

PNCA2 398

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

*Salje*

ASSISTANT  
ADMINISTRATOR

MAR - 4 1985

*15 11 10 00 1985*  
*EXECUTIVE*

ACTION MEMORANDUM FOR THE ADMINISTRATOR

THRU: AA/PPC, Richard A. Derham *RRP*  
FROM: AA/ASIA, Charles W. Greenleaf, Jr.  
SUBJECT: Pakistan Population Welfare Planning Project (PWP)  
(391-0469) - Authorization Amendment

Problem: To increase life of project funding by \$14.4 million, from the current \$25.6 million to \$40 million. The PACD of September 30, 1987 remains unchanged.

Background: You approved the Population Welfare Planning Project with funding of \$25.6 million on May 28, 1982. The project supports discrete components of the GOP's population program including: (1) management information, research and evaluation; (2) logistics systems and contraceptive supplies; (3) bio- and socio-medical research at the National Research Institute for Fertility Control; and (4) technical assistance and short-term training. Other donors and the GOP support other elements, including service delivery. Heretofore the project has been fully funded with ESF grant funds; however, FY 85 obligations will include \$3.9 million in ESF grant and \$12.2 million in DA grant population funds.

Description of Project Amendment: This amendment does not change the design or scope of the project. The additional funds are exclusively to meet contraceptive requirements (condoms, orals and IUDs) during the original project period. Review of contraceptive usage and projected requirements by the GOP, USAID, and an S&T/Population expert in September 1984 and by a mid-term project evaluation team in November 1984 indicates that growth in demand for condoms in 1984 substantially exceeded original PP projections. Accelerated growth in demand is expected to continue. There has, in fact, been a shortage of condoms, resulting in rationing of distribution from the central Population Welfare Division to districts. In order to build up in-country stocks to the desired one year supply level, and obviate any need for future rationing, substantial additional procurements are urgently required.

Evaluation: While this request focuses on solution of an immediate supply problem identified in the evaluation, there are other evaluation recommendations which are likely to result in future substantive changes in the project. A major finding is that all project components except for contraceptive procurement are far behind schedule. Inadequate political commitment and socio/cultural

391-0469

factors as well as bureaucratic and organizational problems contribute to this result. The evaluation details many project-specific problems and offers recommendations to accelerate activities. Some require high-level GOP action, such as creation of the National Institute for Population Studies or definition of a family planning communications strategy. Others fall more directly within the control of project personnel, such as acceleration of training activities or procurement of certain key laboratory equipment. Still others go beyond the scope of the current project and suggest additional funding for new project elements, such as constructing and equipping additional research facilities, and support for local non-governmental organizations' work in family planning.

Mission Response: The Mission is currently discussing the evaluation report with the GOP and other donors. Agreed actions which fall within the scope of the current project will be taken through standard implementation actions. Funds for any new project elements which may be appropriate for A.I.D. financing, as well as additional funds for contraceptive requirements beyond the current PACD (September 30, 1987), will be requested in a future project amendment which will be submitted in FY 1986.

Need for Requested Increase: Additional funding for contraceptives is requested now rather than waiting for any additional project changes which may result from the evaluation, because contraceptive orders must be placed by May 1985 to conform to the procurement schedule of the Office of Population. Estimates for contraceptive requirements are firmly based, and will not be affected by any other changes in the project. This component of the project has been successful, is crucial to project objectives, and deserves continued support. Although other project elements are behind schedule, we cannot divert funds to meet these large contraceptive requirements because funding of the other elements is relatively small and is largely earmarked or sub-obligated for on-going activities such as construction. Contraceptives account for \$20.6 million of the currently authorized \$25.6 million, and are almost fully disbursed or earmarked. Only \$1.7 million is available for obligation in FY 1985. The additional \$14.4 million is necessary to meet the estimated contraceptives requirement of \$16.1 million through the balance of the project period.

Abortion Policy: Abortion is illegal in Pakistan and is not part of the GOP program or our project. Funds requested are for contraceptives only.

Congressional Notification: A Congressional Notification will be transmitted to the Hill shortly.

Recommendation: That you approve an increase in life of project funding of \$14.4 million, and an FY 85 obligation of \$3.9 million in ESF grant funds and \$12.2 in grant Population funds by signing the attached Project Authorization Amendment.

Attachments:

1. Project Authorization Amendment
2. Project Authorization
3. Project Paper

Clearances:GC:HMorris (draft)  
PPC:KPiepmeier (draft)  
S&T:KTcheyan (draft)  
PPC/PDPR:ARosenberg AR

Drafted:ASIA/PD/SA:PMatheson:2/27/85:29000:3525k

Clearances:

CC/Asia:jScales 1/11 for J.S.  
ASIA/PD:PBloom 1/11  
DAA/ASIA:Estaples 1/11  
0274g

PROJECT AUTHORIZATION AMENDMENT

PAKISTAN Population Welfare  
Planning  
Project No. 391-0469

1. The Population Welfare Planning Project for Pakistan was authorized on May 28, 1982 with funding of Twenty Five Million, Six Hundred Thousand United States Dollars (\$25,600,000) in grant funds. Pursuant to Sections 104 and 531 of the Foreign Assistance Act, as amended, that Project Authorization is hereby amended as follows:

(A) I hereby authorize additional planned obligations not to exceed Fourteen Million Four Hundred Thousand United States Dollars (\$14,400,000) in grant funds over a five-year period from the date of original authorization of this Project, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to assist in financing foreign exchange costs and local currency costs for this Project. The total planned obligations for this Project shall not exceed Forty Million United States Dollars (\$40,000,000) in grant funds.

(B) Funds provided by this Amendment may be utilized for the purchase of contraceptives to support the original project objectives.

2. The authorization cited above remains in force except as hereby amended.

Signature James D. Morris  
M. Peter McPherson  
Administrator *for*

3/21/85  
Date

Clearances:

Date

Initial

Charles W. Greenleaf, AA/ASIA

Richard A. Derham, AA/PPC

Howard M. Fry, GC

3/1  
13 March  
3/4

ca  
ABR for  
Winkler

Asia/PD:PMatheson:hp:2/26/85  
GC/NE:SNarkin

## PROJECT AUTHORIZATION

PAKISTAN

Population Welfare Planning  
Project No. 391-0469

1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, (the Act), I hereby authorize the Population Welfare Planning Project for the Islamic Republic of Pakistan (the Cooperating Country) involving planned obligations of not to exceed Twenty-Five Million, Six Hundred Thousand United States Dollars (\$25,600,000) in grant funds over a five (5) year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.
2. The project is designed to assist the Cooperating Country to carry out its Population Welfare Plan by financing: (a) management information, research and evaluation; (b) logistics system and contraceptive supplies; (c) bio-medical and socio-medical research at the National Research Institute for Fertility Control (NRIFC) and, (d) professional and personal motivation through short-term training and technical assistance.
3. The Project Agreement(s) which may be negotiated and executed by the officer(s) to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms, covenants, and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.
  - a. Source and Origin of Goods and Services

Goods and services financed by A.I.D. under this project shall have their source and origin in the Cooperating Country or in the United States, except as A.I.D. may otherwise agree in writing. 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 and the Cooperating Country.

6

b. Conditions Precedent to Warehouse Construction

Prior to the disbursement of funds by A.I.D. or to the issuance of documentation pursuant to which disbursement will be made:

(i) for architectural and engineering services to review the site for the construction of a warehouse under this project, the Cooperating Country, through its Population Welfare Division (PWD), shall identify a proposed site for the warehouse acceptable to A.I.D.; and

(ii) for architectural and engineering services with respect to such warehouse other than site investigations, the Cooperating Country shall establish its right, in form and substance satisfactory to A.I.D., to ownership or adequate and sufficient use and occupancy of the proposed land site for the warehouse.

c. Conditions Precedent to Construction of a Building for NRIFC

Prior to the disbursement of funds by A.I.D. or to the issuance of documentation pursuant to which disbursement will be made:

(i) for architectural and engineering services to review the site for construction of a building for NRIFC under this project, the Cooperating Country, through its PWD, shall identify a proposed site for construction of the building acceptable to A.I.D.; and

(ii) for architectural and engineering services with respect to such building other than site investigations, the Cooperating Country shall establish, in form and substance satisfactory to A.I.D., its right to ownership or adequate and sufficient use and occupancy of the proposed land site for the building.

d. Covenants as to Annual Plans

i. The Cooperating Country, through its PWD, shall, in consultation with A.I.D., prepare on or about July 30 of each year, and provide copies to A.I.D., an annual training plan detailing the number of participants, types, and duration of training programs with a tentative schedule.

ii. The Cooperating Country, through its PWD, shall, in consultation with A.I.D., prepare on or about July 30 of each year, and provide copies to A.I.D., an annual technical assistance plan detailing the types, duration, and scheduling for short-term technical assistance.

7

e. Covenant as to Training

The Cooperating Country shall make every reasonable effort to require that each participant trained outside Pakistan under this project works in population-related activities in Pakistan for not less than three times the length of the training program from the date of the participant's return to Pakistan, provided however, that in no event shall the participant be allowed to work for less than one year nor be required to work for more than five years from the date of the participant's return to Pakistan.

f. Covenant as to Contraceptive Procurement

A.I.D. and the Cooperating Country will conduct a joint review of contraceptive sales data and service statistics before A.I.D. orders or approves procurement of the second and subsequent shipments of contraceptive supplies.

4. Waivers

I hereby

a. approve a waiver from A.I.D. Geographic Code 000 (U.S. only) to A.I.D. Geographic Code 935 (Special Free World) for the procurement of two right-hand drive diesel pick-up trucks, and related spare parts, for this project;

b. find that special circumstances exist to waive, and do hereby waive, the requirements of Section 636(i) of the Act; and

c. certify that exclusion of procurement from Free World countries other than the Cooperating Country and countries included in Code 941 would seriously impede attainment of U.S. foreign policy objectives and the objectives of the foreign assistance program.

Signature

M. Peter McPherson  
Administrator

May 28, 1982

Date

Clearance:

Date

Initial

14 MAY 1982

A/AA/ASIA, Eugene S. Staples [Signature]

AA/PPC, John R. Bolton [Signature]

GC, Kelly C. Kammerer [Signature]

GC/Asia:JSilverstone:STisa:hp:5/11/82  
Ext 28092 GRO

[Handwritten mark]

<b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b> <b>PROJECT DATA SHEET</b>		<b>1. TRANSACTION CODE</b> <input checked="" type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number <u>1</u>	<b>DOCUMENT CODE</b> <u>3</u>
<b>2. COUNTRY/ENTITY</b> Pakistan		<b>3. PROJECT NUMBER</b> <u>391-0469</u>		
<b>4. BUREAU/OFFICE</b> ASIA		<b>5. PROJECT TITLE (maximum 40 characters)</b> <u>Population Welfare Planning</u>		
<b>6. PROJECT ASSISTANCE COMPLETION DATE (PACD)</b> MM DD , YY <u>09 3 8 7</u>		<b>7. ESTIMATED DATE OF OBLIGATION</b> (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY <u>8 2</u> B. Quarter <input type="checkbox"/> C. Final FY <u>8 6</u>		

8. COSTS (\$000 OR EQUIVALENT \$1 = Rs. 10.43)						
A. FUNDING SOURCE	FIRST FY <u>82</u>			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	3,792	508	4,300	37,521	2,479	40,000
(Grant) ESF	( 3,792 )	( 508 )	( 4,300 )	( 37,521 )	( 2,479 )	( 40,000 )
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S.						
1. Mondale Rupees	--	2,013	2,013	--	2,013	2,013
2.						
Host Country	--	1,306	1,306	--	9,714	9,714
Other Donor(s)						
<b>TOTALS</b>	<b>3,792</b>	<b>3,827</b>	<b>7,619</b>	<b>23,121</b>	<b>14,206</b>	<b>37,327</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) ESF	401	400		--	--	14,400	--	40,000	--
(2)									
(3)									
(4)									
<b>TOTALS</b>				--	--	14,400	--	40,000	--

<b>10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)</b> 460      968				<b>11. SECONDARY PURPOSE CODE</b> 489			
<b>12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)</b> A. Code      RPOP      TNG B. Amount      3,077      1,024							

**13. PROJECT PURPOSE (maximum 480 characters).**

To strengthen the Government of Pakistan's population planning, evaluation, research, motivational, and logistic capabilities and performance.

<b>14. SCHEDULED EVALUATIONS</b> Interim    MM YY    MM YY    Final    MM YY 1 0 8 3    0 4 8 5           0 9 8 8				<b>15. SOURCE/ORIGIN OF GOODS AND SERVICES</b> <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify)			
---	--	--	--	---	--	--	--

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

<b>17. APPROVED BY</b>	Signature Donor M. Lion	<b>18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION</b> MM DD YY <u>0 3 1 9 8 5</u>
	Title Director, USAID/Pakistan	