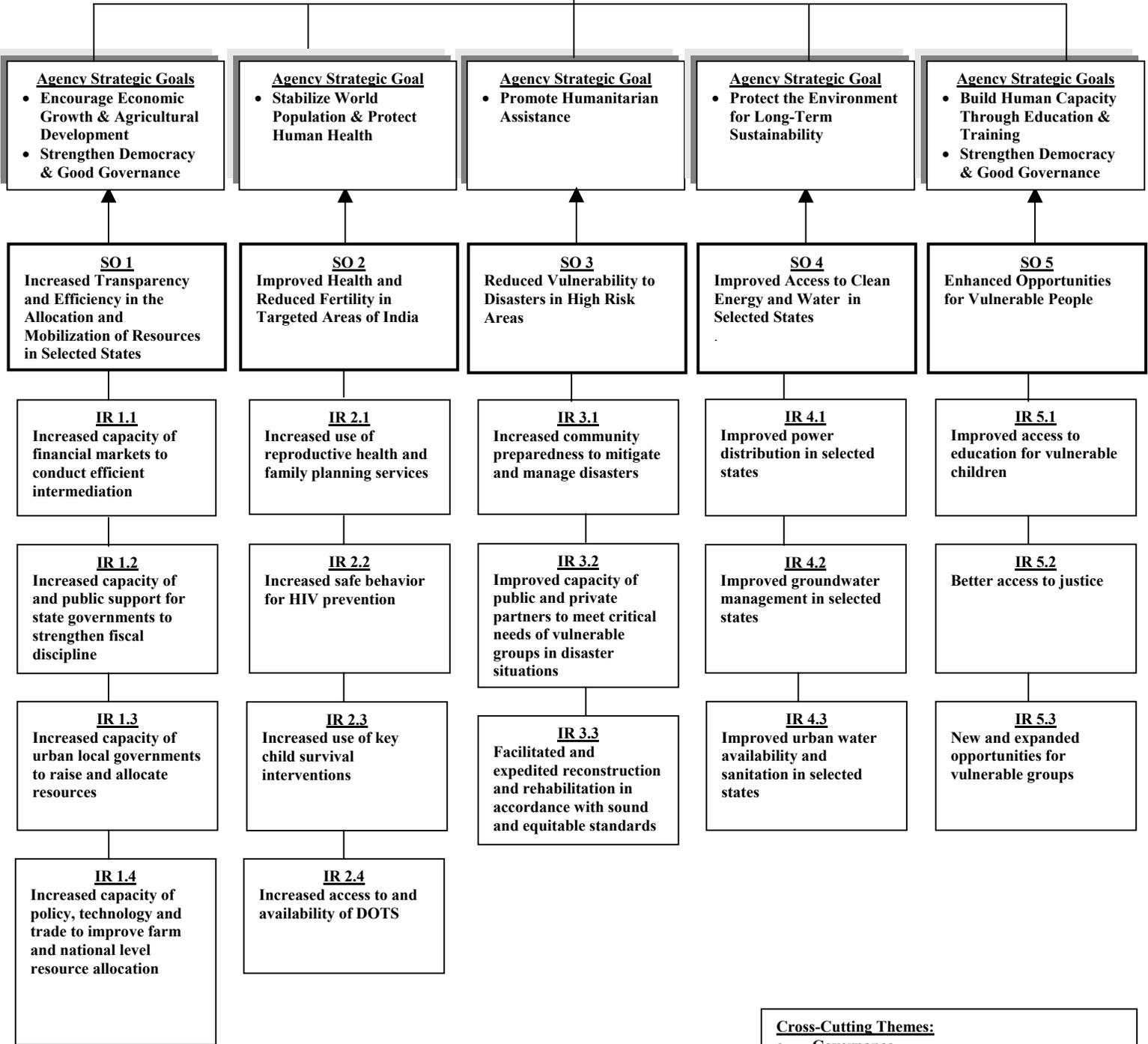
Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
Child Survival Report					
Global Health Objective 1: Reducing the number of unintended pregnancies					
<p>1 Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)</p>	26.7			DA/CSD	<p>Data has been generated through SO2 annual population based survey by the POLICY project. It captures percentage of currently married women age 15-49 using a modern method of contraception at the time of the survey in 38 Innovations in Family Planning Services (IFPS) project districts of UP and Uttaranchal. An independent data assessment has concluded that the data has no known significant data limitations that would impair the Mission's ability to know with reasonable confidence that the intended results was achieved. Per 2001 Census report the 38 IFPS districts have a total population of approximately 85 million. Per the multiple indicator of 2000, supported by UNICEF, the CPR in UP was 22.9%.</p>
Global Health Objective 2: Reducing infant and child mortality					
<p>2 Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)</p>	Male	Female	Total		
<p>3 Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)</p>	Male	Female	Total		
<p>4 Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)</p>	Male	Female	Total		
<p>5 Were there any confirmed cases of wild-strain polio transmission in your country?</p>					
Global Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth					
<p>6 Percentage of births attended by medically-trained personnel (DHS/RHS)</p>					Under SO2 3,803 TBAs have been trained

Global Health Objective 5: Reducing the threat of infectious diseases of major public health importance					
7	a. Number of insecticide impregnated bed-nets sold (Malaria) (2001 actual)				
	b. Number of insecticide impregnated bed-nets sold (Malaria) (2002 target)				
8	Proportion of districts implementing the DOTS Tuberculosis strategy				Under SO7 89% of the districts of the state of Tamil Nadu is being covered under model DOTS
HIV/AIDS Report					
Global Health Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries					
9	a. Total condom sales (2001 actual)				Per SO7 activities approximately 5,000 new condom selling outlets were opened
	b. Total condom sales (2002 target)				
10	a. Number of individuals treated in STI programs (2001 actual)	Male	Female	Total	SO7 activities promote the treatment of STIs/RTI through its outreach activities
	b. Number of individuals treated in STI programs (2002 target)				
11	Is your operating unit supporting an MTCT program?				
12	a. Number of individuals reached by community and home based care programs (2001 actual)	Male	Female	Total	
	b. Number of individuals reached by community and home based care programs (2002 target)				
13	a. Number of orphans and vulnerable children reached (2001 actual)	Male	Female	Total	Per SO7 activities six NGO projects addressing children affected by AIDS were supported
	b. Number of orphans and vulnerable children reached (2002 target)				
14	a. Number of individuals reached by antiretroviral (ARV) treatment programs (2001 actual)	Male	Female	Total	
	b. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 target)				

Victims of Torture Report				
Democracy, Conflict, and Humanitarian Assistance Objective 7: Providing support to victims of torture				
15 Did you provide support to torture survivors this year, even as part of a larger effort?				
16 Number of beneficiaries (adults age 15 and over)	Male	Female	Total	
17 Number of beneficiaries (children under age 15)	Male	Female	Total	

Global Climate Change				
USAID Objective 5: World's environment protected				
18 Global Climate Change: See GCC Appendix				

USAID India Goal
Partnering with India to Complete the Development Agenda



- Cross-Cutting Themes:**
- Governance
 - Gender
 - Urban Issues
 - Partnerships
 - Cutting Edge Technologies

SO 2 RESULTS FRAMEWORK

Strategic Objective 2
Reduced Fertility and Improved
Reproductive Health in North India

Total Fertility Rate (TFR) in U.P.

IR 2.1
Increased quality of family planning services

IR 2.2
Improved use of family planning services

IR 2.3
Increased use of RH services

2.1.1 Number of IFPS-trained public sector providers performing to standards as defined by standardized protocols in the 28 PERFORM districts of UP

2.2.1 Contraceptive Prevalence Rate for the 28 PERFORM districts of UP

2.3.1 Percentage of deliveries attended by a trained provider, in 28 PERFORM districts of UP
2.3.2 Percentage of pregnant women receiving two doses of tetanus toxoid

SO 3 RESULTS FRAMEWORK

Strategic Objective 3
Improved Child Survival and Nutrition in
Selected Areas of India

Improved nutritional
status of young children

IR3.1
Increased use of key child
survival interventions

IR 3.2
Improved maternal and
child nutrition

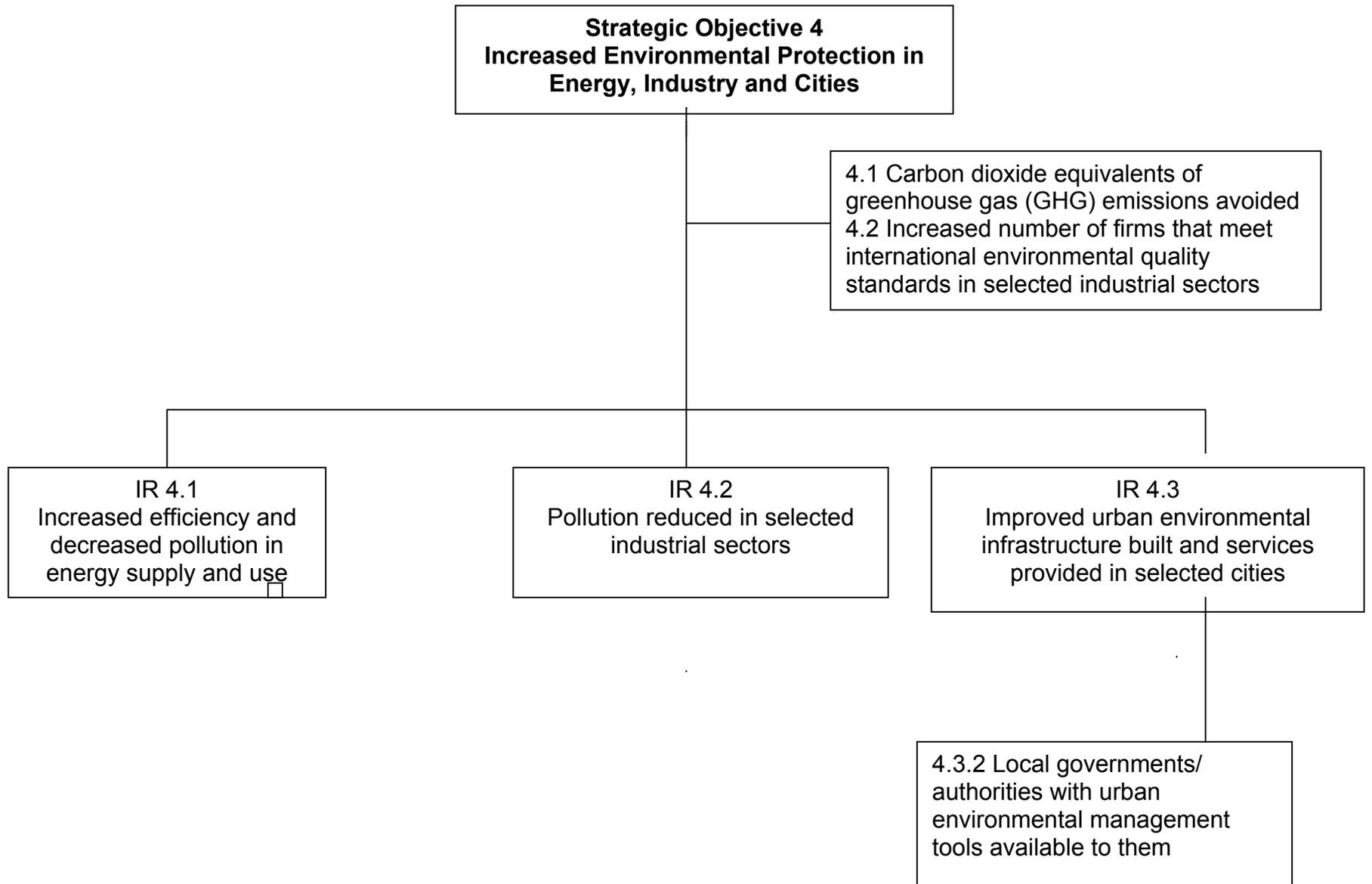
IR 3.3
Improved targeting of
at-risk populations

3.1.1 Percentage of children, 12-23 months old, in program catchment area, fully immunized by age one
3.1.2 Average number of Anganwadi centers conducting at least one monthly, Nutrition and Health day with take home ration and immunization

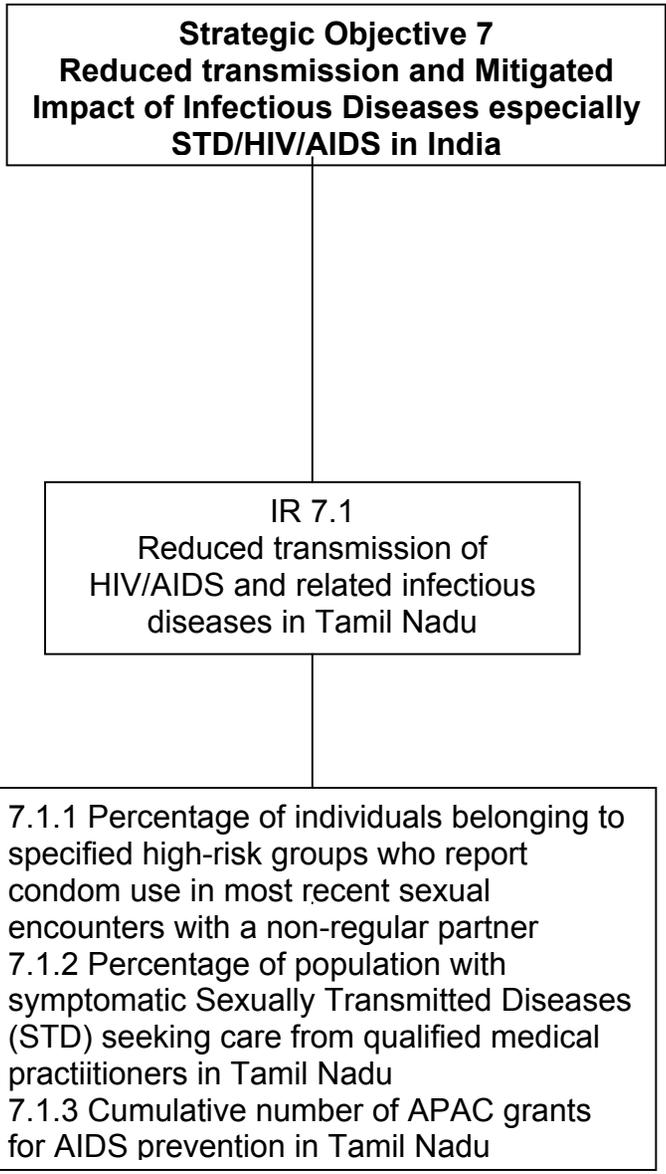
3.2.1 Percentage of pregnant women, in program catchment area, delivered in the past year, who received 90-100 iron folic acid tablets
3.2.2 Number of counterpart personnel and community members given training in nutrition and health topics

3.3.1 Percentage of children under two (6-23 months old) in program catchment areas, enrolled in the supplemental food program
3.3.2 Percent of children 6-23 months old in program catchment area enrolled for take home ration

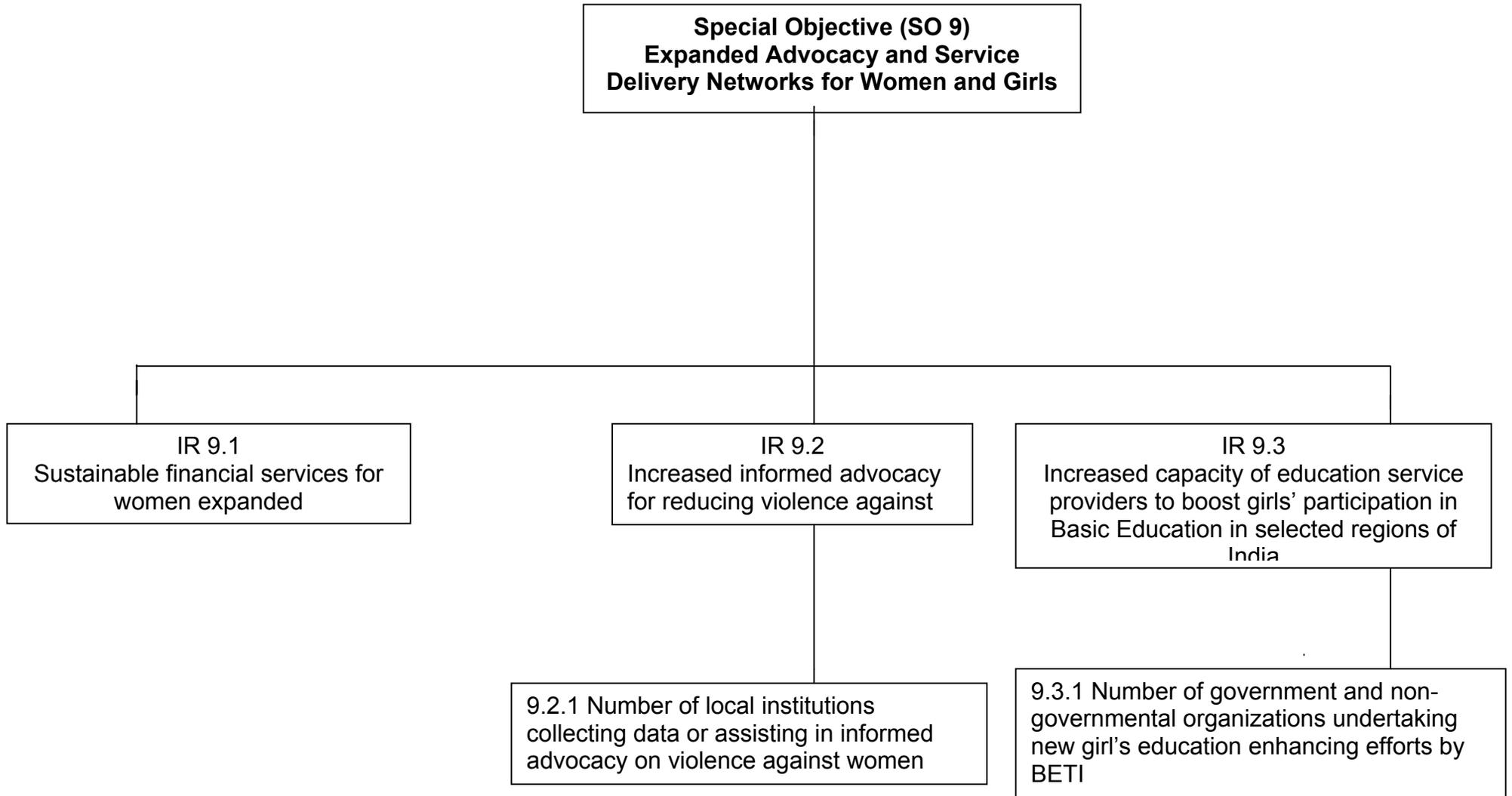
SO 4 RESULTS FRAMEWORK



SO 7 RESULTS FRAMEWORK



SO 9 RESULTS FRAMEWORK



Annual Report Part VII: Environmental Compliance

Plan for new initial environmental examinations:

Activity	Timeframe for approval
Insurance and Pension (Amendment to FIRE initial environmental examination)	September 2002
State Fiscal Reform (Amendment to TASP initial environmental examination)	September 2002
Capacity of Urban Local Bodies to raise resources	February 2003
Humanitarian Assistance (Amendment to SO 386-012 initial environmental examination)	August 2002
Distribution Reforms	June 2002
Energy-Water Nexus	March 2002
New Population, Child Survival and HIV/AIDS	September 2002
Education	March 2003
Access to Justice	March 2003
Expanded Opportunities for Vulnerable Groups	March 2003

All current Strategic Objectives and related activities are in compliance with 22 CFR 216. It should be noted in regards to the Gujarat Earthquake Relief Initiative (GERI) that monthly SO team member visits to project sites have been conducted from November 2001 until present. Sporadic visits occurred prior to this period. PVOs implementing the construction work are aware of the environmental guidelines and are helping sub-contractors to understand and follow them. Only 5% of the construction has been conducted to date. Most activity has focused on rubble removal. Rubble is being separated at source and used, when appropriate, to build foundations or for other uses. The remaining rubble is being dumped in barren land. During the wet season, an assessment will be made to determine whether dump sites are impeding water flow. Building supplies are being stored properly. Sand and water are being trucked in from outside. Water harvesting devices have been built and trees planted to shade water cisterns. Toilets are being properly designed and sited. They are not near water sources. Potable water systems are yet to be constructed. Medical waste is being segregated at the two mobile vans that comprise the clinic. Proper disposal methods have been discussed with PVOs and clinic staff, however, there are no incineration facilities. Recommendations will be made to bury the waste during the February 2002 visit. To better ensure strict compliance, ongoing monitoring and reinforcement of guidelines will occur throughout the year with PVOs, sub-contractors, and the public.