AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: A (A = Add, C = Change, D = Delete) — Amendment Number: ____

DOCUMENT CODE: 3

2. COUNTRY/ENTITY: PERU

3. PROJECT NUMBER: 527-0355

4. BUREAU/OFFICE: LAC 05

5. PROJECT TITLE (maximum 40 characters): Reproductive Health in the Community

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM 03 DD 00 YY 00

7. ESTIMATED DATE OF OBLIGATION (Under "B." below, enter 1, 2, 3, or 4): A. Initial FY 95 B. Quarter 4 C. Final FY 99

8. COSTS ($000 OR EQUIVALENT $1 =)

A. FUNDING SOURCE	FIRST FY B. FX	FIRST FY C. L/C	FIRST FY D. Total	LIFE OF PROJECT E. FX	LIFE OF PROJECT F. L/C	LIFE OF PROJECT G. Total
AID Appropriated Total	1,915	5,254	7,169	4,627	20,373	25,000
(Grant)	(1,915)	(5,254)	(7,169)	(4,627)	(20,373)	(25,000)
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S. 1.						
Other U.S. 2.						
Host Country						
Other Donor(s)						
TOTALS	1,915	5,254	7,169	4,627	20,373	25,000

9. SCHEDULE OF AID FUNDING ($000)

A. APPROPRIATION	B. ACTIVITY CODE	C. ACTIVITY CODE 1. Grant	C. ACTIVITY CODE 2. Loan	D. OBLIGATIONS TO DATE 1. Grant	D. OBLIGATIONS TO DATE 2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	E. AMOUNT APPROVED THIS ACTION 2. Loan	F. LIFE OF PROJECT 1. Grant	F. LIFE OF PROJECT 2. Loan
(1) PN	PNSD					25,000		25,000	
(2)									
(3)									
(4)									
TOTALS						25,000		25,000	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY ACTIVITY CODE: PNCN, PNRH, PNNP

12. SPECIAL INTEREST CODES (maximum 7 codes of 4 positions each)

A. Code	FBN	MBN	STD	ADO	CHS	PVL	INS
B. Amount	15,750	5,750	3,500	4,000	1,000	2,000	750

13. PROJECT PURPOSE (maximum 480 characters)

The purpose of the project is to increase the utilization of family planning and other selected reproductive health interventions in the target areas.

14. SCHEDULED EVALUATIONS: Interim MM YY 02 98 Final MM 06 YY 00

15. SOURCE/ORIGIN OF GOODS AND SERVICES: [X] 000 [ ] 941 [X] Local [ ] Other (Specify): Peru

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

Mission Controller has reviewed and concurs with the methods of implementation and financing included herein.

Patricia Wexel
Acting Controller
4/4/95

17. APPROVED BY — Signature: George A. Wachtenheim — Title: Director — Date Signed: MM 8 DD 21 YY 95

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION: MM DD YY

AID 1330-4 (8-79)

PROJECT AUTHORIZATION

Name of Country: Peru

Name of Project: Reproductive Health in the Community

Number of Project: 527-0355

1. Pursuant to Section 104 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Reproductive Health in the Community (REPROSALUD) Project ("Project") for Peru, involving planned obligations of not to exceed Twenty Five Million United States Dollars (US$25,000,000) in grant funds ("Grant") over a five-year period from the date of authorization, subject to the availability of funds in accordance with the USAID OYB/allotment process, to help in financing foreign exchange and local currency costs for the Project. The planned life of the Project is five years from the date of initial obligation.

2. The Project consists of activities to increase the utilization of family planning and other reproductive health interventions in target areas.

3. The Cooperative Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with USAID regulations and Delegations of Authority, shall be subject to the following essential terms and conditions, together with such other terms and conditions as USAID may deem appropriate:

a. **Source and Origin of Commodities, Nationality of Services**

4. Commodities financed by USAID under the Grant shall have their source and origin in the United States or in Peru (pursuant to Local Procurement Guidelines), except as USAID may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have Peru (pursuant to Local Procurement Guidelines) or the United States (USAID Geographic Code 000) as their place of nationality, except as USAID may otherwise agree in writing. Ocean shipping financed by USAID under the Grant shall, except as USAID may otherwise agree in writing, be financed only on flag vessels of the United States. Motor vehicles financed by USAID under the Grant shall, except as USAID may otherwise agree in writing, have their origin in the United States.

5. The Mission Director has waived U.S. manufacture requirements for small motorcycles up to a value of $168,000, in accordance with justification provided in the attached Annex 6.

George A. Wachtenheim
Mission Director

Date: 8/21/95

a

Clearances:

HPN:PCohn _____ Date: 9/4/95
HPN:SBrems _____ Date: 7/03/95
PDP:STaylor _____ Date: 6/9/95
PDP:JBoyer _____ Date: 6/9/95
ACONT:PWexel _____ Date: 6/9/95
RLA:PRamsey (see attached e-mail) Date: 6/12/95
DD:DBoyd _____ Date: 6/9/95

See Commission memorandum

Drafted by:PDP:ECVarillas

M:\PDPD\0355\PA

b

Project Paper

Reproductive Health in the Community

ReproSalud

A bottom-up approach to promoting reproductive health & women's empowerment

(Project Number 527-0355)

Office of Health, Population & Nutrition
USAID/Peru

C'

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List of Abbreviations and Acronyms

AD	Alternative Development Project
ADEX	Asociación de Exportadores
BHNP	Basic Health and Nutrition Project
CBOs	Community-based Organizations
CONT	Office of the Controller
CPR	Contraceptive Prevalence Rate
DA	Development Assistance
DAA	Deputy Assistant Administrator
DHS	Demographic and Health Survey
EOPS	End-of-project Status
EXO	Executive Office
FSN	Foreign Service National
FY	Fiscal Year
G	Global Bureau
GDP	Gross Domestic Product
GoP	Government of Peru
GTIs	Genital Tract Infections
HIS/MIS	Health Information System/Management Information System
HIV/AIDS	Human Immuno-deficiency Virus/Acquired-Immune-Deficiency Syndrome
HPN	Office of Health, Population and Nutrition
IUD	Intra-uterine device
IEC	Information, Education and Communications
IGV	Impuesto General a las Ventas
INEI	Instituto Nacional de Estadística e Información
INPPARES	Instituto Peruano de Paternidad Responsable
IQC	Indefinite Quantity Contract
LAC Bureau	Latin America and Caribbean Bureau
LGD	Local Governments Development Project
LOP	Life-of-Project
MoH	Ministry of Health
MSP	Microenterprise and Small Producer Support Project
NGO	Non-governmental Organization
ORD	Office of Rural Development
ORS	Oral rehydration salts
OYB	Operating Year Budget
PACD	Project Activity Completion Date
PDP	Office of Project Development and Program
PFPIP	Peru Family Planning Implementation Plan
PHC	Primary Health Care
PIO/T	Project Implementation Order/Technical Services
PLP	Population Leaders Fellowship Program
P.O.	Program Outcome
PO	Purchase Order
PPC	Bureau for Policy and Program Coordination
PSA	Procurement Services Agent
PVFP	Private Voluntary Family Planning Project
PVOs	Private Voluntary Organizations
RAP	Rapid Assessment Procedures
RCO	Regional Contracting Officer
RFA	Request for Applications

RLA	Regional Legal Advisor
RTIs	Reproductive Tract Infections
SDAF	Special Development Activities Fund
SHIP	Strengthening Health Institutions Project
S.O.	Strategic Objective
STDs	Sexually-transmitted Diseases
TDY	Temporary duty (i.e., external technical assistance)
UNFPA	United Nations Fund for Population Activities
USAID	United States Agency for International Development
USDH	U.S. Direct Hire

PROJECT SUMMARY

Reproductive Health in the Community (**ReproSalud**, 527-0355) is a bottom-up approach to promoting reproductive health and women's empowerment. It responds to outstanding needs that Peruvian women have in reproductive health, encompassing family planning, pregnancy, delivery, and genital tract infections; the poor socioeconomic status of Peruvian women; and the paradox of underutilized health services standing side by side with a documented large need for such services. The project will explicitly address the imbalance that currently exists between fertility and health indicators in urban areas on one hand and those in rural and peri-urban areas, which are the focus of the project, on the other hand. Eight geographic priority areas have been identified.

ReproSalud will complement ongoing Mission projects in health and population, which largely support conventional, facility-based family planning services, by promoting the demand side of family planning. In targeted geographic areas, it will work synergistically with other Mission activities in food security, microenterprise and small producer support, local government strengthening and alternative development. While it primarily supports Mission strategic objective No. 4, it will also address the other four Mission strategic objectives.

The project purpose is to increase the utilization of family planning and other selected reproductive health interventions in the target areas. Its sub-goal is to move beyond merely meeting women's *practical* gender needs -- those that arise from the gender division of labor and the basic human need for survival -- to meet their *strategic* gender needs -- those that will enable women to overcome their subordination and reach a more equitable place in society. Finally, the goal of the project is to improve reproductive health among women in rural and peri-urban areas.

Through a four-phased approach, **ReproSalud** will identify and prioritize problems via community dialog and diagnosis. It will then offer sub-grants to allow community-based organizations to address the priority problems identified. Training and technical assistance will strengthen individual skills and organizational development. Advocacy, information dissemination and consumer education will support and reinforce the actions of the community-based organizations. Finally, health-focused innovative activities will increase the resources for community investments in reproductive health, as well as raise individual incomes.

The project will be implemented through assistance to one or more Peruvian non-governmental organizations that have pre-qualified. A thorough market survey identified four such organizations, who will be invited to prepare applications. A cooperative agreement will be the major implementation mechanism, complemented by USAID/Peru project coordination and procurement of certain goods and services, including pharmaceuticals, contraceptives and selected technical assistance from the Global Bureau in AID/Washington.

The implementing entity will field a core staff of eleven at project headquarters, assisted by nine regional advisors (2 in Mariategui) in the priority geographic areas.

At the goal level, project success will be measured by such indicators as total fertility, maternal mortality, infant mortality, chronic malnutrition and STD prevalence. At the sub-goal level, success will be measured by percentage of women participating in decision-making at the local level, percent increase in women-controlled organizations at the community level and percent expansion of economic opportunities for women.

At the purpose level, project success will be measured by contraceptive prevalence, contraceptive failure, contraceptive discontinuation, length of birth intervals, duration of exclusive breastfeeding, use of prenatal care, births attended by trained personnel, prevalence of genital tract infections and prevalence of iron-deficiency anemia.

The total project authorization level is $25 million, and the project duration is five years.

I. STATEMENT OF PROBLEM OR OPPORTUNITY

This section summarizes the major issues in family planning and reproductive health in Peru; outlines what the Government of Peru, USAID and other donors are presently doing to address those problems; explains how the proposed new project, **ReproSalud** (Reproductive Health in the Community), will both fill an outstanding gap and complement ongoing efforts; and shows how the proposed project dovetails closely with new Agency and Mission policy directives. The end result of the proposed project should be reductions in the fertility differentials between underprivileged women in targeted areas and their more fortunate cohorts, thus making possible further declines in total fertility in Peru, as well as other specific improvements in reproductive health.

A. Challenges to Women's Development in Peru

1. Women's Poor Reproductive Health Status

The reproductive health status of women in Peru is among the worst in Latin America. Threats to their reproductive health are numerous, including ones related to:

- *inadequate family planning* -- high rates of unwanted pregnancies and births, contraceptive method failure and unnecessary discontinuation;
- *pregnancy and delivery* -- complications from induced abortion, high-risk pregnancies and births, and maternal mortality; and
- *genital tract infections* -- including sexually transmitted diseases (STDs), reproductive tract infections (RTIs) and human immuno-deficiency virus/ acquired-immune-deficiency syndrome (HIV/AIDS).

Such threats to reproductive health are even greater for the sub-populations of rural and peri-urban poor women, adolescents, and women of little or no formal education. For example, although the 1991-92 DHS[1] showed that the total fertility rate for all of Peru was 3.5 births per woman, the rate for rural Peru was 6.2, in contrast to 2.8 for urban areas. Moreover, total fertility was 5.1 in the jungle and 4.9 in the highlands, compared with 2.1 in Lima. Finally, total fertility was 7.1 for women with no education, in contrast to 1.9 for women with university education. **ReproSalud** will focus on these populations of higher fertility.

Unwanted Fertility. Women report many births as unwanted. Per the DHS, women stated that one-third of the births -- over one million in number -- that occurred during 1987-91 were unwanted, with an additional 23 percent occurring earlier in time than women would have preferred. This means that over one-half of births (57 percent) during that time period were not planned. In rural areas, almost 77 percent of married women of fertile age want no more children, compared to a still significant 64 percent in urban settings. These statistics indicate a latent need for contraception.

Women's desires to limit and space births, in conjunction with weak or absent family planning services in high-risk areas, have resulted in extremely high abortion rates, despite the illegal status of abortion in Peru. The Alan Guttmacher Institute estimates that over 270,000 clandestine

[1] DHS refers to the Demographic and Health Survey, known as ENDES (Encuesta Nacional de Demografia y Salud) in Peru. Two DHS surveys have been taken in Peru, the first in 1986 and the second in 1991-92. A third is scheduled for 1996. Unless otherwise indicated, when reference is made to the DHS throughout this paper, it will refer to the more recent survey. The period measured for most of the statistics reported in the 1991-92 DHS were the five years of 1987-91

abortions take place in Peru each year[2]. In 1985, of every 100 maternal deaths in Peruvian hospitals, 60 were a result of complications due to induced unsafe abortion.

Contraceptive Use. The problem of unwanted fertility is closely linked to low and inadequate use of contraception. The contraceptive prevalence rate (CPR) in 1991-92 in all Peru was 59 percent, of which 33 percentage points were "modern" (*i.e.*, technological) methods. Rates for rural Peru were markedly lower: Only 41 percent of rural women use any type of family planning, and only 16 percent use modern methods. Even among those women using modern contraception, the contraceptive failure rate, that is, the proportion of women who become pregnant even though they are using a method, is at a Latin American high of 16.4 percent of users per year in Peru.

The most prevalent method of contraception in Peru is periodic abstinence, which is practiced by 21 percent of married women. Yet fewer than half of Peruvian women (46 percent) know that they are at risk of pregnancy at the mid-point of their menstrual cycle, although 72 percent of women who use periodic abstinence know this.

Further, many Peruvian women discontinue use of contraception within a short time after adoption. DHS data reveal that 48 percent -- almost half -- of women who take up a particular contraceptive discontinue its use within the first year.[3] Common reasons for discontinuation are method failure (*i.e.*, pregnancy occurs), side effects and problems in the use of the method. Sometimes a first method is replaced by a second one, but other times all use is stopped, and the woman is at risk of an unwanted pregnancy. Analysts consider that stronger education and counseling could sharply reduce these discontinuation rates.

Worldwide, contraceptive non-use, failure and discontinuation are usually linked with insufficient or inappropriate counseling that does not allow women to become efficient users of contraception and that fails to allay fears surrounding its use. There is a good body of evidence to support the notion that disinformation about the risks of contraception is a factor in its non-use.

Maternal Mortality and Morbidity. As might be deduced from the data presented, the maternal mortality ratio for Peru is very high, having been estimated by official sources at 300 deaths per 100,000 births.[4] This compares with a ratio of about 10 in the U.S., and even lower in other industrialized countries. It translates into some 2,200 maternal deaths each year, or 28,600 over a 13-year period -- as many deaths as have been estimated for the 13 years of high terrorism (1980-93) in Peru.[5]

Prenatal and delivery care is similarly lacking: More than half of rural pregnant women receive no prenatal care whatsoever. In 1987-1991, in rural areas, only 19 percent of births were attended by medical professionals, and only 15 percent of births occurred in health facilities.

[2] The Alan Guttmacher Institute (1994). *Aborto Clandestino: Una Realidad Latinoamericana*. New York: The Alan Guttmacher Institute.

[3] Alberto Padilla (1994), "La Dinamica del Uso de la Anticoncepcion en el Peru: Un Analisis de Discontinuacion, Falla y Cambio de Metodos." Calverton, MD: Macro International Inc.

[4] This is the estimate of the Ministry of Health. The Pan American Health Organization estimates the ratio higher, at 330, while secondary analysis of the DHS has estimated it lower, at 231.

[5] Analysis offered by Delicia Ferrando of Pathfinder International, October 1994.

Further, many births occur to high-risk women -- women younger or older than optimal child-bearing age, women with birth intervals that are too closely spaced, and women of high parity. A full 70 percent of Peruvian women in union are in at least one of these risk categories, and 39 percent are in more than one. The largest at-risk group are women who are older than 34 and have a parity higher than three: Over one-fourth of women (27 percent) fall here. Women at high risk are more likely to suffer morbidity or mortality as a result of pregnancy.

Genital Tract Infections and HIV/AIDS. Genital tract infections are another serious burden for Peruvian women. STDs, the most serious types of genital infections, exhibit a "biological sexism" in both transmission and health consequences: Women are twice as likely as men to acquire an STD from a single sexual encounter; and women suffer more serious long-term consequences from all STDs (except AIDS), including pelvic inflammatory disease, ectopic pregnancy, chronic pelvic pain, infertility, and cervical cancer. In Peru, AIDS in women is currently increasing faster than among men.

In addition to the morbidity burden they represent for women, genital tract infections, even simple bacterial reproductive tract infections, often cause women to postpone or discontinue use of contraception, because of the irritation and other discomfort associated with the infections. Such infections therefore constitute a factor in contraceptive prevalence, discontinuation and unwanted fertility.

Although very little attention has been given to the prevention and treatment of RTIs in Peru, there is substantial evidence that they are among women's highest health priorities. An assessment visit made by a team for Pathfinder International in the Callejon de Huaylas, an interior part of the Chavin Region, for example, revealed that genital tract infections were either the most common or second most common cause of patient visits.[6] Another example comes from a village banking program sponsored by FINCA Peru, where women identified reproductive tract infections as an obstacle to their work, along with an unmet need for contraception.

While the prevalence of RTIs is not well studied, one investigation conducted by an NGO service deliverer in Peru, INPPARES found that 70 percent of family planning clients in a peri-urban clinic had an RTI. The prevalence of HIV infection among high-risk populations is indicated by a study of 467 prostitutes in peri-urban Lima, which revealed that 67 percent were positive for a hepatitis B marker that is closely associated with the transmission of HIV.

2. *Women's Poor Socioeconomic Status*

Women in Peru face many other challenges in addition to those in reproductive health; they lag behind men on virtually every indicator of social and economic status. And many of these other challenges directly affect their reproductive health, as well as their overall development. They include educational achievement, employment, access to income and credit, and power in decision-making at the family and community level.

Worldwide experience shows that girls' education is a decisive factor in lifetime behavior choices, including marriage, childbearing and self-esteem. Educational statistics in Peru are skewed, although younger women are beginning to attend school longer. Women comprise 76 percent of Peru's illiterate population. In rural Peru, 22 percent of women have no formal education whatsoever, and an additional 61 percent have completed only primary school. In Cajamarca

[6] Raul Miranda, "Consultant Report on Trip by Pathfinder International, CARE and Development Associates to the Recuay-Huaraz-Carhuaz-Yungay-Caraz Axis," Pathfinder International internal document, October 1994.

province, for example, the female illiteracy rate is more than 50 percent, compared with 19 percent for men.

Unemployment among women is double that among men, and women are three times more likely than men to be underemployed. Even in the formal workforce, women's incomes are just below half those of men, and have been declining over the last four years. Since studies repeatedly show that a greater proportion of a woman's income goes to her family's feeding, health and education than that of a man, this situation has ramifications for the health of other family members as well.[7]

Lack of capital is a serious obstacle encountered by women microentrepreneurs and small producers in their attempts to increase earnings. Women have more trouble obtaining credit within the formal financial system, because they often cannot present the necessary collateral. Another common problem is that the amounts of capital needed are small, and thus are not an attractive investment for the formal banking sector. The situation is particularly severe in rural areas. In Ayacucho, for example, for every US $100 residents save in the formal banking system, only US $4 are loaned right in Ayacucho. Credit for financing microenterprise initiatives is mostly provided by the informal sector, which can tend to charge prohibitively high interest rates.

In Peru, as in many other countries, a substantial proportion of households are headed by women. For women who are the mainstay of their family, access to capital is even more critical. According to the 1993 national census, 23 percent of households were headed by women, up one point from 1981. These rates reach as high as 32 percent in Ayacucho, 28 percent in Puno and 26 percent in Huancavelica, all priority areas for **ReproSalud**.

Women in Peru also typically have less power than men, whether in the public or private sphere. A recent assessment of gender equity came to this conclusion, based on extensive data collection as well as qualitative judgments on women's status.[8] Some of the points presented to support this argument: Women in Peru are socialized to see themselves and be seen by others in relation to the care and services they can provide to others, while Peruvian men are socialized toward autonomy, control of emotions and independence; in 1992 alone, some 3,900 incidents of domestic violence were reported (estimated to be only about 30 percent of the total) -- in 97 percent of cases, the aggressor was a legal or common-law husband; in elected positions, women represent 10 percent of mayors and 7 percent of congressional representatives; their leadership in political parties is similarly low, with the Aprista Party having the greatest proportion of women leaders, at 25 percent.

3. Underutilization of Health Services

Peru exhibits a paradox in family planning. We have seen that DHS data indicate an impressive desire on the part of Peruvian women to limit or space births. The DHS estimates the unmet demand for contraception in Peru at 16.2 percent, which is relatively high. By another analysis, which includes non-users of contraception, users of periodic abstinence and withdrawal, as well as women whose last pregnancy was unwanted, unmet need stands at 34.3 percent, which translates

[7] For example, see *GEMINI Technical Report No. 33*, "Access to Credit for Poor Women: A Scale-up Study of Projects Carried Out by Freedom From Hunger in Mali and Ghana," March 1993.

[8] Susana Galdos and Susana Moscoso, "Programa de Promocion de Equidad entre los Generos (1995-2000), prepared for the Consejo Nacional de Poblacion and the Centro Peruano de Estudios para el Desarrollo Regional, November 1994.

into two million women.[9] Yet in spite of the investment of significant resources to expand coverage and access to family planning services, much research indicates that even where family planning services are being provided in Peru, services in both the public and NGO sector are underutilized.

A principal indicator of service utilization is installed capacity, or the number of visits that can be attended per hour in a facility, based on available material and human resources. In the NGO sector supported by USAID/Peru, which the DHS found accounts for some 7 percent of all family planning services in Peru, installed capacity during the period April-September 1994 ranged between 14 and 55 percent, with a sector average of 41 percent.[10] This is in line with reports for previous periods.

Neither is the public sector working at top productivity. The same assessment visit cited above to the Callejon de Huaylas, an interior region of the Chavin Region, found that family planning clinics were receiving only 8-10 visits per day.[11] Another example comes from a recent trip report of a USAID/Peru HPN staff member to Puno Province; she reported that health services are underutilized, due to difficulties of access, service hours, cultural factors and quality of services. Likewise, she found that the post-partum family planning program is having limited impact because of the low use of health facilities for childbirth.[12] Third, the recent mid-term evaluation of the SHIP South Project, which operates in Puno and Arequipa, reported that many SHIP-supported health posts see an average of 5-6 patients per day and underscored that the critical challenge to SHIP for the future lies in generating demand for health services.[13] Both Chavin and Puno (Mariategui) are priority regions of **ReproSalud** and are characterized by high fertility.

Some analysts hypothesize that this low utilization may be related to such variables as the social treatment clients receive from providers, clinic hours inconvenient to rural communities and working women, provider bias towards certain methods, and/or the absence of a women-centered approach to services. In Peru, Leon *et al.*[14] found that potential users of contraception were not taking advantage of the services provided by "ubiquitous health posts of the Ministry of Health." Poor quality of care and certain constraints on access, including psycho-social barriers, were factors in that sub-utilization.

This view has been corroborated by quantitative service statistics and qualitative site visits by USAID/Peru staff to both NGO and MoH service delivery points: Many points see no more than an average of 3-5 patients per day. Also, the most commonly requested services are for gynecological care, followed by well-baby care, and then family planning.

[9] Delicia Ferrando, "Demographic Situation in Peru," Workshop on Contraceptive Technology Update, Pathfinder International, Chaclacayo, Peru, October 24, 1994.

[10] Semi-annual Report of the PVFP Project (527-0335), USAID/Peru internal document, October 1994.

[11] Raul Miranda, *op. cit.*

[12] Maria Angelica Borneck, "Trip Report to Puno Province, September 27-30, 1994," USAID/Peru internal working document.

[13] John Kepner, Manuel Glave and Iliana Estabridis, "SHIP South...Entering the New Phase," SHIP South Mid-term Evaluation, USAID/Peru internal document, October 3, 1994, p.33.

[14] Federico R. Leon et al., "Additive Effects of Service Quality and Access on Contraceptive Demand: An Experiment in Rural Peru," manuscript, September 1994.

This phenomenon does not appear to be unique to Peru. A recent article based on ethnographic work with Aymara women in Bolivia, for example,[15,16] suggests that, despite stereotypes to the contrary, Aymara women want to regulate their fertility. One barrier found was a deep suspicion of modern medicine and medical practitioners, who are not seen as reliable sources of information. This suspicion is reinforced when the quality of health services is inadequate.

To offer insight into this phenomenon, one of USAID/Peru's bilateral family planning projects is currently undertaking a series of qualitative studies in four regions of Peru. These will investigate why women are not using available services and how services can be made more acceptable to them and their male partners. The results, which should be available early in CY 1995, should help inform sub-grant design under **ReproSalud**.

B. Ongoing Efforts in Population and Reproductive Health

This section describes the ways family planning and the broader field of reproductive health are currently being addressed in Peru. It outlines the current activities of USAID and other donors in population, reproductive health and related areas. It then goes on to show how the proposed project will complement those other efforts, filling a critical gap that will round out ongoing efforts in family planning and reproductive health in Peru.

1. USAID-supported Projects

Currently, public sector family planning services are supported by USAID/Peru through technical assistance to the Ministry of Health and the Peruvian Social Security Institute (*i.e.*, the two major entities comprising the public sector) under the Global Bureau-funded **Peru Family Planning Implementation Plan** (PFPIP). The PFPIP seeks to strengthen health facilities at the local and regional levels by training health care workers, providing a dependable stream of contraceptives and improving managerial systems. Outreach to clients is conducted via clinic-based information, education and communication materials and regional media campaigns. The PFPIP has three priority geographic regions: Mariategui, Chavin and Los Libertadores/Wari, but also works in many other areas of the country, including Lima. As an umbrella of several centrally funded, the PFPIP has no set PACD.

Public family planning services in Peru will be further supported under the bilateral **Project 2000** (527-0366), which is beginning implementation in 1995. This project will work to strengthen the peripheral services in health centers and health posts, many of which, due to terrorism or financial constraints, have been either non-operational or sub-functioning, offering only a few of the total MoH set of 12 health programs. Because of deficiencies, family planning is often not offered in the interior of the country, and certainly not in a quality sense. Project 2000 has six priority geographic regions, plus a section of peri-urban Lima (Lima East): Chavin, La Libertad, Los Libertadores/Wari, Mariategui, San Martin and Ucayali. Project 2000's PACD is the year 2000.

The **Private Voluntary Family Planning Project** (PVFP) (527-0335) provides support to traditional family planning private voluntary organizations (PVOs, or NGOs) in services, management and

[15] The Aymara are an indigenous people that live on the Andean altiplano, in both Bolivia and Peru. The Peruvian Aymara will be a priority target group of **ReproSalud**.

[16] Sidney Ruth Schuler *et al.*, "Misinformation, Mistrust and Mistreatment: Family Planning among Bolivian Market Women," Studies in Family Planning 25:4, July-August 1994.

sustainability.[17] Most of these organizations already offer other types of reproductive health services, in addition to family planning. NGOs supported under this project are located in Lima, Cusco, Puno and Trujillo. These NGOs are currently developing pilot activities in rural areas, where the model of community-based distribution and use of promoters will be rekindled. The PACD is September 1995.

In its southern component, the **Strengthening Health Institutions Project** (SHIP) (527-0319) supports grants to local NGOs in two departments of Peru (Arequipa and Puno); a few of these grants include family planning and other reproductive health services. Under the SHIP northern component, self-financed health care will be provided by a new NGO in Chiclayo, Peru; this care will feature family planning and other reproductive health care. The cooperative agreement for the southern component is scheduled to end in 1996, while the PACD for the entire project is 1999.

The **Commercial Family Planning Project** (527-0326) is the one project currently in operation that directly promotes demand for family planning, as well as its supply. This promotion is done through mass media, complemented by a telephone counseling hot-line and contraceptive social marketing through private pharmacies. This project's PACD is 1996.

In sum, USAID/Peru's family planning and reproductive health efforts to date have relied principally on facility-based services, supplemented with social marketing and mass communications. Community-based distribution of contraceptives, which was practiced in former years, has been discontinued until recently. PFPIP, Project 2000, PVFP, and SHIP work primarily toward the improvement of traditional, facility-based family planning and other reproductive health services -- the supply side. While constituting the bedrock of family planning provision, when these supply-side approaches operate in isolation of demand generation they can reach a point of diminishing returns. To maximize the use of family planning facilities, investments to support them need to be complemented by activities on the demand side. We will see that **ReproSalud** will do just that, thus rounding out USAID/Peru's family planning portfolio.

Related Mission Activities. At a Mission level, several projects can work together in the short and intermediate term to promote broad-based, sustainable development in Peru. The accompanying map illustrates the geographic areas where projects can work together synergistically.

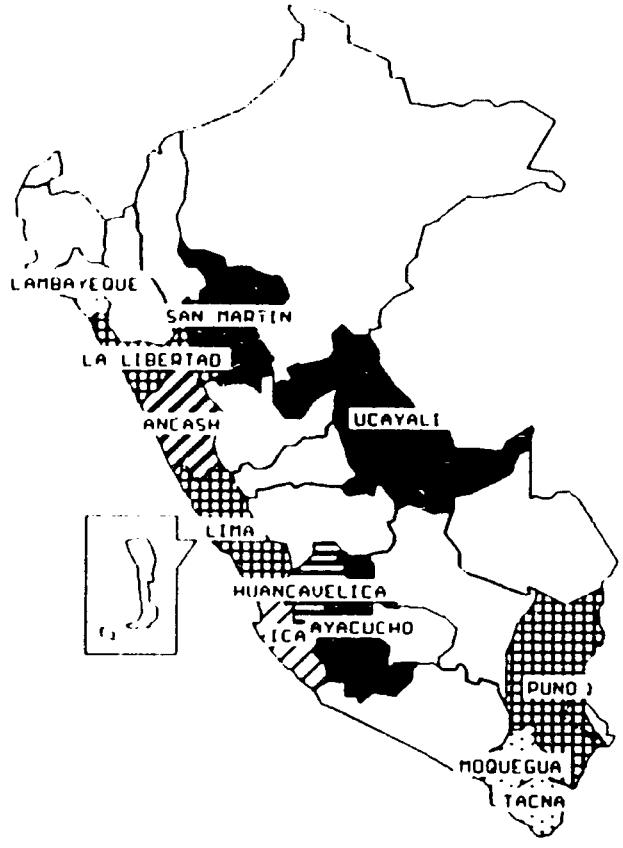
PVO Support Project. **ReproSalud's** proposed community-based approach has common elements with that employed in the Mission's PVO Support Project, managed by the Office of Rural Development (ORD); the purpose of this more general PVO effort is to expand and increase the development impact of PVO/NGO programs in the key sectors of agriculture, health, and enterprise development; and strengthen the institutional capacity of Peruvian NGOs to work more effectively with community organizations in the delivery of services in these key sectors. While the PVO Support Project has commonalities with **ReproSalud**, the widespread need throughout Peru, the multisectoral nature of the PVO Support Project and the amounts of funding available under that project do not suggest the possibility of any duplication between the two projects. Further, all the awards envisioned under the PVO Support Project have already been made, so **ReproSalud** cannot possibly compete with the older project.

Title II Program. USAID/Peru's Title II program is designed to improve the food security of the extremely poor through: improving the targeting of supplementary feeding programs; increasing households' abilities to meet their food needs; and increasing basic education for the extremely

[17] Throughout this paper, the term sustainability is meant in its wider sense of institution building via training, education and other forms of technology transfer, rather than referring narrowly to financial autonomy. Financial aspects are also considered, but only as one, albeit important, aspect of sustainability.

REPROSALUD PROJECT

INTERACTIONS WITH OTHER USAID PROJECTS



Reprosalud Areas (*)

- Title II/MSP
- Title II/P2000
- Title II/P2000/LGO
- Title II/P2000/MSP
- Title II/P2000/MSP/LGO
- Title II/P2000/ADP/LGO
- Title II/P2000/MSP/ADP/LGO

(*) J. C. Mariategui (Tacna, Moquegua & Puno)
Los Libertadores (Huancavelica, Ayacucho & Ica)
Ucayali
San Martin
La Libertad
Chavin (Ancash)
RENOM (Lambayeque = Chiclayo periurban areas)
Lima (Lima Este)

poor. Many of these components are closely synergistic with **ReproSalud**, both in geographic and programmatic terms. Not only are Title II activities dispersed throughout all regions of the country -- including those where **ReproSalud** is active -- but the intended development impacts are mutually reinforcing in many areas.

In addition to direct food distribution, the Title II program employs a variety of means to improve the food security of the extremely poor. For example, many activities are designed to create new income generation activities for poor women, particularly microentrepreneurs. Through the establishment of revolving credit funds, the creation of productive opportunities, and the provision of business management/administration training and technical assistance, urban and rural women are able to generate additional household income for food. Other projects strive to improve women's knowledge, attitudes and practices in nutrition and health by providing specific training on breastfeeding, weaning foods and practices, immunization, maternal and child health care and family planning methods.

Such activities under Title II clearly support the approach of **ReproSalud** to reproductive health and women's empowerment. As women generate their own income and improve their capacity to manage household food security, they experience greater independence and power in family decision-making. Not only are additional resources available for reproductive health services, but women are more likely to proactively engage in family planning. In addition, by taking on new roles in project management, business administration and community leadership, women are empowered on socio-economic and political fronts, both individually and collectively. Finally, since direct food distribution under Title II is often implemented by women-run CBOs, **ReproSalud** may work to further empower and expand the activities of these groups.

In cases where activities are closely intertwined -- particularly with regard to income generation activities and reproductive health education -- it is important that Title II and **ReproSalud** carefully coordinate efforts to exploit synergies to the greatest extent possible.

Microenterprise and Small Producer Support Project. The Microenterprise and Small Producer Support (MSP) Project promotes broad-based sustainable economic growth by increasing the participation of the poor majority in the economy through agricultural production and small and microenterprise activity. Several areas of synergy exist between MSP activities and **ReproSalud.** MSP supports income-generation activities of women through credit programs in the production, marketing and sale of handicrafts and agricultural products. One example is an anti-poverty lending program initiated to benefit over 9000 disadvantaged women utilizing the "Village Banking" model (community group lending) of loans up to $300 per individual. In addition, MSP designs some classes specifically for women and works with Mothers' Clubs to provide technical assistance in the establishment of auxiliary services for agricultural production.

Where appropriate, **ReproSalud** may work with MSP to coordinate provision of credit and support to income-generation activities for women. Assistance to women's groups -- such as Mothers' Clubs -- under MSP will underscore the institutional strengthening component of **ReproSalud** and also increase the funds available for investment in reproductive health services. MSP may work to link such CBOs with **ReproSalud** in order to leverage the gains in economic productivity vis-a-vis the overall empowerment of women.

Local Governments Development. Activities under the Local Governments Development (LGD) Project coincide with **ReproSalud** in four regions: San Martin, Chavin, Ucayali and Los Libertadores Wari. LGD is designed to increase the level of participation of target communities in local government activities and decision-making processes through: institutional strengthening of local governments and community organizations; implementation of high-impact community development activities; and training of local government staff, elected officials, community leaders and citizens.

Many of these activities specifically target and integrate the role of women in the development process, underscoring **ReproSalud**'s goal of increased empowerment.

For example, LGD will work with existing women's organizations -- such as Mothers' Clubs, popular soup kitchens, food producers and *vaso de leche* committees -- to strengthen their capacity to participate in community problem identification and problem solving, project design, implementation and monitoring. Moreover, emphasis will be given to women's individual and collective involvement in social and political institutions, where they have traditionally been restricted from decision-making processes and management positions. Possible development projects would target women's involvement in productive activities and the improvement of social infrastructure. Training and education will complement all of these activities in effecting a change in community attitudes regarding women's roles and responsibilities at home and at work.

LGD's emphasis on increasing the grassroots participation of women and strengthening CBOs clearly reinforces **ReproSalud** in that it provides additional avenues of empowerment within social and political arenas. Moreover, LGD may publicize the activities and sub-grant component of **ReproSalud** throughout the indigenous NGO community, and help identify those CBOs worthy of consideration. With regard to complementary economic projects, LGD and **ReproSalud** should coordinate efforts in revenue and job generation, credit provision, technical assistance/training, and social infrastructure development in order to leverage overall impacts in the targeted regions.

Alternative Development. The geographic focus of the Alternative Development (AD) Project consists of coca-growing areas within San Martin, Chavin, Ucayali and Los Libertadores Wari. Like LGD, AD emphasizes the promotion of grassroots participation in community decision-making and problem-solving, the strengthening of institutions involved in development program implementation, and the improvement of infrastructure and basic services. Marketing and technical assistance will be provided to farmers and producers groups regarding the feasibility of alternative crops and the availability of domestic and international markets.

Several of these activities will directly and indirectly support the efforts of **ReproSalud**. To enhance the potential of women in target areas, the AD project will specifically seek to expand their role in economic development by improving their productive skills (i.e. in small farm and micro agro-industries, communal fish ponds, small animal husbandry and horticulture) and providing access to technical assistance. Special efforts will also be made to identify leadership opportunities at the local government and community levels.

In addition, it is expected that women in the target areas will be key beneficiaries of activities such as: special health and family planning activities implemented and managed by women; training of community health workers (including traditional birth attendants); and maternal and child health care. Women's access to health and education services will be facilitated by the construction and rehabilitation of social infrastructure, including health posts and classrooms. The AD project may also leverage its impact in the social sector by identifying those areas of need which fall under the purview of **ReproSalud**, and apprising various women's groups of sub-grant opportunities.

2. Other Donor Efforts in Population and Reproductive Health

World Bank. The World Bank has recently initiated a $34 million Basic Health and Nutrition Project (BHNP) in Peru, which has the objectives of increasing the use of health and nutrition services and promoting better health and nutrition practices, with emphasis on preventive care and education in the areas of reproductive health and health of infants and children. That project is focused on 15

provinces in three regions, plus a part of peri-urban Lima.[18] While community participation is slated to be a major feature of the BHNP -- NGOs will promote activities with community groups, including those that operate community kitchens and *vaso de leche* (glass of milk) programs, and those that work with community health workers -- the restricted geographic focus and relatively scant attention that will be paid to family planning suggest that the BHNP will not overlap with **ReproSalud**. The BHNP's geographic focus are the regions of Inka, Grau, Nor Oriental de Maranon and Lima North.

Inter-American Development Bank. The Inter-American Development Bank is presently financing the Strengthening Health Systems Project, based on a $68 million loan to Peru, with $20 million co-financing from Japan.[19] This project encompasses institutional and pre-investment studies, institutional strengthening of the Ministry of Health and decentralized health authorities, and support for health services delivery. This project complements Project 2000, and strengthens the range of health services to which community activities sponsored by **ReproSalud** may refer users.

United Nations Fund for Population Activities (UNFPA). UNFPA assistance to population activities in Peru features financial support to the Ministry of Health, the National Population Council and the National Institute of Statistics and Information (INEI). The project portfolio is valued at $3 million. Support to the Ministry of Health includes provision of Depo-provera and NORPLANT contraceptives; support to the Reproductive Health Division for operating expenses; financial support for family planning services in selected regions; and establishment of adolescent centers in certain universities. Support to the National Population Council is for the establishment of regional population councils, design of regional population policies and a program of communications in population. Assistance to INEI is for census data analysis and studies on demand for contraceptives and adolescent fertility.

Overseas Development Administration. The Overseas Development Administration, the U.K.'s bilateral assistance arm, has fielded a few missions to Peru over past months to identify appropriate areas for investments of up to $5 million over the next years. This is being done in close coordination with USAID, and in the near term will mean provision of contraceptives not readily available in Peru, such as Depo-provera, as well as support to some discrete family planning activities by entities such as CARE, UNICEF, UNFPA and INPPARES.

Ford Foundation. The Ford Foundation, which has representation in Santiago, Chile that encompasses Peru, is currently supporting a two-year study by a network of women's organizations throughout Peru on why women do not use MoH services to capacity and what improvements in services women would like to see. These findings will be useful for **ReproSalud**'s work, but do not duplicate the proposed project. The other major Ford-funded activity in Peru is support for the development of social science institutional capacity at a local university, an effort that seeks to promote research and informed debate on reproductive health.

In sum, in the description that follows, we will see that **ReproSalud** not only does not duplicate existing population activities supported by USAID and other donors, but has actually been designed to complement them and work synergistically with them. It represents a missing element that will enhance the use of other services.

[18] The World Bank, "Staff Appraisal Report: Peru, Basic Health and Nutrition Project," Report No. 11801-PE, January 7, 1994, Washington, D.C.

[19] Inter-American Development Bank, "Peru: Program to Strengthen Health Services (PE-0030) Loan Proposal," February 1993, Washington, DC.

C. Proposed Opportunity: ReproSalud

ReproSalud has been designed to complement and strengthen USAID's existing population portfolio. The solutions proposed by **ReproSalud** encapsulate:

- the lessons learned by the Mission in the design and management of community-based projects in family planning, health, child survival, microenterprise and PVO support;
- an increased awareness on the part of the Mission of the value and effectiveness of working at the macro and micro levels *simultaneously*; and
- insights culled from worldwide project experience in addressing factors that hamper the demand and market for family planning and reproductive health services

We have seen above that current Mission activities support almost exclusively the supply side of family planning, namely, extending the coverage of services and improving their quality. The one Mission project that supports the demand side as well does that through mass media and at a national level. All of these are indispensable elements of any family planning program.

But we have also seen that many public and NGO services are being underutilized, despite a substantial body of evidence that points to at least a latent demand for family planning on the part of an impressive proportion of Peruvian women. The proposed project is intended to fill that gap, working with local groups to see the need for family planning from a local perspective and designing a program that will activate latent demand and build a cultural bridge to existing services. **ReproSalud** will undertake the time-intensive, locality-specific activities that are critical if total fertility in Peru is to continue to decline.

The need for a project such as **ReproSalud** is clear from DHS data. We have seen that total fertility in Lima stands at 2.1, virtual replacement level.[20] In contrast, it stands at 6.2 for rural areas, 5.1 in the jungle, 4.9 in the highlands and 7.1 for women with no education. Logically, contraceptive prevalence rates match this pattern. Clearly, further gains in reducing fertility in the Lima metropolitan area will be marginal at best. To have a continuing impact on reducing a national total fertility of 3.5, it is essential that gains be made in reducing fertility outside of metropolitan Lima and among less-educated, unempowered and otherwise less-advantaged women. Yet these are exactly the women that are hardest to reach by pure supply-side interventions, because their low education, relative lack of power and other disadvantages cause them to be uninformed, distrustful or otherwise unable or reluctant to avail themselves of existing services.

ReproSalud is based on a realistic approach to grassroots participation that will strengthen the ability of community-based organizations (CBOs) to address local family planning and other reproductive health needs. This bottom-up approach will engage communities, particularly women, in the identification of problems and the design and implementation of actions to affect those problems.

[20] It is considered that, on average, two births to a woman represent one male and one female. If a woman gives birth to only one daughter, she is merely "replacing" herself as a childbearer, rather than adding to the number. Thus, fertility of 2.0 is referred to as replacement level. It is regarded as a lower threshold of fertility. Indeed, in many countries where total fertility has dipped below 2.0 (*e.g.*, in some European countries), government policy has begun to offer incentives to raise fertility.

ReproSalud will work through community-based organizations to reach down into small communities, link them with existing services and ensure that activities are directly responsive and accountable to communities' needs -- thereby heightening their sense of ownership and fostering program sustainability. While the project will not create parallel structures, the CBOs will provide complementary education and selected low-technology services. These efforts will reinforce national efforts and build towards a critical mass of reproductive health and family planning actions. Thus, the project is a logical extension of the HPN portfolio, filling an important gap and addressing those factors that affect utilization of services.

The project will address the issue of sustainability by fostering the institutional development of CBOs or federations of CBOs, building incentives for CBOs to invest in reproductive health activities, and cultivating the development of innovative activities in microenterprises[21] and revolving credit funds that should ultimately translate into improved reproductive health and family planning.

In sum, four essential qualities of this project distinguish it from other USAID-supported family planning efforts: community involvement in the identification of problems and their resolution; explicit inclusion of reproductive health activities in addition to family planning; explicit incorporation of women's empowerment as an objective; and the inclusion of innovative activities in microenterprise and credit to further women's empowerment, promote reproductive health interventions and increase community incomes.

D. Fit with the Current Policy Framework

The proposed project fits squarely within Government of Peru policy, the new directions of USAID and the Action Plan of USAID/Peru.

1. Government of Peru Policy

National Program for Reproductive Health Services for Families. The policy objectives of the National Program for Reproductive Health Services for Families[22] are: prevention of high-risk and unwanted pregnancies; prevention of abortion; access to safe, effective contraceptive methods; and provision of information and counseling to high-risk populations. In addition, there is specific mention of promotional activities that will enable the population to reduce reproductive risk, as well as ones that will improve cancer diagnosis.

National Program for Women's Promotion. Two major elements of the National Program for Women's Promotion are health and productive activities.[23] The general strategy is to reach rural and marginal urban areas, using public and private organizations as implementers. The GoP has established a national network for women's programs, to work with government, private, and international organizations. The health objectives include improving attention to all stages of life,

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[21] The Agency official definition of a microenterprise is an enterprise employing fewer than 10 people, including family members, that is dedicated to an activity other than crop cultivation or agriculture. Since **ReproSalud** will not draw on microenterprise funds, the term microenterprise will be used here more loosely. **ReproSalud** may, for example, support some activities in agriculture, as it may also support enterprises with 10 or more employees.

[22] Ministerio de Salud, Direccion de Programas Sociales, Planificacion Familiar, Programa Nacional de Atencion a la Salud Reproductiva de la Familia 1992-1995, Lima, Peru, no date.

[23] Presidencia del Consejo de Ministros, Consejo National de Poblacion, Programa Nacional de Promocion de la Mujer (1990-1995), Asociacion Grafica Educativa, Tarea, Lima, Peru, 1990.

reducing early motherhood, reducing maternal illness and deaths, and enabling women to make their own reproductive decisions. The development of new health systems, using active participation from women organized in the community, is also listed as an objective for the health section of this program. The productivity objectives include obtaining access for women to resources for productivity in all areas of economic activity, and improving working conditions, so that women can be more productive in both the formal and informal sectors.

2. USAID Policy

a. New USAID Strategies for Sustainable Development

ReproSalud activities will promote recent USAID policy directives at all levels. Foremost, **ReproSalud** will directly support the Agency and LAC Bureau strategic objective of *stabilizing world population growth and protecting human health*. Within both the Agency's overall strategy for sustainable development and the specific objective of stabilizing world population and protecting human health, moreover, **ReproSalud** will directly address the following design characteristics that have been identified by the Administrator as key to the achievement of sustainable development:[24]

•	Build indigenous institutions that involve and empower the citizenry.
•	Feature participation that is based on the aspirations and experience of ordinary people, their notion of what problems should be addressed, and their consultation with government, development agencies and among themselves.
•	Display a fundamental thrust that aims at building indigenous capacity, enhancing participation, and encouraging accountability, transparency, decentralization, and the empowerment of communities and individuals.
•	Involve and strengthen the elements of a self-sustaining, civic society: indigenous NGOs, including PVOs, productive associations, educational institutions, community groups and local political institutions.
•	Make empowerment an integral part of the development process and not just an end result.
•	Minimize "stovepipe" projects and programs that operate without regard for other development efforts or larger objectives.
•	Pay special attention to the role of women, focusing on their social, political and economic empowerment.
•	Take gender issues into account and pay particular attention to the needs of women in poverty.

USAID's renewed emphasis on participatory development will be furthered, from the initial definition of activities by communities through impact evaluation. Organizations that receive funding will themselves be encouraged towards a more participatory, democratic structure. Further, the Administrator has identified the NGO sector as an end in itself, emphasizing the importance of

[24] These design characteristics are all explicitly emphasized in the Agency's primary policy document, *Strategies for Sustainable Development*, Washington: U.S. Agency for International Development, March 1994.

collaboration with indigenous NGOs, both to high-quality, innovative development activities and as a complementary support to the long-term sustainability of public and private sector programs.

b. Global Bureau Policy and Strategies in Reproductive Health

ReproSalud will further all four of the Agency's identified principles and objectives in population and health:[25]

1.	Promote the rights of couples and individuals to determine freely and responsibly the number and spacing of their children.
2.	Improve individual health, with special attention to the reproductive health needs of women and adolescents and the general health needs of infants and children.
3.	Reduce population growth rates to levels consistent with sustainable development.
4.	Make programs responsive to the end-user.

ReproSalud will demonstrate the potential impact of using family planning services as a centerpiece to expand reproductive health efforts -- as well as, conversely, increasing the use of family planning by offering it within a wider constellation of reproductive health services. This responds to the Agency's policy dictate to use integrated approaches that address the "co-factors" that can increase the impact and sustainability of population programs. One of the co-factors singled out is education for girls and women, an objective that **ReproSalud** will directly address in both the design and implementation phases of its grants program. Thus, the content of the proposed project responds to policy guidelines on priority interventions. Policy calls for interventions that:

- expand reproductive choice and rights
- help slow population growth
- decrease maternal and child mortality
- reduce the spread of HIV/AIDS and other sexually-transmitted diseases

While the Agency generally and the Global Bureau specifically have in the last year formalized the policy mandate to work in reproductive health more broadly construed, a recent survey among Missions and Cooperating Agencies reveals that integration of this type has already been occurring in USAID family planning programs, no doubt because of the natural linkages among reproductive health services.[26] **ReproSalud** therefore will continue to develop a trend already in practice in Peru and elsewhere.

The proposed project will also directly respond to the policy dictate to involve actively women clients, providers and indigenous experts in the conception, design, operation, evolution and evaluation of population and health programs.

[25] *Strategies for Sustainable Development*, p. 25; this whole section is drawn from the policy dictates articulated in the chapter on "Stabilizing World Population Growth and Protecting Human Health: USAID's Strategy, *ibid.*, pgs. 23-28.

[26] See *USAID Reproductive Health Baseline Survey*, U.S. Agency for International Development Reproductive Health Task Force, August 1994.

Finally, **ReproSalud** will measure its results by indicators specified by Agency policy: reduced fertility; reduced infant and child mortality; reduced high-risk births; and reduced maternal mortality.

c. USAID/Peru Strategic Objectives

Since the Mission submitted its 1995-96 Action Plan, USAID/Peru has undergone a review and refinement of its strategic objectives. Currently five strategic objectives are proposed. They are:

• **S.O. No. 1:** *Increased participation of citizens in democratic processes.*
• **S.O. No. 2:** *Increased incomes and employment of the poor.*
• **S.O. No. 3:** *Improved food security of the extremely poor.*
• **S.O. No. 4:** *Improved health of high-risk populations.*
• **S.O. No. 5:** *Improved environmental and natural resource management.*

ReproSalud will support all five S.O.s, albeit at varying levels. Foremost, it will directly support all aspects of Mission S.O. No. 4., which breaks down into three program outcomes:

-- **P.O. 4.1**: Increased use of primary health care. One of primary health care's basic tenets is maternal and child health care, including family planning. Other of the eight tenets of PHC that the project will directly address are: i) education concerning prevailing health problems and the methods of preventing and controlling them; ii) promotion of food supply and proper nutrition; iii) appropriate treatment of common diseases (*i.e.*, sexually-transmitted diseases); and iv) provision of essential drugs (*i.e.*, contraceptives and antibiotics for STDs).[27]

This P.O. is further sub-divided into increased access and increased demand for use of primary health care. **ReproSalud** will work on both sides of this equation. By making services more available in the community and in hard-to-reach communities, and by linking community services up to facility-based services, the project will increase access. By working from the perspective of community women, seeking out hard-to-reach women and engaging in in-depth educational activities, the project will increase demand.

-- **P.O. 4.2**: Heightened sustainability of primary health care. This P.O. is further sub-divided into improved programmatic sustainability and improved financial sustainability. Through its education and training activities, the project will improve programmatic sustainability. Through its income-generation activities, the project will improve financial sustainability.

-- **P.O. 4.3**: Increased use of preventive practices and first-line care in the home and community. This P.O. is further sub-divided into increased health knowledge at the community level, increased community participation in health-related decisions and programs, and increased availability of supplies at the community level. **ReproSalud**'s extensive educational activities will increase health knowledge at the community level. The project's basic design is predicated on

[27] The Declaration of Alma-Ata, an international accord signed in 1978, undergirds the entire primary health care movement of the last 16 years. One of its fundamental theses is that primary health care contains 8 basic tenets: education concerning prevailing health problems and the methods of preventing and controlling them; promotion of food supply and proper nutrition; an adequate supply of safe water and basic sanitation; maternal and child health care, including family planning; immunizations against the major infectious diseases; prevention and control of locally endemic diseases; appropriate treatment of common diseases and injuries; and provision of essential drugs.

community participation. And project resources will make contraceptives and essential drugs available at the community level, thus furthering the third sub-program outcome.

ReproSalud will support S.O. No. 1 (democracy) by strengthening respect for reproductive rights, which is a human right; by helping community-based institutions be more responsive to people's needs; and by increasing the participation of the public in decision-making about their own fertility and health.

It will support S.O. No. 2 (income and employment) by its sponsorship of community-based reproductive health services, which will generate jobs; and by its support to women-run microenterprises and revolving credit schemes, which will create jobs and raise income.

The proposed project will support S.O. No. 3 (food security) by promoting appropriate breastfeeding and weaning practices, thereby helping to prevent the chronic malnutrition that is so widespread in Peru; and by helping to raise women's incomes, which can be applied to the purchase and production of food.

Finally, the project will support S.O. No. 5 (environment) by helping to slow population growth to a level consistent with resources and sustainable development.

II. PROJECT PURPOSE AND ASSISTANCE INTERVENTIONS

A. Project Goal, Purpose and Objectives

Section I of this Project Paper established the need for additional resources to be directed towards reproductive health and family planning at the community level. These services and resources are linked to the project's goal through a chain of intermediate objectives that flows upwards from community-based objectives towards the project's ultimate goal of achieving an impact on women's reproductive health. An Objective Tree of the chain of events is depicted in Figure 1.

This chain of objectives was used to develop the project logical framework (Annex 1) and to guide the design process. The starting point was to identify the point in the chain that corresponds to the project purpose.

The project purpose of **ReproSalud** occurs at the junction of utilization and client-focused services. A project purpose located farther up the chain -- *i.e.*, the link between utilization and systemic improvements -- would have resulted in a strictly supply-oriented project. The merit of **ReproSalud**, however, lies in the utility of strengthening the capacity of women to organize, identify and mobilize resources to address their reproductive health and family planning needs. Community-based research and information for advocacy and improved decision-making are of limited value unless they are applied to tailor or restructure services in a manner that increases use and has a public health impact on reproductive health and fertility.

The **ReproSalud** design seeks to increase the probability that the information and interventions generated by the project will in fact increase utilization of services by the target population --- women. It is recognized that some factors critical for increased utilization are not strictly in the span of control of **ReproSalud**, *i.e.*, national level policy and structural impediments. Nonetheless, in many cases it should be possible to trace the effects of project-generated information and interventions on utilization of services, and it is these effects that are critical for demonstrating the value of the project. For these reasons, strengthening community organization and women's decision-making are built into the project purpose and EOPS (end-of-project status).

Figure 1

Objective Tree for ReproSalud

- **Health Impact.** Better public and private sector health and education delivery systems and more appropriate behaviors will reduce fertility, improve health status and increase women's empowerment.

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- **Systemic Improvements.** Sectoral improvements in combination with increased utilization should lead to better reproductive health, strengthened intermediate organizations and improved family planning and health behaviors.

↑

- **Utilization.** The improved quality or relevance of services increases utilization. Strengthened CBOs negotiate with and hold public and private sector service delivery providers accountable for services that reflect their needs and the preferences of women.

↑

- **Client-focused Services.** If community analysis efforts are successful, this information, in conjunction with public health data, is translated into improved, client-focused service delivery that reflects the preferences and needs of women, at the same time that it addresses public health needs. This builds demand and market for reproductive health and family planning services.

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- **Broad-based Understanding of Health Behavior.** Community diagnosis provides the information base for a broader understanding of family planning and related reproductive health issues that respects the perspective of the user. This broader understanding is necessary to set intervention priorities and to shape actions and approaches. It is the basis for advocacy, information dissemination and public education at all levels -- community, service delivery practitioners and decision-makers.

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- **Community Participation and Dialog.** Qualitative research and community based diagnosis are necessary to engage communities in understanding and articulating their needs and preferences for family planning and reproductive health services and to identify the community-based organizations that can be potential project partners.

The project **purpose**, then, is to:

> **Increase the utilization of family planning and other selected reproductive health interventions in the target areas.**

The indicators (process and impact) of purpose achievement (EOPS) include the following:

- Contraceptive prevalence, birth intervals, duration of exclusive breastfeeding, use of prenatal care and counseling in GTIs will rise in participating communities.
- The contraceptive failure rate and contraceptive discontinuation rate will fall in participating communities.
- Primary project stakeholders -- CBOs and women -- will be able to cite specific instances in which the community research, analysis, and information generated by the project have been used in family planning or reproductive health decision-making.
- Project stakeholders will be able to identify community problems, posing solutions and mobilizing resources to address problems.
- Project-generated community research, advocacy, and information will have had a direct influence on access, quality, relevance and use of family planning and reproductive health services, as well as availability of resources for community-based delivery.
- CBOs and microenterprises will have attained some verifiable measure of sustainability.

Accomplishment of the project purpose will contribute to the **sub-goal** which is to:

> Move beyond merely meeting women's *practical gender needs* -- those that arise from the gender division of labor and the basic human need for survival -- to meet their *strategic gender needs* -- those that will enable women to overcome their subordination and reach a more equitable place in society.

Strengthened CBOs; increased demand for, access to and use of certain types of services; improved quality of services; and an emphasis on empowering women are all elements upon which this project can have a direct effect. These elements are necessary but nonetheless insufficient conditions for improving singlehandedly reproductive health in Peru. There is at the same time need for the large-scale resources that can be used to implement the strategies, policies, and projects that create an environment propitious for improving reproductive health and that put other types of necessary services in place, such as certain types of long-lasting, clinic-based methods of contraception. Thus, a key assumption for achievement of the project's goal is that other projects in the Mission's HPN portfolio, other donors, and the national government itself will invest in the infrastructure, human resource development, and other country-level activities needed to improve these systems.

The sub-goal, in turn, will support the **goal** of the project, which is to:

Improve reproductive health among women in rural and peri-urban areas.

The linkage from sub-goal to goal is straightforward. If effective and relevant services are accessible and if women are educated on health-promoting behaviors and have access to the resources to take advantage of those services, then positive changes in the reproductive health and fertility patterns of those populations should follow.

One factor that could weaken this linkage is low effective demand due to the inability of households to afford fee-based services. It is assumed that to the extent this constraint exists, it will be addressed through income-generating activities. In addition, realization of the goal requires a certain level of stability. Large-scale civil violence or economic crisis would likely offset gains in health status or education from improved delivery systems.

The foregoing discussion has laid out the project objectives from the purpose level on up and has described the major linkages between those objectives. The remainder of this section is devoted to a description of the project.

B. Project Assistance Interventions

The four interdependent elements of **ReproSalud** are:

- Community Dialog and Diagnosis: To identify and prioritize problems, and to tailor solutions to women's needs.
- Sub-grants: To enable community-based organizations to design and carry out community-based interventions.
- Advocacy, Information Dissemination and Consumer Education: To support and reinforce the actions of the CBOs.
- Health-focused Innovative Activities: To increase resources for community investments in reproductive health and family planning.

These elements will be implemented in linked phases by the implementing entity. Management support, training, technical assistance and supplies will be provided by the implementing entity to support CBOs in the implementation of community-based activities. The principles of operation, objectives, activities, roles and responsibilities, information needs and decision points are illustrated in Figure 2 and described below.

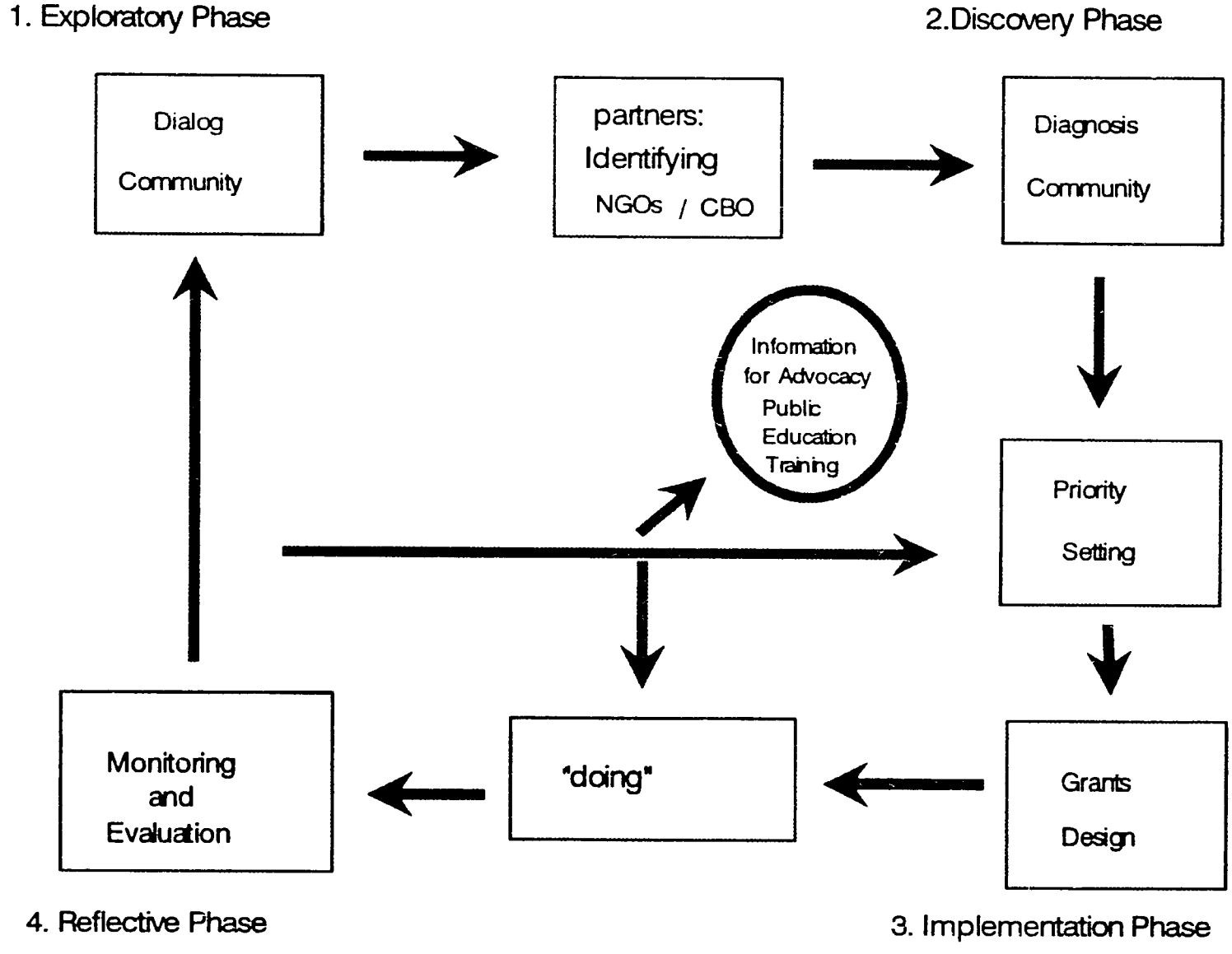
1. Exploratory Phase

The operational objectives of the first phase are to initiate a dialog with communities in the project's priority areas and to help CBOs implement a broad-based community diagnosis of reproductive health needs and perceptions.

The implementing entity will develop and implement a communications outreach strategy that will set the stage for project activities. It will sensitize and increase awareness among community officials, service delivery practitioners, teachers and women's organizations regarding what is known about local reproductive health and family planning and begin the process of building trust and confidence among community organizations and women.

Figure N° 2

The Four Phases of Project Assistance Interventions



The implementing entity will publicize the existence and intent of **ReproSalud**. This will be done both generally and specifically, targeting particular communities where high unwanted fertility, maternal morbidity and mortality, and other relevant indicators warrant. Examples of possible dissemination activities include half-day seminars, distribution of project posters and project brochures, presentations at meetings and community events, utilization of the strong network of women's organization in Peru and advertisements in local newspapers. The objective is to provide both information and transparency to project operations.

ReproSalud will work prioritarily, but not exclusively, in peri-urban and rural areas of Peru, where the need for family planning services, health education, other quality reproductive health information and services is most critical and poverty is at its most extreme. USAID has defined Lima East and the following six regions (and the respective departments within them) as areas deserving priority attention: Chavin (Ancash and a small part of Huanuco), La Libertad (La Libertad), Los Libertadores/Wari (Huancavelica, Ayacucho and Ica), San Martin (San Martin), J. C. Mariategui (Puno, Moquegua and Tacna), and Ucayali (Ucayali). In addition, the peri-urban area of Chiclayo is added to this priority list because the Mission has a major primary health care project in that city. It should be noted, however, that requests for assistance will also be considered from organizations outside these priority areas, as long as the requesting organization: a) is based in a peri-urban or rural area that displays high need for family planning; and b) the organization does not receive high levels of funding from another donor.[28] This definition of priority areas, however, is flexible and based on certain assumptions about the work of other donors; if during project implementation the implementing entity and USAID agree that other areas merit closer attention, such areas may be added to the list of priority ones. Likely candidates are the northern and southern cones of Lima, and the regions of Inka and A.A. Caceres.

Criteria will include health status and use of family planning and other reproductive health interventions. Preference will be given to groups in communities that have high fertility and inferior health conditions. The data to judge whether communities are at risk are not ideal, as is virtually always the case, but there are recent sources, such as the 1991-92 DHS, the 1993 National Census, and UNICEF data. Data will also be gathered from local health authorities and from the Ministry of Health's HIS/MIS system. Also, the Peru Family Planning Implementation Plan has collected baseline data for both intervention and control areas. Since the provinces in both intervention and control areas are comparable in health and family planning indicators, these baseline data will serve as another data source.

Finally, communities will also be asked to present a type of epidemiological profile in their grant requests, or as one of the first steps of their grant agreement. Technical assistance will be available to guide them in this type of data collection, which should consist of: i) identifying and bringing together existing data on their area; and ii) rapid qualitative and quantitative assessment procedures.

Groups that contact the implementing entity will be asked to supply some basic information about their institution and the problems they would like to work on. From this material, supplemented by site visits, the implementing entity will identify and assess the leadership potential and management and implementation capacity of existing CBOs and local women's groups that wish to collaborate in **ReproSalud**. The product of this phase will be the identification of active partners for the second phase.

[28] Since the World Bank-funded Basic Health and Nutrition Project will work in four other regions of Peru and is slated to emphasize collaboration with NGOs, **ReproSalud** project managers will coordinate closely with the BHNP, as a way of leveraging resources and increasing the probability of a synergistic effect.

In addition, the implementing entity will identify how to involve CBOs that have excellent potential, yet are lacking either sufficient experience, staff or resources to operate as full project partners. Mentoring newly emerging women's action groups or shaping a federation of smaller groups to address common issues will be an important capacity-building feature of **ReproSalud**. The implementing entity will explore opportunities to institutionalize reproductive health and family planning activities in multiple arenas, *e.g.*, a group of teachers that want to develop family life health clubs that cater to the needs of adolescent girls.

At the completion of the exploratory phase, the implementing entity will have preliminary information on: community perceptions, windows of opportunity and constraints, ways to approach and guide the community diagnosis process, and CBOs that are potential partners in the second phase, that of community diagnosis and the design and implementation of activities. This information will allow the implementing entity, in conjunction with USAID staff, to focus operations and make decisions on:

- Operational strategies in each target area and the level of effort needed to implement the next phases.
- CBOs to work with in the second phase, and the technical assistance, management support, training and supply needs of each group.
- Emerging issues or action groups to be encouraged, mentored or integrated into project operations.

The implementing entity will operate under the principles that: i) the management role of the implementing entity is based on facilitation and support, not control and command; ii) donor coordination and leveraging of resources at the local level is a management priority; and iii) a continuous process of internal monitoring, with the participation of all partners, and identification of lessons learned and "best practices" is the key to improving performance and managing the transition to the next phase.

2. Discovery and Priority-Setting Phase

This phase is based on the principles that: i) actions must be shaped by empirical data; ii) a broad view and understanding of reproductive health needs, consumer preferences and community factors are the key to shaping sustainable actions that have an impact; and iii) community participation in discovery and decision-making validates and builds consensus for action.

While it is standard practice to base interventions on sectoral assessments and epidemiology, **ReproSalud** will significantly broaden the information base on which decisions are made by involving communities in the diagnosis of their problems and in setting intervention priorities.

a. Selecting Project Partners

At the end of Phase 1, the implementing entity will have identified potential groups that can be project partners and the eventual recipients of grants. The intention is to work with community-based organizations, such as *clubes de madres* or *vaso de leche* programs, to undertake the community diagnosis. However, it is recognized that some such groups may not have sufficient institutional capacity to undertake singlehandedly either the activities or their management. In these cases, it will be preferable to work through non-governmental organizations that have strong ties to the CBO in question, or to explore creating a federation of smaller groups.

Participating groups, be they CBOs or NGOs, will be chosen on the basis of a number of criteria, including the following:

- legitimacy in the eyes of the community;
- capacity for large community outreach, or at least for outreach among a large proportion of an important population group, such as adolescents or men;
- gender-sensitivity[29] in terms of management practices and/or service provision;
- experience in services or information of need to the community; and/or
- ability to coordinate well with government (*i.e.*, Ministry of Health) or private providers of health services.

While the implementing entity will provide training and technical assistance to strengthen the capacity of CBOs to carry out the community-based activities, it is important to recognize that small, single-purpose CBOs can easily be overwhelmed if too many activities are added to their core functions. While single-purpose CBOs are often easier to manage, **ReproSalud** will need to take on issues that require multiple functions, that taken together lead to improvement. Bringing together several CBOs under an action umbrella or creating a federation of small CBOs at a higher level are possible options when more complex issues are addressed.

b. Identifying Local Needs

The process of identifying local needs is the key to successful implementation of **ReproSalud**. Not only will it lead to the selection of the project's major interventions, but it will also determine whether or not communities become agents of their own change. Without providing communities with a sense of ownership from the outset, the proposed project's chances for establishing need-driven, woman-oriented and sustainable services will be greatly diminished.

With management support and technical assistance from the implementing entity, a qualitative research process will be undertaken by community-based groups. The process should facilitate the exploration of experiences, attitudes and practices concerning how local women view reproductive health within their lives, with particular emphasis on women's beliefs about contraception and their bodies, and reasons for non-use, as well as use, of prenatal and attended delivery care. Other topics of interest are exclusive breastfeeding, high-risk and other problem pregnancies, abortion, and reproductive tract infections. Gaps in quantitative data may also be filled through rapid assessment techniques, such as small-scale community surveys.

Experience has shown that a certain amount of participatory education, which will be facilitated by the implementing entity, must take place before women feel comfortable discussing the range of their reproductive health issues and priorities. Qualitative research techniques such as picture analysis, free listing, pile sorting, reciprocal interviews, illness narratives and hypothetical scenarios will be among those used to help women analyze their health needs. Likewise, community women may undertake a survey in their own sphere of influence.

The results of the non-use and quality of care studies funded by the PVFP Project and the Ford Foundation referred to in Sections I. A. and I. B. will be used by the implementing entity in guiding this process at the community level. Additional studies may also be undertaken, as needed.

The findings available so far from those studies underscore the critical role men play in the use or non-use of contraception. This role extends beyond use of male methods to use by spouses. A

[29] For the purposes of this paper, the term "gender-sensitive" refers to the ability of an activity to meet women's practical or strategic gender needs, as described in the Social Soundness Analysis.

good deal of strong qualitative work reveals that some men feel threatened by contraception, whether manifested by fears of partner infidelity or of their own sexual performance. Accordingly, similar studies of men's experiences, attitudes and practices concerning their reproductive health and that of their partners may also be undertaken. Such studies will serve to foster support among community men for **ReproSalud's** activities, and, when compared with the results of the studies with women, may also identify gender issues that negatively affect women's status.

The process will allow the community and program planners to learn about how women perceive their reproductive health needs and how they respond to them. In addition to raising women's awareness about reproductive health, a major goal of the process will be to foster women's confidence in their ability to gather information from their neighbors about topics that concern the community and to learn to prioritize problems that are identified. This rests on the conviction that women who have increased awareness will have greater motivation to act upon reproductive health problems at the community level.

c. Setting Priorities and Planning with the Community

Clearly, **ReproSalud** will not be able to address all problems. The success of the priority-setting process will have a profound effect on future participation and successful implementation of actions. Making choices and community consensus-building must be both transparent and participatory.

Analysis of the qualitative and quantitative data by CBOs is the first step in setting priorities. The analysis, discussion and understanding of issues will be complemented by the socioeconomic data, epidemiologic profiles and related public health data that were publicized and disseminated in Phase 1.

The role of the implementing entity in facilitating this process and negotiating decisions with project partners will be critical. Experience with group processes, team-building technologies, training and facilitation skills, and technical understanding all come into play at this point. The use of outside resource people to elaborate on technical issues, team planning techniques and decision models that minimize the influence of gatekeepers and that facilitate group decisions should be explored and used.

In the final analysis, it will be the responsibility of the implementing entity to ensure that the locally-diagnosed needs are congruent with public health data, that is, that the needs to be addressed are valid and will lead to public health impact. In cases where this determination cannot be made, the implementing entity will work with the community groups and USAID to adjust the scope of activities and to identify other resources to meet needs. In addition to setting priorities, a well-managed process will provide CBOs with a technical and management framework for developing proposals for the small grants.

Slightly one-third of the $25 million LOP authorization level (*i.e.*, $9.0 million, or 36 percent) has been budgeted for grants and credit. This breaks down into $5.0 million for direct grants in family planning and reproductive health, as outlined in Section d. below; and some $4 million in innovative activities, as outlined in Section 3. b. below, based on one million dollars each for seed grants and matching grants, and $2 million for credit.

The budgeting is based on an average size of $25,000 for a direct grant, with anywhere from 35-60 grants being awarded yearly over four years (principally Years 2, 3 and 4, with a small number of short-term grants awarded in Year 5). This would produce an output of 180 direct grants in family planning and reproductive health. It is estimated that the seed grants for innovative activities will also average $25,000 and that 10 of them will be awarded each year, for a total of 40 grants.

Matching grants, similarly estimated at $25,000 each on average and 10 in number over four years, will have a total output of 40 grants. Finally, it is estimated that 20 sub-projects will participate in the revolving credit scheme each year, for a total of 80 schemes over four years.

d. Awarding Direct Grants in Family Planning and Reproductive Health

Community participation has high costs in terms of time and returns to CBOs and individual members. Active, effective and sustained participation in project activities requires incentives that outweigh the costs of participation.

The small grants component of the project is designed to provide resources and incentives for CBOs to put community-based activities into motion. It will also provide options to develop health-focused microenterprises, and explore credit and matching funds that will enhance the sustainability of operations.

The design of community-based activities will flow from the process of setting priorities. Many issues about what problems to address, what approaches might work, and what the management and financial costs will be will have been touched on in the priority-setting process. The implementing entity will need to work with the CBO to develop specific operational plans for funding. Design of activities will take into consideration a number of items, including but not limited to:

- Availability of Reproductive Health Information and Services. The implementing entity will be responsible for facilitating this process, ensuring that there is no duplication of effort, and that the CBO in question has explored linkages and other options for implementing activities. The implementing entity and community group will analyze available services relative to the community's self-defined needs, determine what gaps exist, and decide if and how to go about filling them.

- Ability to Coordinate with Reproductive Health Service Providers. Coordination with providers of available services will be actively sought. In many cases, this will require establishing good rapport with MoH and NGO service delivery points and engaging them early in the process of program design. The implementing entity should facilitate such local coordination by maintaining close contact with regional and departmental MoH personnel.

  It is particularly important for the implementing entity, in conjunction with the USAID project staff, to take advantage of linkage and coordination with other USAID and donor-funded projects. For example, if the community finds that services provided by a local NGO family planning association are lacking in quality, the implementing entity and USAID could ensure that it receives appropriate technical assistance to ameliorate the situation.

- Availability of Community Resources to Finance Part of the Activities. Various possible sources of co-financing will be explored. Communities may be encouraged to identify, design or build on existing activities that can support the desired interventions and that can increase community income, especially among women.[30] These activities will produce revenue, strengthen program sustainability and heighten the sense of ownership of the program by the community. It is not expected, however, that all, or even most, grants will feature such an income-generation component. Section II. B. 3. b. contains a more detailed description of the innovative activities in microenterprise and credit.

[30] For an in-depth discussion of this element of the project, see the Economic Analysis.

- Capacity and/or Comparative Advantage of the CBO or NGO. In order to increase the likelihood of positive impact, the community group will select the activities it will undertake on the basis of its comparative advantage and level of technical and institutional capacity.

For each priority area, the implementing entity will need to develop strategic plans that spell out the site-specific program objectives, the ways in which the individual grants will help achieve these objectives, the manners in which they are mutually reinforcing, and the expected effects and impact. These plans will become the basis for the implementing entity and grantees to monitor performance and make mid-course corrections. The plans for all priority areas should provide the foundation of the project evaluation plan.

The proposals, including budgets, will be reviewed by a technical committee. To improve cross-project learning, a CBO from SHIP South may be included in the review. The committee may request changes in proposals or endorse them as they stand. The endorsed proposals will be submitted to USAID for final approval, which in turn may request changes on substantive issues.

Illustrative Project-funded Activities
• Community health education
• Direct provision of services
• Improvements in access to services provided outside the community, such as a transportation fund for difficult deliveries, or a more developed referral system for family planning methods not offered in the community
• Improvements in the quality and responsiveness of care
• Materials development
• Skill training
• Sensitivity training for men

3. Implementation Phase

Once proposals have been approved, the implementing entity will issue a grant to the implementing CBO or organization. It is expected that most grants will not exceed an implementation period of two years, will be modest in scope (*i.e.*, limited to a few, key interventions), and modest in cost, with the average grant budgeted at $25,000. Communities may receive multiple grants under this project, either in sequence or simultaneously.

a. Advocacy and Overarching Issues

ReproSalud's emphasis on locally-defined reproductive health problems offers tremendous opportunities to empower individuals, particularly women, and their communities. Focusing solely on individual communities without maintaining a more "global" vision, however, may weaken the ability of communities achieve sustainable change. For example, an important factor in many problems may emanate from causes beyond the control of individual communities. In addition, communities and community groups, particularly those in rural areas, are isolated from one another, making it difficult for them to be aware of their common concerns and to act jointly in addressing those concerns.

Such lack of mobilization often results in local demands that are not channelled up to policy-makers, and in policy-makers' subsequent allocation of resources on the basis of priorities inconsistent with those of the community.

ReproSalud will seek to overcome this problem by fostering broader-based dialog and advocacy on problems commonly identified by communities. This policy orientation will increase the likelihood that locally-defined problems are fully resolved, or at least more fully understood. It will also enable communities, particularly women, to mobilize, participate in the political process and ultimately become agents of their own change.

Findings from Phase 2 will form the basis of the efforts in broader-based dialog and advocacy, which will be a chief function of the implementing entity. Further, as grant implementation unfolds, additional topics may be added to the agenda. The implementing entity will monitor results and maintain an analysis of the reported problems relative to a number of variables, including frequency, perceived severity, and regional distribution. As patterns appear, the implementing entity will meet with USAID to determine whether the issues merit policy-oriented attention. Illustrative criteria for making such a determination include whether:

- the problem emanates from causes outside the control of individual communities (*i.e.*, it is of a structural nature);
- a solution can be achieved, at least partially, through broader-based dialog and/or advocacy; and
- community groups are willing to play active roles in the design and implementation of the advocacy activity, as well as in any follow-up activities at the local level.

Once a decision has been made to move forward with dialog on a particular issue, the implementing entity will develop a plan of action aimed at raising awareness about and/or resolving the issue. Plans of actions should include, among other elements, objectives, target audiences, and evaluation strategies. To the greatest extent possible, the design and implementation of the plan of action should unite and engage communities that have identified the common problems.

For example, women and men throughout **ReproSalud** communities may report concern over the number of adolescent pregnancies resulting from early initiation of sexual activity. Communities may believe a major cause is a lack of family life education in school curricula; some may also attribute the problem to a lack of parental involvement due to parents' fears, embarrassment, and lack of knowledge about reproduction and sexuality. With assistance from USAID, the implementing entity could arrange for leaders of these communities to meet with regional and/or national representatives of the Ministry of Education to discuss the development and content of family life education curricula. In those communities where parental involvement was also noted as a problem, **ReproSalud** could assist in the development of a parallel program to help parents dialog with their children about reproduction and sexuality.

b. Support to Innovative Activities in Microenterprise and Credit

Background. The Agency's new policies on stabilizing world population growth and protecting human health explicitly recognize that poor health conditions and rapid population growth are closely associated with low status and limited rights for women.[31] In recognition of co-factors to

[31] *Strategies for Sustainable Development*, p. 23.

contraceptive use such as these, new guidelines have been issued for uses of population funds.[32] In a guided and well-monitored way, **ReproSalud** will put those new guidelines into action.

Where appropriate, **ReproSalud** will offer limited support for group-based income-generating and credit activities, for reasons consonant with objectives in women's empowerment, program sustainability and fertility reduction. The rationale is fourfold:

1. Financing of such activities can help women become actors in their own development, rather than merely passive beneficiaries, in addition to improving their own and their family's welfare.
2. The literature shows that women who have alternatives to child bearing and raising are more likely to be users of contraception, as well as more effective users.
3. The literature also shows that rising incomes are negatively correlated with fertility.
4. In cases where the income derived helps support the **ReproSalud** program, such income will enhance the sustainability of the program.

The United Nations Expert Group on Women and Finance, for example, has concluded that a woman's economic position directly affects:

- her ability to purchase needed improvements in health, housing and education for herself and her family.
- her position and bargaining power in the family and community.
- her ability to act against violence in her home and in her world.[33]

Thus, through its support to innovative activities, **ReproSalud** will work to empower women economically and socially, altering the relations of power to put them on a more equal footing with men, as well as promoting the uptake and continuation of contraception. In this regard, the project will attempt to help meet both the practical and the strategic gender needs of women.

At a maximum, 16 percent of the proposed project's authorization level of $25 million, which translates into $4 million, will be applied to innovative population activities. A major criterion for allocation of this funding for innovative activities will be relative poverty indexes, that is, departments with the greatest severity and magnitude of poverty should receive relatively more funding than departments that are better off.

The priority list, in descending order of poverty, is: Huancavelica, Ayacucho, Huanuco, Puno, Ucayali, San Martin, Junin, Ancash, Moquegua, La Libertad and Ica. Because of the variation in poverty within departments, however, this criterion cannot be inflexible.

All direct beneficiaries of grants and credit will have a relationship with a CBO that offers family planning or reproductive health services.

[32] See the endnote on use of population funds for innovative activities.

[33] Women's World Banking (1994): "Report of the United Nations Expert Group on Women and Finance."

The funding for innovative activities will not be offered indiscriminately, but will work in tandem with the regular grants program of the project. Institutions receiving small grants, matching grants or credit should receive them either directly for family planning and reproductive health activities or be organizations that are receiving a grant from the regular program for that type of activity, in which case the second grant might be for income-generation outside of that sector. Women who receive credit should be members in good standing of a CBO that fulfills the same requirement. This requirement is necessary because the philosophy underlying this use of population funds is that the two areas of family planning/reproductive health and women's empowerment can act synergistically to both improve use of family planning and to help meet women's practical and strategic gender needs. Figure 3 attempts to depict these relationships.

Mechanisms. Accordingly, in selected cases financial support will be given to community-based organizations and their women affiliates through three broad-based and flexible mechanisms. These mechanisms are:

- **Small grants** or seed money to community-based organizations, which will represent 4 percent of the LOP level, or **$1.0 million**;
- **Matching grants** to community-based organizations, which will represent another 4 percent of the LOP level, or **$1.0 million**; and
- **Credit** for community-based organizations or their women affiliates, which will represent 8 percent of the LOP level, or **$2.0 million**.

Communities will be encouraged to identify, design or build on microenterprise or small business activities that can support the desired family planning and reproductive health interventions and that can increase community income, especially among women. These activities will produce revenue, strengthen program sustainability and heighten the sense of ownership of the program by the community. It is not expected, however, that all, or even most, grants will feature such income-generation.

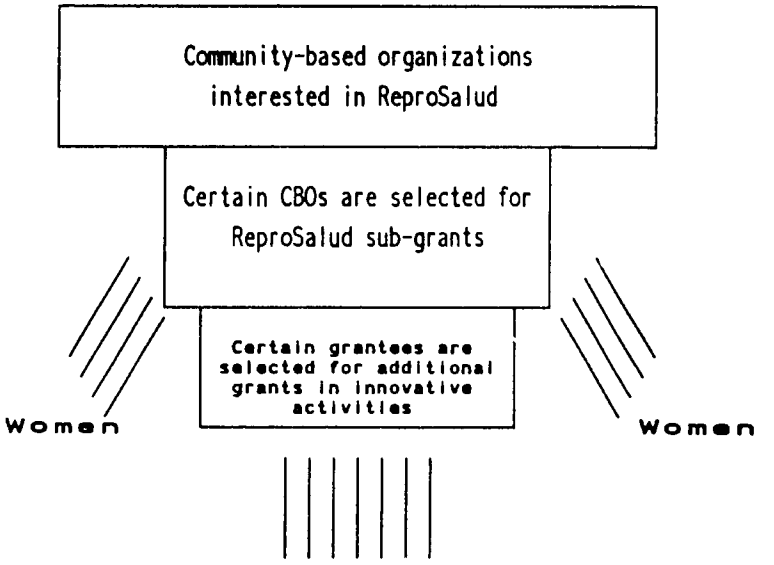
Illustrative examples include:

- production of such goods as handicrafts, greeting cards, school uniforms or recycled clothes;
- small animal husbandry; or
- specialized crop cultivation.

ReproSalud will help participating groups to ensure that there is market for -- and a means for marketing -- goods to be produced. Sectoral analyses and other types of market feasibility assessments will be conducted to evaluate the viability of proposed products. **ReproSalud** will tap the expertise of both the Mission and the Global Bureau in this regard. For example, the new project will dovetail with MSP in the area of income-generation and credit where appropriate, with the possibility of collaboration between the two projects in **ReproSalud** communities. MSP and **ReproSalud** may coordinate activities within a village, in the case of credit programs, or alternatively, selected products from income-generation activities may be marketed through ADEX, a marketing and export NGO under MSP. Such collaborative activities will be decided on a case-by-case basis, in projects where a realistic expectation exists that a synergistic effect can result by combining the technical and financial resources of the two projects. Second, as specified in the Procurement Plan (Section III. C.), **ReproSalud** may tap the Global Bureau's microenterprise expertise to conduct sectoral analyses of microenterprise feasibility.

Figure 3

Relationships among ReproSalud Beneficiaries



Women who are members of groups in either of these categories are eligible to apply for revolving fund credit

Small Grants or Seed Money

Small grants or seed money will be made available to a limited number of community-based organizations involved in reproductive health activities. Grants will be used to initiate activities related directly or indirectly to reproductive health. These small grants will differ from the major grants activity in that they typically will be devoted entirely to income-generating activities and related training. The procedure for small grants will be as follows:

CBOs that are interested in applying for small grants will be able to take part in a workshop on proposal writing. As well as supporting the activity at hand, this will strengthen the CBOs' future possibilities for receiving grants from other sources. Proposals developed will be reviewed by a committee with representation from the implementing entity, USAID and at least one external reviewer. Successful proposals will be awarded grants.

The innovative activity should be supported by appropriate training. This training will be designed by the CBO itself with technical assistance from the implementing entity staff. This training could consist of basic business practices and/or it might be directed to enhance the entrepreneur's technical knowledge of her business.

Examples of activities that would be suitable for the small grants component include:

- A community-based organization not previously involved in family planning or reproductive health -- perhaps a group like a *vaso de leche* club -- might request financial support for a profit-making enterprise that will enable it to expand its activities to include family planning and reproductive health activities.

- A women's group uses a grant to establish a fee-for-service program in its community to provide family planning and reproductive health services; in this case, the reproductive health services themselves will be the form of income generation.

- A CBO wishes to open a midwifery clinic in a peri-urban area. This clinic will attend low-risk births and refer high-risk women to more sophisticated facilities. It will also offer post-partum contraception. Birthing women will be charged for care.

- A women's group requests a grant to expand its handicrafts business. Profits will be directed to a youth education program that helps delay the initiation of sexual activity and childbearing.

- A group wishes to open a day-care center. This will allow more women to work outside the home. Users will pay fees and will have access to education and other services in reproductive health.

Roughly one-fourth of the budget for innovative activities, approximately $1.0 million, should be dedicated to the small grants mechanism.

Matching Grants

The matching grants mechanism will be used for the more sophisticated CBOs that have previously been generating income successfully or as a later stage to the small grants program. In this mechanism, the Project will match any contribution the CBO makes towards the development of activities that relate directly or indirectly reproductive health.

In order to receive a matching grant, the CBO must demonstrate a record of sound business practices; propose a viable business plan for the matching grant that involves family planning or reproductive health; and indicate how it will sustain activities after this later-stage grant.

Once again, the grant will be accompanied by training that will be developed jointly by the CBO and the implementing entity.

Approximately $1.0 million should be set aside for the matching grants activity.

Credit

The third mechanism will be directed towards individual women -- or groups of women -- who are affiliated with CBOs in the **ReproSalud** network. The primary goal of the credit mechanism is to empower women through access to financial resources and specific training in management and technical areas related to their businesses.

Up to one-half of the funding ceiling for innovative activities, that is, $2 million, might be used for the credit program. The estimated range of loans to institutions or individuals is $50 - $500.

Urban Versus Rural Credit. The credit program will take on distinct characteristics, depending on where that credit is extended. Although requirements and rules will vary according to the client and her circumstances, the credit fund should be one and the same -- in order to leverage more earning power for the credit system. Considering the number of groups in Peru with experience in this area, the credit fund should be managed through a sub-agreement to an entity that has an established record in providing credit to microenterprises or small businesses.

The implementing entity should establish -- by itself or, if it does not have demonstrated expertise in this field, through a sub-agreement with another entity -- a revolving loan fund through which credit can be extended to women from rural, urban and peri-urban communities. The Regional Advisors will make recommendations about loans, but they will not have exclusive decision-making in this regard and will not be the disbursing agent for loans.

A savings mobilization program should be introduced into the innovative activities at the appropriate opportunity. Such a savings program will reinforce the economic stability and flexibility of women and their organizations by maintaining their investments in a liquid state. Saving will also be important to the future sustainability of the central fund.

The innovative activity must be appropriate to the community and culture to which it is directed, and credit mechanisms and related training should be flexible. The needs of women in Huancavelica and Lima East can differ substantially. The innovative activities should take local circumstances into account and be adaptable to the various realities that they will serve. The flexibility that is built into the system will be key to the component's success.

In the peri-urban areas of Lima East and of the cities of the priority regions, for example, most credit will likely be extended to microenterprises and small businesses. The profit from this activity could be re-invested in the business and/or used on an individual level to purchase those needed improvements in health, housing and education of the woman and her family. This access to credit might be packaged with technical assistance on how to budget discretionary income for a family.

In the rural areas, because economic activities tend to be group-oriented and not individualized, the fund might, for example, extend a loan to a women's cooperative so that it can raise and sell chickens. Training might come in the form of a course in animal husbandry or in entry into the livestock market. The loans will adapt to the cultural norms of the communities in which they are

offered. This might mean, for example, that potential clients must be approved by the general assembly that governs many of the rural communities in Peru.

According to interviews with experts, rural credit programs in Peru have demonstrated that the rural population is a "good risk" if the following conditions are met:

- The loans are not restricted to certain activities.
- One payment is made at the end of the loan (instead of monthly payments), so that the money can be turned over several times.
- Communities themselves decide who would be a good credit risk.
- The loan approval process is streamlined and quick, thus minimizing the opportunity costs to the client.

Experience also demonstrates that the credit institution has to seek women out and make the credit conditions appropriate to their reality. Women entrepreneurs in developing countries, more often than not, lack even the basic requirements, such as collateral or literacy, that are required by established banking institutions. Appropriate conditions might mean not requiring collateral in the form of property or using a fingerprint instead of a signature to close a deal. Clients should not be held accountable to or be constrained by traditional banking regulations and norms. **ReproSalud** should incorporate innovative and culturally-sensitive regulations and norms to maximize the financial durability of this element.

Common characteristics of all credit provided under **ReproSalud** will be the following:

- All applicants, whether institutional or individual, must be affiliated with a CBO that is participating in **ReproSalud**.

- Loans will be guaranteed by some type of group. This might be the CBO to which the applicant belongs.

- The interest rate charged for the loans will attempt to cover inflation and administrative costs.

- Loans will cover a broader area than traditional micro-entrepreneurial activities. This is to ensure that communities that historically are not involved in such activities will not be excluded from the credit program.

Community Management of Grants. Community members, most often women, will manage the reproductive health interventions and the income-generation activities funded. By placing management of the program with community women, **ReproSalud** will contribute to programmatic, institutional, and partial financial sustainability.

The implementing entity will provide regular supervision and monitoring of grant implementation and specific technical assistance as needed. This may take the form of bookkeeping or other management skills, training in counseling or some types of service provision, or training in certain types of income-generation.

For sub-grants that require pharmaceuticals, the project will attempt to establish regional pharmaceutical rotating funds. Under such a system, the first batch of pharmaceuticals would be purchased from the U.S. by USAID/Peru. These would be sold to users, as prescribed in the service delivery sites. The additive program income derived from such sales would go into the revolving fund, for purchase of further pharmaceuticals on the local market. Such a system is being developed for SHIP South, and **ReproSalud** will benefit from the experience and lessons learned in

that project to fine tune its program of revolving funds. The revolving fund, however, should not be initiated without an approved plan in place for its establishment, operation, maintenance and disposition/dissolution.

c. Training and Technical Assistance for Individual Skills and Organizational Development

The implementing entity will need to identify and build a continuous stream of benefits, in the form of skill training and organizational development, into each phase of the project.

Training will be approached on two levels: skill training and technology transfer, and training to improve organizational performance. The first type of training will focus on the individual trainee skill needs (technical skill training with CBOs, service providers and rural women). Sample topics are basic principles of decision-making techniques, quality management of health services, community motivation, basic principles of leadership development and training of trainers methodology. The emphasis would be on progressive, incremental learning through a sequence of training interventions. The second training focus will be on organizational performance of community-level associations, CBOs, women's groups, and local governing bodies. The approach is to view training as a means to improve the productivity of the organizations or organizational units to which individuals belong. It constitutes systems-level improvements.

Training at the community level will take into account two basic issues: (i) how to determine training needs or content, that is, what knowledge, skills or technologies need to be transferred; and (ii) the training process, or how this can be managed within the existing social, political and economic environment. While the training content can be fairly straightforward, the training process, which includes the operational mechanisms, is a far more complex issue, particularity as it relates to reaching underprivileged women.

Training will be based on problem identification by community members and will reflect their perceptions, solutions and needs. The tools and techniques used in Participatory Rural Appraisal and the community reproductive health diagnosis are effective planning tools for understanding community needs and for engaging the rural population in the decision-making process. These techniques will be used to identify training needs. The intent is to focus training activities, or content, on practical skills and methods that will address specific constraints to achieving increased use of reproductive and family planning services.

While skill training is critical, it is also important to ensure that there are resources at the community level to allow adoption of new skills and practices. **ReproSalud** will refine mechanisms currently in use, in an effort to provide a source of credit for women and/or organizations that have completed training to purchase inputs or via a matching grant mechanism to increase CBOs investments in family planning activities. **ReproSalud** will combine the expertise of both the community-service groups and those with a business mentality to make available to community women credit and technical assistance in production and marketing. As needed to support grants, staff of the implementing entity will also work with the MSP Project to develop a strategy for the production and marketing of goods and/or services produced by participating groups.

The approach will be to harmonize and integrate information dissemination and training strategies and to focus on specific issues where longer-term sustainable approaches can be matched with short-term approaches that address the immediate situation. For maximum impact these training and information activities should be coordinated with other donor-funded efforts.

Skill training is only effective if the problem is a lack of skills and knowledge to perform the work in question. In addition to transferring skills, it will also be necessary to address the institutional,

organizational and management issues that impede the ability of individuals and organizations to utilize skills and knowledge.

Strengthening the performance (ability to identify problems, mobilize resources and take actions) of women's associations and building stakeholders among key village or district groups will be important for success. This approach should target training to key organizational groups at the village or district level. Training horizontal groups, such as women's organizations, school teachers, social welfare and health workers, will build a common understanding and improve working relationships and inter-sectoral collaboration. Training vertical groups, such as key village, city council and district level decision-makers, will facilitate support for the actions that women's associations undertake.

While improved management skills and stronger communications skills are needed at all levels, training that emphasizes a blend of the technical, organizational and the management skills needed to deliver services or information effectively should be stressed. The involvement of local organizations and women community leaders in training design and implementation will be of key importance. A combination of participatory methodologies and traditional learning methods may prove to promote more effective learning.

An early activity of the project should be to inventory the diverse types of short-term, local training that are available in country in highland, coastal and jungle areas. Where appropriate, selected regional institutions, such as midwifery schools, may be used as resources to implement training. Some technical assistance in training may be provided to the implementing entity by selected G/PHN/POP Cooperating Agencies.

4. Reflective Phase

The monitoring and evaluation of community-based activities will be of primary importance to **ReproSalud's** effective implementation. It will be the implementing entity's responsibility to ensure that each proposal contains a monitoring and evaluation plan that is appropriate relative to the activity's objectives and design. The plans will include the expected outputs and outcomes, as well as specify the indicators that will be used for their evaluation. Special attention will be paid to ensure that indicators accurately assess outputs and outcomes relative to ***the problems that the community has defined***; however, other indicators may also be included for the purposes of evaluating the entire **ReproSalud** project. The project will produce an annual "State of the Community Report" that analyzes and informs on project activities.

III. PLAN OF ACTION

A. Implementation Arrangements

1. Implementing Entity

ReproSalud should be implemented by an indigenous Peruvian non-governmental organization (NGO). A Peruvian entity will be key to its success for several reasons:

a. The community-based focus of the project implies that the implementing entity will need to have in-depth familiarity with Peru.

b. The project's principal target group is women whom conventional family planning programs have not reached. Thus, the entity needs to have legitimacy among women in Peru, *i.e.*, needs to be known as championing women.

c. Relatedly, a principal -- if not the principal -- innovation of this project is its explicit gender focus. The way gender issues are played out in Peru is best known by a Peruvian entity with a history of working in gender issues. A Peruvian entity that is familiar with male behavior might have more success in encouraging male participation.

d. There are social and cultural values in Peru that relegate women to specific roles. A Peruvian entity, particularly a Peruvian women's organization, could be a role model for women's empowerment, by showing that Peruvian women can manage and implement a complex project. This would provide a practical example for community-based groups.

e. An advocacy role is contemplated for the implementing entity. This would involve sensitization and education of lawmakers, professional associations and other decision-makers and opinion leaders. A non-Peruvian entity would be neither credible nor effective in that role. The topics that will be aired are subjects for debate among Peruvians, if it is expected that meaningful consensus will be developed on them.

f. In the same vein, a Peruvian entity would not be influenced by the policies and vicissitudes in policies of an expatriate organization.

g. For reasons of long-term development and sustainability, it makes sense to strengthen a Peruvian entity in this work, so as to leave a permanent capability in the country. This is particularly true in the area of credit programs for poverty alleviation, where a worldwide lesson learned is that permanent financial services are essential.[34] A Peruvian institution is more likely to be seen as a permanent one and therefore have a lower default rate.

h. Work in communities by a foreign entity in the areas of family planning and women's empowerment might be seen by some eager critics as an example of cultural imperialism. This might lead to resistance or backlash in the communities. Relations with the church might also be easier with a Peruvian entity.

i. As detailed below, appropriate Peruvian entities exist that carry out work similar to that contemplated under **ReproSalud**.

j. Implementation directly through a Peruvian entity would be more cost-effective and thus more in the interest of the U.S. Government.

Further, a non-governmental organization is called for because an NGO is outside the direct influence of political forces, which are unpredictable in Peru in the area of family planning and reproductive health. **ReproSalud** could not take a decidedly pro-woman stance, in contrast to a pro-government stance, if it were implemented through the government. Further, the project could not carry out its advocacy role if it were part of the government, since that role will consist in large part of trying to convince government to move beyond the *status quo* in certain areas.

[34] The case of moneylenders is a good example of a permanent institution. They are always there when they are needed. They lend and recover loans because they are permanent. Why pay a debt today if the institution will not be there tomorrow? (Arturo Briceno Trip Report on Conference on Financing Services for the Poor, Washington DC, November 1994. Internal Mission document.)

Type of instrument. A cooperative agreement is the appropriate implementation instrument for the field-level activities in **ReproSalud**, as differentiated from the external technical assistance that may be needed. This is based on the guidance in Handbook 1, Supplement B, Chapter 25, which deals with criteria for choice of implementation instrument. In the language of the Handbook (p. 25-2, section 2):

> *A type of Grant will be used when: a. The principal purpose of the relationship is the transfer of money, property, services or anything of value to the recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition, by purchase, lease, or barter, or property or services for the direct benefit or use of the Federal Government.*

Further (p. 25-3, section 3), a type of Cooperative Agreement will be used when a. (above) prevails, and:

> *b. A grant would be appropriate except that substantial involvement is anticipated between the Agency and the recipient during the performance of the proposed activity.*

Finally (p 25-4. section 25F):

> *Selection of the appropriate implementing instrument depends initially upon determination of whether the action is principally one of acquisition or assistance and, if assistance, a determination of whether substantial Agency involvement in performance is anticipated.*

The concept of **ReproSalud** is one of assistance, rather than purchase of a clearly-delineated set of goods and services, that is, it focuses more on development of a particular type of program than on deliverables. Further, it contemplates sub-grants. Accordingly, the grant mechanism is appropriate. Second, since the Mission wishes to have substantial involvement in this assistance, the cooperative agreement mechanism is appropriate.

The cooperative agreement will provide management and implementation support for project operations. The major responsibility of the implementing entity will be to support USAID/Peru in project implementation, providing specific types of technical and management assistance. A very specific "substantial involvement" section should be developed for the agreement that will give the Mission implementation oversight and joint strategic planning capacity. For example, the cooperative agreement should specify that the grantee develop a decision-making process for each stage of project implementation that would be the basis for consultative meetings, problem-solving and joint decision-making at several points in each stage.

Defining characteristics of that Peruvian entity should be the following:

• It should have a history of working with a gender focus to promote women's rights and development.
• It should have demonstrated institutional capability in women's development, including health, family planning and other aspects of social development (*e.g.*, income-generation, civil rights, education). In other words, the entity should be wider than a dedicated family planning organization.
• Under its umbrella, the entity should be able to offer a network of organizations dedicated to women's development in the priority areas of the project; these may be institutionally related to the prime Peruvian entity, or may represent a consortium.

- It should have institutional experience in community-based programs that work with local groups of women. Ideally, it would be able to offer established linkages with such groups.

Historically, USAID and women's groups have found more to disagree on than to agree on. The new policies of the Agency and the Office of Population contain an explicit commitment to reach out to women's groups, using the considerable ground they have in common as a base. Indeed, an initiative of this nature has been mounted within the Office of Population. **ReproSalud** is one of the first Agency projects that could put this new commitment into action. This reasoning provides a strong argument for inviting Peruvian women's organizations to compete to be the in-country implementor of **ReproSalud**.

To develop this Project Paper, the HPN Office investigated options for local implementing entities. This involved examining both current USAID cooperating agencies and groups that are relatively new to USAID/Peru. The following methodology was used: With input from PDP, CONT, and EXO, HPN developed a questionnaire to collect information for organizational profiles on potential entities. The questionnaire had two parts.

The first part explored the organizational profile without regard to the types of technical expertise resident in the institution. It included questions on history, legal status, annual budget, donor history, organizational structure, controls, staffing and linkages with other groups. In general, it responded to concerns about the ability of an implementor to meet USAID requirements in managing such a large project as **ReproSalud**.

The second part dealt with the types of technical expertise resident in the institution, focusing on those required by the project. These include reproductive health service delivery, women's development, provision of credit, microenterprise development, activities with small producers, community action with women's groups, qualitative research, quantitative research at the local level, training and education of peri-urban and rural groups, women's rights, gender focus and IEC activities. In general, it responded to concerns about the technical capability of an implementor to carry out such an innovative project as **ReproSalud**.

Particular elements of concern were an appropriate gender focus, a history of working for women's rights and reproductive rights, a genuine commitment to and expertise in the gamut of reproductive health (as opposed to strict family planning), experience in microenterprise and credit provision, a historic methodology of working at the grassroots level with full regard for the value of community participation, an orientation toward educational activities (rather than merely messages through materials and other audiovisuals), expertise in advocacy (*i.e.*, lobbying) at the political level, and both qualitative and quantitative research skills.

Second, an HPN staff person personally interviewed selected key staff of all Mission offices to elicit suggestions of entities within the Mission portfolio that were strong partners; in this cut, the organizational aspects of the entities were more important than their technical areas of expertise. In other cases, suggestions were made of entities relatively new to USAID/Peru's network of partners.

The preliminary list of suggestions contained some 23 entities. Many of the entities were quite well known to the HPN Office. For these entities, an analysis of technical expertise could be done without site visits. Entities with which the HPN Office was less familiar received site visits. Some suggested entities were clearly off target as far as the technical areas of expertise were concerned. Of the 23 entities originally suggested, 9 were ruled out because their areas of technical expertise were not a strong match with the project; another 3 were ruled out because their work to date has not shown a commitment to family planning; and another 3 were ruled out because they were

considered not to be sufficiently strong institutionally to implement as large and complex a project as **ReproSalud**.

This left eight entities under consideration. Two of them were very well known to the HPN Office, and any needed additional information was gathered by telephone. These were CARE and PRISMA. The HPN Office visited the other six entities and developed organizational profiles on them. They were: Alternativa, CEDRO, Flora Tristan, FOVIDA, GRADE and Movimiento Manuela Ramos.

The organizational profiles reveal that five of the groups -- Alternativa, Flora Tristan, FOVIDA, GRADE and Manuela Ramos -- manage an annual budget in the range of $700,000-$1,000,000. CEDRO has a higher level, at around $2.4 million per year. Though representing a respectable level for indigenous NGOs, these are not high levels by USAID standards and relative to the authorization level of **ReproSalud**.

The annual budgetary level, however, is only one criterion in financial management. It must be regarded in the context of the number of donors with which a particular NGO works and the number, nature and complexity of the projects being implemented. Most of these groups work with a multiplicity of donors, including a large number of European and other non-U.S. donors. Both Manuela Ramos and Flora Tristan, for example, have portfolios of some 21 donors. Alternativa has 19, while FOVIDA has 9. Management of a large number of small awards, particularly from a diversity of donors, all of which have their own monitoring, reporting and control requirements, is arguably an equal or larger challenge than management of one or two awards of large dollar value from a single donor.

Further, the diversified funding base speaks to the ability of such groups to attract funding, as well as to their long-term sustainability, since they clearly do not rely overly on any one donor. It is key that these points be kept in mind if the Mission is seriously committed to selecting the most appropriate implementing entity, as well as to expanding its network of cooperating agencies. Finally, as specified in the section below on the implementing entity's scope of work, that entity will be encouraged to offer in its application a strong ally in financial management. This will help alleviate the heavy burden of accounting and management of large sums.

The results of the evaluation of technical expertise, which rated the 8 groups in 14 areas that the Mission committee determined were key to successful implementation of **ReproSalud**, are, in descending order:

1. First option: Manuela Ramos
2. Second option: Flora Tristan
3. Third option: Alternativa
4. Fourth option: FOVIDA

Outside serious consideration, for reasons of technical expertise and/or non--Peruvian status: CEDRO, CARE, PRISMA and GRADE.

This exercise, characterized as an informal market study in USAID parlance, constitutes competition. It is an approach on which both the RLA and RCO have advised the HPN Office and one they find satisfactory. It involves no waiver of competition. The analysis indicates that Manuela Ramos is arguably the strongest group to implement **ReproSalud**, if a non-competitive award is to be made. A major difference between Manuela Ramos and Flora Tristan is the former's work in provision of credit and microenterprise. Both Manuela Ramos and Flora Tristan are appreciably ahead of Alternativa and FOVIDA, particularly in regard to the formers' status as women's organizations. Of the four groups, only Flora Tristan and Manuela Ramos are well known for their gender focus.

There is ample precedent within the Mission to select one entity via an informal market survey to enter into a cooperative agreement with USAID. This does not mean that such a sole-source organization would work alone. The scope of **ReproSalud** is such that a credible proposal to implement the project will likely include provision for collaboration with other groups. Indeed, the RFA will encourage consortia. Thus, even if only one organization were invited to submit an application for **ReproSalud**, the net result will be to involve other organizations in the effort.

Nonetheless, though a convincing argument can be made for inviting only one entity (Manuela Ramos) or two entities (Manuela Ramos and Flora Tristan) to prepare applications for **ReproSalud**, in the interest of offering as wide a participation as possible, the HPN Office recommends that all four high-ranking organizations receive a Request for Applications.

The organizational profiles of the four NGOs are contained in an annex to this Project Paper. The full information memorandum on the market survey (Brems to Wachtenheim, March 7, 1995) can be referred to in the **ReproSalud** project file.

2. External Technical Assistance

The areas of technical expertise necessary for successful project implementation are: community-based research; family planning and reproductive health; service delivery; community-based educational programs; training; advocacy; management development; and sustainability, including banking, provision of credit and microenterprise. To assist in the innovative activities in credit and microenterprise, it is envisioned that some sectoral analyses will be required to assess the feasibility of particular types of microenterprises. The implementing entity will need to have resident expertise in these areas and propose project staff that augment and solidify such types of expertise. At the same time, there will no doubt be value in calling on external technical assistance to support certain aspects of project implementation.

External technical assistance could be useful for:

-- complementing and further augmenting the expertise of project staff in discrete, focused activities;
-- transferring certain types of technology that may be new or relatively new to project staff;
-- bringing to bear cross-national experience; and
-- by dint of association with the project, disseminating the experience of **ReproSalud** to other projects worldwide.

In development of this Project Paper, several options were examined for procuring such assistance. The three primary options were: i) utilization of standing IQCs; ii) a separate procurement; and iii) acquisition through buy-ins, add-ons and/or OYB transfers. These options were discussed with colleagues in the Global Bureau, the Regional Bureau and the Office of Procurement. Option C was identified as the best option for the following reasons:

-- The Center for Population, Health and Nutrition has allowed all of its IQCs to lapse. It considers the companion contracts, *i.e.*, buy-ins, to the major contracts as appropriate IQC mechanisms for Missions to procure short-term technical assistance.

-- Under re-engineered budgeting, buy-ins should move away from a PIO/T buy-in mechanism to an OYB transfer mechanism, facilitating the acquisition of services under centrally-funded projects.

-- Obtaining external technical assistance through a new procurement would be redundant of what the Global Bureau can offer through existing projects. Such a separate procurement would also cost more time and money than would the buy-in/OYB transfer mechanism.

-- Use of existing Global Bureau projects provides a way to marry an innovative, high-visibility Mission project to a re-engineering of how the Global Bureau and its cooperating agencies work, with the intended end result of producing a more Mission-responsive way of doing business. In short, the needed technical assistance would already be available through accessible buy-ins, add-ons and OYB transfers to existing projects.

Many centrally-funded projects, that is, projects of the Global Bureau, have expertise in the technical assistance areas cited above. **ReproSalud** is an innovative, diverse project that will probably require various types of technical assistance that are not resident under one project. As a way of illustration, the following Global Bureau projects have expertise that may be helpful to **ReproSalud** in the key areas mentioned above:

- *Community-based research*: MotherCare (936-5966.07), INOPAL III (936-3030), The Women's Studies Project (936-3060); The Evaluation Project follow-on (936-3060); Data for Decision-Making (936-5991).

- *Family planning and reproductive health*: POPTECH (936-3024); Initiatives in Natural Family Planning & Breastfeeding (936-3061); PRIME (936-3072); JHPIEGO (936-3045); Pathfinder (936-3062).

- *Service delivery* (community-based): ACCESS (936-3059); CARE Multisectoral Population Project (936-3058); Improving the Health and Well-being of Young Adults; OMNI (936-5122); STD Diagnostic Initiatives (936-5972.28).

- *Community-based educational programs*: MotherCare (936-5966.07); BASICS (936-6006); Population Communication Services follow-on (936-3052).

- *Training*: PRIME (936-3072); BASICS (936-6006); CEDPA Women in Management Training.

- *Advocacy*: Population Reference Bureau (936-3046); WIN (936-5117).

- *Management development*: Family Planning Management Development (936-3055); POPTECH (936-3024).

- *Sustainability and evaluation*: The Microenterprise Innovation Project (MIP) (940-0406); The Evaluation Project (936-3060).

Clearly, not all of these Global Bureau projects will be tapped, the above list being illustrative. An early task of the Project Coordinator will be to review technical assistance needs with the implementing entity against this list, develop a plan for external technical assistance and draw up the appropriate paperwork to procure the needed services. These services will be procured directly by the Mission. It is envisioned that very early technical assistance needs might be financed through core funds from particular projects. This would be part of the Global Bureau's support for **ReproSalud**.

3. *USAID Project Management*

The dual, and often competing, responsibilities of project officers to provide strategic technical planning as well as monitor contractor performance and provide fiscal oversight often result in

deficits in both areas. The general approach in **ReproSalud** will be to divest the administrative and fiscal tracking aspects of the project from the overall management and leadership functions.

Overall technical leadership and strategic guidance to the project will be provided by USAID/Peru's Office of Health, Population and Nutrition, with chief responsibility lying with the USDH Project Officer. The USDH Project Officer will collaborate with the Chief Technical Coordinator of the implementing entity to provide policy, program and technical guidance on major technical and management issues, including approval of technical advisors and assistance. Final judgment of priorities rests with the USDH Project Officer in USAID/Peru.

USAID/Peru will use project funds to contract the services of three Staff memebers, both to assist the USDH Project Officer with the technical management of the project and to monitor the performance of the implementing entity. The objective is to invest direct hire staff with prime decision-making responsibilities and to delegate routine operational and administrative procedures to non-direct hire staff. Creating a small core of technical managers will allow the USDH staff to focus on overall technical direction, strategic management and analysis of key policy and program issues, rather than day-to-day project operational issues. Additional staff will also broaden the technical perspective of the HPN Office and decrease the management burden on the direct-hire staff without sacrificing project oversight. These project-funded positions are described below.

Project Coordinator. This person is contemplated to be an off-shore hire who would be a full-time employee. An off-shore hire is recommended because it is expected that this person will bring substantial cross-national experience to the project, including familiarity with women's organizations worldwide, will be very aware of resources available through the Global Bureau, and will be knowledgeable about Agency policies and norms for financial and other types of project management. It is expected that this person would play a large role in reporting on the project to interested parties in AID/W. Accordingly, an off-shore hire who is familiar with AID/W would be preferred. In-country approval for this position has been obtained. At project initiation, this position should be approximately equivalent to a high GS 11 or low GS 12.

Under the direction of the USDH Project Officer, the Project Coordinator will provide operational guidance to the implementing entity to ensure that project implementation proceeds on schedule and that the project's activities conform to the goals of the project. The Project Coordinator will be responsible for: (i) monitoring the performance of the implementing entity, the progress in project implementation and the evaluation process, including regional operations and the implementing entity's regional advisors; (ii) providing first-line fiscal oversight; (iii) identifying technical assistance needs, liaising with the Global Bureau regarding external technical assistance and preparing the necessary PIO/Ts for agreed-upon buy-ins, add-ons and OYB transfers; (iv) in collaboration with the Executive Office and the Regional Contracting Officer, overseeing any other procurement for which USAID/Peru is responsible; and (v) documenting the technical and management lessons learned in project implementation. The Project Coordinator will work under the supervision of the USDH Project Officer and directly with the Chief Technical Coordinator of the implementing entity.

In addition to activities performed in collaboration with the implementing entity, the Project Coordinator, in collaboration with the Project Management Specialist, will be responsible for reporting on the project within USAID/Peru. This person will also liaise with AID/Washington to report project data and integrate project information into the Agency-wide impact assessment and population and health information systems.

Coordination responsibilities for this person include planning and collaborating with other USAID/Peru projects to enhance linkages and synergisms, foster a cross-sectoral perspective and identify where activities can lead to greater integration; and maintaining active liaison with NGOs at the operational level to promote collaboration. The Project Coordinator will rely on the Project Management Specialist for support in these activities and will supervise that person.

The Project Coordinator should have the following qualifications:

-- Relevant academic qualifications: at least a master's degree in public health, anthropology, women's studies or community/international development
-- Training and experience in reproductive health and family planning programs
-- Demonstrated knowledge of gender theory
-- Fluency in Spanish and English; if expatriate, Spanish at the equivalent of S3+/R3+ is the minimum acceptable level; S4/R4 is highly preferred
-- Familiarity with resources of the Global Bureau
-- Familiarity with the policies, procedures and norms of large development agencies
-- Extensive knowledge of women's issues at the community level
-- Project management experience
-- Experience in developing countries
-- Superior writing skills
-- Ability to work with counterparts in a collegial way

Project Management Specialist. This person will be a full-time, project-funded FSN employee at Level 8 or 9. He/she will be directly supervised by the Project Coordinator.

The Project Management Specialist will be responsible for monitoring the implementing entity's compliance with USAID administrative requirements. He/she will also have primary responsibility, under the guidance and supervision of the project coordinator, for preparing the procurements for which USAID/Peru is responsible. The specialist will draft documents and work with USAID's Procurement Office to ensure that all project procurement is undertaken on a timely basis and in agreement with USAID procurement regulations. The Project Management Specialist's counterparts will be the staff of the Administrator of the implementing entity.

The Project Management Specialist will, under the guidance and technical oversight of the Project Coordinator, be responsible for collaborating with the Administrator of the implementing entity on the Project's management and health information systems to: provide management reporting to track progress over time; furnish information to satisfy USAID/Peru's reporting needs; and ensure that the USDH Project Officer and Project Coordinator have easy access to project data to report at both the Mission and Washington levels.

Specifically, the Project Management Specialist will coordinate with the Regional Advisors to see that a continuous stream of data and information is available to document project accomplishments and constraints, synthesize lessons learned, assess project effects and impact, and develop the yearly "state of the community" report. Responsibilities include keeping the Project Coordinator apprised of administrative aspects and issues, keeping on top of regional issues and status, and maintaining a data base on the project.

Once particular technical assistance needs have been determined, the Project Management Specialist will have responsibility for arranging the logistics of TDY visits. In this, he/she will be supported by the project secretary.

The Project Management Specialist should have the following qualifications:

-- Academic training in business, administration or management
-- Familiarity with information systems and standard software programs
-- Familiarity with the policies, norms and procedures of large development agencies
-- English at the IV Level
-- Strong writing skills in Spanish and good writing skills in English

-- Experience in public health, family planning or reproductive health programs is beneficial
-- Experience in training or non-formal adult education is beneficial
-- Experience in organizational development is beneficial

Project Secretary. This person will be a full-time, project-funded FSN employee at Level 5. He/she will have the responsibilities typical of a project secretary: keeping files, drafting and finalizing correspondence, finalizing reports, arranging appointments and meetings, supporting technical advisors on TDYs, preparing travel authorizations and vouchers, and related duties. This person should meet the standard Mission requirements for a secretary at the FSN 5 level.

4. *Scope of Work of the Implementing Entity Team*

The major activities of the implementing entity will be to: publicize vigorously the support available through **ReproSalud**; help identify potential participating groups; work with local groups to identify needs, design a program and prepare proposals for support; aid in supplying the necessary human and material resources for service provision; manage the grants program; monitor the implementation and sub-grants; and conduct advocacy that filters up the needs and problems identified at the grassroots level.

A principal role of the implementing entity will be to assist and facilitate CBOs in:

(a) bringing into focus key issues and problems;
(b) identifying gaps in existing knowledge and constraints that hinder the use of reproductive health and family planning services;
(c) developing strategies and methodologies to address these gaps or constraints; and
(d) supporting the efforts of CBOs with advocacy and IEC.

The implementing entity will need to have an organizational structure that brings together and manages a multi-sectoral team of diverse talents towards a common goal. Collectively, the team will need to encompass such skills as family planning, wider reproductive health, social mobilization, information and advocacy, and micro-enterprise development. Though a single organization will take the lead as the project implementing entity, any offerors will be encouraged to propose collaboration with other groups, to the extent that the technical expertise and geographic coverage of those other groups complement the lead entity to present a stronger proposal.

A very hierarchical, command and control type of organizational structure is not judged to be appropriate for this project. A community-based approach to improving reproductive health and family planning will require a high degree of teamwork among the technical staff of the implementing entity, a strong management development focus and extensive community collaboration. The implementing entity will need to define an organizational structure and establish project policies, strategies and plans that maintain these principles of operation. It is envisioned that all of the technical staff will be necessary for the full five years of the project.

The senior management team of the implementing entity will be composed of the Chief Technical Coordinator, the Project Administrator, and the Project Financial Analyst. This team will be responsible for strategic planning and setting project priorities, in consultation with the USAID Project Officer and Project Coordinator. The team will also be responsible for operational planning at the project level, in consultation with the projects's technical specialists and the USAID Project Coordinator.

The implementing entity will provide the following specific types of technical personnel, which are graphically displayed in Figure 4.

Chief Technical Coordinator. The Chief Technical Coordinator will provide strategic management of the project. The Technical Coordinator will need to articulate the goals and purpose of the project, judge operational priorities, mobilize project resources and lead the project team of the implementing entity to actions that strengthen the ability of CBOs to improve the reproductive health of women. This person will have ultimate financial responsibility for the project.

Under the guidance of the USAID/Peru Project Officer, the Technical Coordinator will have first-line responsibility for the strategic management and implementation of the project. In collaboration with the Project Administrator and the Financial Analyst of the implementing entity, the Technical Coordinator, will have accountability, but not direct operational responsibility, for project administration, budgeting, procurement, logistical support, sub-contractual agreements, fiscal monitoring, and operational and administrative support to the regional advisors. The Technical Coordinator, in consultation with the USDH Project Officer and Project Coordinator, will be the final point for decision-making on the implementing entity staff.

The Chief Technical Officer is specifically charged with technical supervision of the project. This includes staff in the three technical clusters described below and the Regional Advisors. The Technical Officer will set the tone for the project, providing guidance in setting work priorities and taking the lead in managing staff in a way that facilitates the dynamics of productive team work. This person will be the chief public spokesperson for the project among the implementing entity staff and, together with the USAID/Peru project officer, will represent the project in public forums.

The Technical Coordinator should have the following qualifications:

-- An advanced degree (doctorate preferred but master's degree is the minimum requirement) in public health, anthropology or sociology; a medical doctor is also acceptable
-- At least five years of experience with community-based programs in health, with emphasis on women's health
-- Strong leadership skills
-- Extensive background in community development
-- Broad understanding of reproductive health and family planning issues, training and communications
-- A minimum of three years of management experience as the supervisor of technical teams on health or closely-related development issues
-- Strong familiarity with Peru, with special emphasis on the provinces
-- Some familiarity with USAID policies, norms and procedures
-- If a non-native speaker of Spanish, the equivalent of level S4, R4 in Spanish. Spanish speakers would ideally have at least a working knowledge of English, but that is not a minimum requirement

There should be at least one physician on the project staff at the central level. That person might be the Chief Technical Coordinator described here, the Advisor in Family Planning and Reproductive Health described below, or another slot at the project headquarters.

Project Administrator. The Project Administrator complements the Chief Technical Coordinator in forming the implementing entity's part of the Senior Management Team. This person will have several responsibilities, chief among them the organization and management of the operational aspects of the project. The Project Administrator will serve as the Deputy to the Technical Coordinator and will have wide scope in decision-making. He/she will have first-line accountability for budgeting and fiscal tracking and will report to the Chief Technical Coordinator on financial matters, the latter being the person with ultimate financial responsibility for the project. This person will have prime responsibility for the H/MIS; financial reporting related to achieving project outputs; the organization, administration and monitoring of the small-grants process; coordination with management and micro-enterprise advisors; and operational backstopping of regional advisors.

The Project Administrator should have the following qualifications:

-- An advanced degree is preferred, but the minimum requirement is *licenciatura*; the degree should be in a relevant field, such as business or organizational development
-- Administrative experience in, for example, budgeting or fiscal planning and monitoring, procurement, logistics and/or sub-contracting
-- If a non-native speaker of Spanish, the equivalent of level S4, R4 in Spanish. Spanish speakers would ideally have at least a working knowledge of English, but that is not a minimum requirement

Financial Analyst. The Financial Analyst is the third member of the implementing entity's Senior Management Team. It is expected that many of the CBOs that participate in **ReproSalud** will not be overly experienced in grantsmanship and fiscal monitoring. It can be anticipated that they will require a fair amount of training, guidance and assistance in order both to comply with USAID requirements and to promote their own institutional development. Accordingly, the implementing entity should have on staff a Financial Analyst who can help train CBOs in a basic system acceptable to USAID, guide them in its use and provide supportive supervision in financial monitoring of and accountability for the grants. This role might be filled by an individual from an organization that is very strong in financial management.

The Financial Analyst should have the following qualifications:

-- An advanced degree in business, finance, accounting or a related field.
-- At least five years of experience in accounting or financial management.
-- In-depth familiarity with USAID standards for financial monitoring.
-- Appropriate inter-personal skills for teaching, guiding and supervising in a supportive way.
-- If a non-native speaker of Spanish, the equivalent of level S4, R4 in Spanish.

Technical Skills Clusters

The implementing entity will provide: (i) at least eight technical advisors in three technical skill clusters that correspond to project activities; and (ii) nine regional advisors.

For the project to operate effectively, the entire array of skills described below must be available. However, flexibility can be built into staffing these eight positions, so that the final constellation as a whole reflects the necessary skills, though the exact composition of the staff may not be identical to that given below. Technical skill are a primary but not exclusive factor in staff selection. The project is committed to providing technically skilled staff, but it is equally committed to staff that have an appropriate perspective, *i.e.*, client-oriented and gender-sensitive, driven by a strong commitment to capacity building and capable of leading and serving on team efforts.

Thus, the staffing pattern outlined below may be modified if the requirements of the skill clusters are met. The objective is to have a highly skilled staff that knows Peru well, is committed to women's development and can effectively integrate biomedical and social science problem-solving into project operations. In addition to proposing candidates for full-time positions, Offerors should propose a slate of short-term consultants who can complement their proposed staff.

With this caveat, three Technical Clusters, with illustrative staff functions, roles and qualifications, are outlined below. It is envisioned that all of the staff described below will travel considerably, lending their expertise and overall knowledge of the gamut of **ReproSalud** activities to the many CBO grantees of the project.

Community Research and Service Cluster

Research Advisor. The functions of this advisor will include: leading the team that designs and implements community diagnosis and analysis; training CBO members in data collection and analysis tools and techniques; identifying additional data needs and needs for technical assistance; designing and implementing qualitative and small-scale quantitative research; and training CBOs in participatory evaluation techniques.

The Research Advisor is charged with building the analytic base that will inform the community-based actions that CBOs will undertake to improve the reproductive health of local women. As the project moves forward in implementation, this advisor will additionally be responsible for monitoring project effects. Consequently, the Research Advisor, in coordination with the Project Administrator, the Project Coordinator and the Project Management Specialist, will develop an internal performance monitoring system that can track and gauge project impact. In coordination with the other technical advisors, this person will develop and implement indicators, ensuring availability of all types of data: baseline, service statistics and impact.

The person preferably should have an advanced degree in anthropology, sociology or a related social science. The minimum requirement is a *licenciatura*. The person should have expertise in both qualitative and small-scale quantitative research, with the emphasis on qualitative skills. The person can be supported by short-term technical assistance, particularly in more sophisticated types of quantitative data collection and analysis. The person should have knowledge of and work experience in family planning and/or women's development. Knowledge of Quechua and/or Aymara is a decided plus.

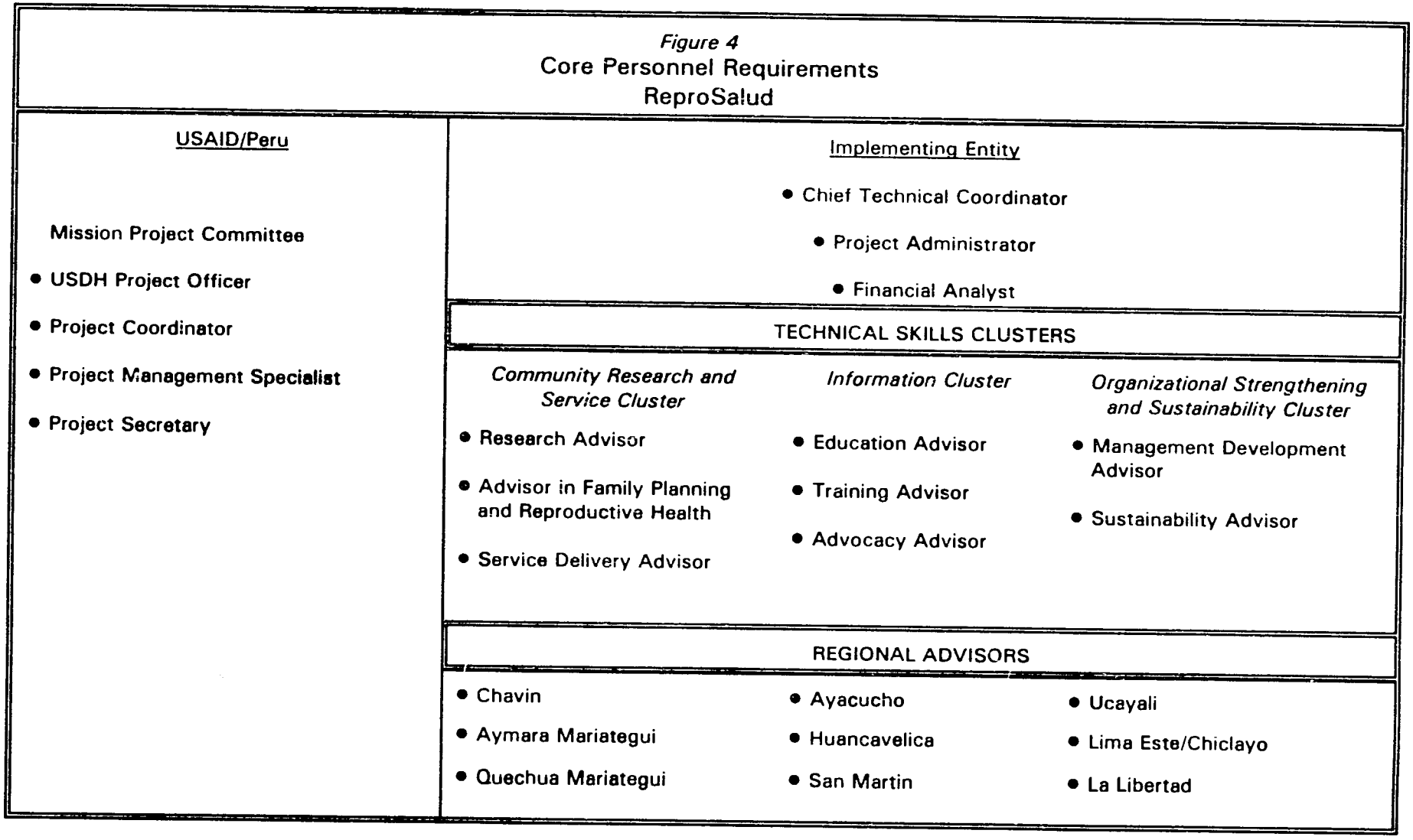
Advisor in Family Planning and Reproductive Health. The functions of this advisor will include technical assessment, planning, training and quality control. This person will be charged with working with the Research Advisor to tap existing sources, collect new data and otherwise help CBOs develop epidemiological profiles of their community. This person will ensure that the community-level activities that are developed have linkages to clinical services. Thus, this person will act as a liaison between **ReproSalud** activities and conventional, facility-based family planning services. Within **ReproSalud**-supported activities, this person will advise CBOs on the design and implementation of family planning and other reproductive health activities. This person will ensure that high standards of quality of care, in the sense of provider protocols and the like, are set and adhered to.

This person should be trained in clinical and non-clinical aspects of family planning and reproductive health. The person could be a midwife, nurse or doctor. The person should have substantial experience in either managing or delivering services at the community level.

Service Delivery Advisor. This person will work closely with the Research Advisor, the Advisor in Family Planning and Reproductive Health and the Education Advisor to help CBOs design and implement service delivery activities that respond to both the self-identified needs of the community and the epidemiological profile of the community. This advisor will have a lead role in supervision of services, helping to ensure that the standards of quality dictated from the provider perspective harmonize with the equally important standards of quality from the perspective of the community.

This person should be experienced in at least service delivery of non-clinical methods of family planning and, ideally, in IUD insertion and removal. The person could be a midwife or nurse. This person should have substantial experience at the community level. Knowledge of Quechua and/or Aymara is a decided plus.

Figure 4
Core Personnel Requirements
ReproSalud



Information Cluster

Education Advisor. This person's main role is to strengthen the educational and communication skills of CBOs. This advisor will help CBOs to develop and implement plans for educational activities that may either precede or accompany service delivery. Because of the many educational materials on topics in family planning and reproductive health that are already available or presently under development in Peru, it is not envisioned that many more materials will have to be developed for **ReproSalud**. This advisor will be tasked with inventorying the materials available and making arrangements with the producers to make them available to **ReproSalud** sub-grantees. Where called for, for example, the project can underwrite reprinting costs. In many instances, CBOs may wish to work also with very low-level media that they themselves produce, because they reflect their particular environment. This advisor will provide guidance in that type of activity.

In contrast to projects that emphasize materials development, the major role of this advisor is to provide guidance in the actual implementation of educational activities, regardless of the materials used. This advisor needs to be a creative and dynamic person who can devise and train CBOs in participatory educational activities that raise women's awareness and knowledge base.

This person should have knowledge of educational technologies and experience in community-level educational activities. The person should have a degree in education, sociology, anthropology or an equally relevant field. He or she should have at least three years f experience in health education or other type of education at the community level. The minimum level of academic qualification is a bachelor's degree, as for this advisor, experience is more important than formal training. Knowledge of Quechua and/or Aymara is a decided plus.

Training Advisor. In consultation with the other technical advisors, in particular the research, family planning, education, management and sustainability advisors, this person will assess training needs across the project, Based on this collective assessment, the Training Advisor will design and implement a comprehensive skill and organizational development training strategy for the project. This advisor will identify opportunities to coordinate training activities with other organizations and projects. The advisor will design and conduct training, training of trainer events, team planning meetings, seminars and related events.

A distinction is made here between education, which is seen as knowledge imparted to the general public that is useful in everyday life, and training, which is seen as the development of particular skills among certain cadres of personnel, who will in turn apply those skills in activities that involve the general public.

Training will probably be in three main areas: service delivery, service management and sustainability enhancement. Within these areas it might include such topics as: midwifery skill enhancement for traditional birth attendants, family planning counseling for paraprofessional personnel, effective use of non-technological forms of contraception, bookkeeping, management, product enhancement and marketing. Actual training may be done on occasion by the advisor himself/herself, or through short-term technical assistance and arrangements with other entities.

The Training Advisor should preferably have an advanced degree in a relevant field, such as education, public health or psychology. The minimum academic requirement is a *licenciatura*. The person should have experience in diagnosing training needs and mobilizing appropriate resources to meet those needs. The person should be very familiar with institutions and other training resources within Peru.

Advocacy Advisor. At the same time that **ReproSalud** works on many different fronts in many different communities to improve reproductive health and empower local women, there is a need to step back from the details of particular sub-project implementation and synthesize emerging

patterns of needs, experiences and accomplishments. **ReproSalud** is, as much as anything else, an exercise in inductive model building -- working from the grassroots on up, in a bottom-up approach.

The main function of the advocacy advisor will therefore be to analyze, with the support of other key advisors, the field experiences of the various sub-projects and distill from them common themes and issues that need to be brought to the attention of relevant interest groups and policy makers. This person will then take a lead role in advocacy actions -- coordinating the analytic basis and communication outreach strategies to advance the local and/or national policy dialog on reproductive health issues. At times this person will act as the project spokesperson, and at times that role will be filled by the Senior Technical Coordinator or the USAID/Peru Project Officer or Project Coordinator, as appropriate. Regardless of who might represent the project publicly on different occasions, the Advocacy Advisor will have the day-to-day responsibility for planning and operationalizing an advocacy strategy that uses information in an action-oriented way.

In the early stages of the project, the Advocacy Advisor will primarily be responsible for developing materials to publicize the project and for implementing a strategy to ensure that relevant CBOs throughout the country, but particularly in the priority areas, are aware of the possibilities of support available under **ReproSalud**. As the project moves along in implementation, the advisor's role will shift more and more to one of publicizing the activities and achievements of the project and public policy advocacy. Prime responsibility for the annual "State of the Community Report" will belong to the Advocacy Advisor, under the guidance of the Chief Technical Coordinator and the USDH Project Officer.

The key qualification for this advisor should be excellent analytical and communication skills. Ideally, the person should have some level of fluency in English. The person should be very familiar with interest groups in Peru that work in women's development, as well as relevant governmental agencies. A minimum academic background would be a *licenciatura*. Studies in political science would be beneficial. The person should have experience in advocacy and/or marketing.

Organizational Strengthening and Sustainability Cluster

Management Development Advisor. This advisor will assess the management and administrative capacity of CBOs. Based on that assessment, the advisor will develop and implement a strategy to strengthen CBO operations and their ability to manage small grants. This advisor will collaborate strongly with the Training Advisor to develop and provide relevant skill training. He/she will collaborate strongly with the Advocacy Advisor to explore options to build or federate small CBOs into mid-level organizations or action groups that can influence design of service delivery and policy.

Ideally, the Management Development Advisor will have an advanced degree in management or organizational development. The minimum requirement is a *licenciatura* in a relevant field. The advisor should have at least three years of experience at the community level with small organizations.

Sustainability Advisor. This advisor will have the key function of assessing the options open to small CBOs that have grants under **ReproSalud** to become more financially viable and self-sustaining via a program to enhance organizational assets. Options could include, but would not be limited to, seed and matching grants for microenterprises and revolving credit funds. This advisor will also assess and explore opportunities to expand the economic role of women members of CBOs that receive grants from the project. Options could include development of microenterprises, increased access to credit and training.

This advisor should have formal training and/or extensive experience in business, economics or finance. The person should be able to demonstrate personal successes in marketing, income-

generation or other types of small-scale business. Here again, since experience in this area is more important than formal training, the minimum necessary academic requirement is a bachelor's degree.

Regional Advisors. **ReproSalud** will support CBOs in peri-urban and rural areas, where needs are greatest and fertility is the highest. No CBO that serves a population of poor women is excluded *a priori* from seeking support under **ReproSalud**. Nonetheless, since needs are many and work that is widely dispersed may lessen the chance for measurable impact, **ReproSalud** will work prioritarily in six regions Lima East and peri-urban Chiclayo, virtually the same areas of emphasis of Project 2000 and the Peru Family Planning Implementation Plan. This three-pronged strategy should result in substantial declines in fertility by the year 2000, as well as substantial improvements in the other reproductive health indicators that **ReproSalud** and its sister projects will track.

The recent evaluation of the SHIP South Project underscored the value and, indeed, need of having people in the field, close to the locale of sub-projects.[35] Regional Advisors need to visit sub-grantees regularly, keep abreast of the political and economic environment in which they are operating and offer timely support. Consequently, **ReproSalud** will field nine Regional Advisors, who will cover the priority areas.

The Regional Advisors will have polyvalent roles. Early in the project, they will help publicize the support offered under **ReproSalud** and encourage appropriate groups to consider participation. They will be key in decisions on which groups to support and at what levels. During sub-project implementation, they will advise participating CBOs, identify needs for assistance from the relevant technical advisors and make a workplan for technical visits to the CBOs under their purview. They will be the first line in tracking CBO progress and achievements. They will coordinate all assistance to the sub-projects.

The Regional Advisors need not be family planning specialists. They should be very familiar with the region(s) they will cover; it may be advisable for the implementing entity to recruit a person who is native to each area for this role. They should have some knowledge of the relevant indigenous languages. They should also be well known and well accepted in the region(s) in question, but not perceived as having exclusionary political ties that would make them favor certain segments of the target population over others. They should have experience in working in women's development in their geographic area of assignment. The minimum academic qualification is a bachelor's degree.

Ideally, the participating CBOs will look to their Regional Advisor as a support in their own interest and not as a supervisor employed to call them to task for transgressions and weaknesses. It is up to the Regional Advisor to cultivate these types of relationship, and persons who are able to do so should be the ones sought out for these jobs.

The distribution of Regional Advisors might be as follows:

- Regional Advisor for Chavin: located in Huaraz; knowledge of Quechua essential.
- Regional Advisor for La Libertad: located in Otuzco.

[35] John Kepner, Manuel Glave and Iliana Estabridis (1994). "SHIP South...Entering the New Phase." SHIP South Mid-term Evaluation. USAID/Peru. Mimeo.

This evaluation recommended that project management be decentralized from Lima to the South, where the project is being implemented, to strengthen the IC's ability to communicate, plan, monitor and evaluate the project more effectively. It recommended that only an Assistant Coordinator remain in Lima to serve as liaison between the IC and USAID and for national level coordination (p. 48).

- Regional Advisor for Aymara-speaking Mariategui: located in Puno or Juliaca; knowledge of Aymara is essential.

- Regional Advisor for Quechua-speaking Mariategui: located in Sandia, Huancane or Azangaro; knowledge of Quechua is essential.

- Regional Advisor for Ayacucho: located in Ayacucho; knowledge of Quechua is essential.

- Regional Advisor for Huancavelica: located in Huancavelica; knowledge of Quechua is essential

- Regional Advisor for San Martin: located in Tarapoto; knowledge of indigenous languages of the jungle is highly preferred.

- Regional Advisor for Ucayali: located in Pucallpa; knowledge of indigenous languages of the jungle is highly preferred.

- Regional Advisor for Lima Este and Chiclayo: located in Lima.

B. Implementation Schedule

It is anticipated that the project will be authorized in June, 1995. Upon authorization, the Request for Applications will be developed. It is expected that obligation will be accomplished by August 31, 1995.

During the months of application preparation and negotiation for the cooperative agreement, procurement should proceed to recruit the off-shore project coordinator, followed by the project secretary and the project management specialist. Once the project coordinator is recruited, the other procurements listed below, namely those for vehicles, supplies and pharmaceuticals, can begin, so that these goods are available soon after the project actually begins implementation.

Assuming that the award will be made in late August, the implementing entity will be required to begin implementation within 60 days, or by October 31. This will entail establishing the **ReproSalud** office either within its present office in Peru, if that is the case and is appropriate, or establishing a dedicated project office. This office will be staffed by the technical personnel proposed in the contractor's proposal, with the exception of the regional advisors. The presumption is that the project office will be in Lima, but that does not have to be the case. The contractor will also need to set up the eight regional offices, (the regional office for Lima East and Chiclayo maybe in the project headquarters) ideally within a few months of setting up the main project office. The contractor may wish to have the regional advisors spend the first few months at the main office, so that the whole technical team can develop an *esprit de corps* before the regional advisors deploy to the field.

Once the offices are established and personnel are in place, a workplan for the first year should be developed. This should focus on the following activities of the exploratory phase of project design:

1. Develop a communications outreach strategy to publicize the project and raise awareness among the type of groups that **ReproSalud** targets.

2. Carry out the strategy: identify target audiences, develop needed materials (*e.g.*, brochures, posters), disseminate materials, schedule personal presentations by project staff in various types of fora (*e.g.*, technical meetings, handicraft fairs, markets).

3. Establish criteria for selection of participating organizations.

4. Identify CBOs that are potential partners for the second phase.

5. Provide technical assistance in the identification and collection of epidemiological data.

6. Develop a mentoring/federation program for nascent groups.

7. Develop a strategic plan for each priority region.

8. Develop an information strategy for the project.

By the end of Year 1, a first group of grantees should be identified, and work should be under way on qualitative and quantitative data collection and analysis.

Year 2 should focus on the discovery and priority-setting phase for the first group of grantees and the beginning of the implementation phase for the first cycle of grants. Over the total life of the project, it is envisioned that there might be seven grant cycles, one beginning in Year 1 and two beginning in each of Years 2, 3 and 4.

The workplan should focus on the following activities:

1. Provide necessary training and technical assistance for the community diagnosis. This will involve rapid assessment procedures (RAP) in qualitative and quantitative research, participatory education and additional studies, as needed.
2. Undertake community diagnosis to identify local needs.

3. Set priorities with each community-based organization. This will involve analysis of data, technical assistance, participatory techniques and congruence with public health data.

4. Design community-based activities. This will involve planning the interventions and writing the grant proposal.

5. Review proposals with a Technical Advisory Committee set up for this purpose. Give suggestions for strengthening proposals, where necessary. Receive final proposals.

6. Approve the small grants for Cycle 1.

This cycle should be repeated once in Year 2 and twice in years 3 and 4, for a suggested total of six grant cycles. Although there is flexibility for some limited grants to be awarded in Year 5, that year should be left as much as possible to the completion of activity implementation.

Regarding implementation, which will also begin in Year 2, scheduled activities should include:

1. Establish a monitoring system.

2. Begin to identify issues for the advocacy function and develop a strategy for advocacy.

3. Identify the first group of organizations that might apply for innovative activities in microenterprise. These will be from within those groups already participating in the small grants program.

4. Work with the above groups to develop appropriate proposals.

5. Set up the revolving credit system. Establish criteria for eligibility and repayment. Again, women benefitting will need to be members of CBOs participating in the grants program of the project.

6. Develop the training program, which should have two parts: one centered on enhancing individual skills and the other focused on improving organizational performance at the systems level. The training program should be based on needs identified in sub-project design and implementation and ideally will take advantage of -- and strengthen -- regional institutions, such as midwifery schools.

The reflective phase will also commence in Year 2 and will carry through to the end of project. It will feature such activities as:

1. Continuous monitoring and evaluation of sub-projects.

2. A yearly meeting of all participating CBOs. Given that **ReproSalud** will be a decentralized project, such an annual meeting would provide an opportunity for the various organizations to come together, report on their activities and share experiences. It could also offer an opportunity for standardized monitoring, since all CBOs could be asked to prepare documentation according to a certain format, similar to the Semi-Annual Reviews that USAID uses for internal monitoring.

3. Continuous distillation of issues for the advocacy function.

4. Information dissemination about the project, via both printed and oral word. This might include a modest project newsletter. The Advocacy Advisor will be responsible for analyzing and writing up project experiences; these articles will then be submitted to the international literature. The oral word would include continued presentations on the project in national and international fora. As an innovative project, **ReproSalud** can be expected to attract a good deal of attention, and the project should be pro-active in its information strategy. Funds for appropriate international and national travel for this purpose should be budgeted. The annual "State of the Community Report" will be a major part of the project's information strategy.

5. Operations research that may be sponsored under the INOPAL III Project.[36] The innovative nature of **ReproSalud**, and particularly the fact that it will be one of the first USAID projects to operationalize the new policy on expanded use of population funds for innovative activities, makes it of particular interest to the Global Bureau's Center on Population, Health and Nutrition. In joint programming with Peru, the Global Bureau may well be interested in carrying out particular studies under **ReproSalud**. The Mission would welcome this type of collaboration.

C. Procurement Plan

The authorized geographic code for the procurement of goods and services required under this project is 000 (U.S.) and Peru, as the cooperating country to the extent permitted by local procurement guidelines set forth in USAID Handbook 1B, Chapter 18. The following procurements are contemplated, in the approximate order in which they will need to occur:

[36] INOPAL stands for Investigación Operativa para America Latina. It is the Office of Population's major research project in Latin America. Though **ReproSalud** does not have money for operations research in its own budget, it can act as a site for INOPAL-funded research, should funds be available via INOPAL.

1. Procurement of the services of an off-shore Project Coordinator. The services of an off-shore Project Coordinator will be acquired via the Global Bureau's Population Leaders Fellowship Program (PLP) (Cooperative Agreement CCP-3070-A-00-4014; Project No. 936-3070), which is implemented by the Western Consortium for Public Health. Provision for this was made in the agreement signed in March 1995 by the Mission Director and the DAA of the Global Bureau, which describes the disposition of FY 95 Peru funds to be allocated to the Global Bureau. For FY 95, $250,000 was allotted to this project, with the corresponding figure for FY 96 being $150,000. This position will be openly competed by the PLP among qualified candidates. The incumbent will work within the USAID/Peru Office of Health, Population and Nutrition and report directly to the USDH Project Officer.

2. Procurement of other project-funded Mission staff. Other funds will be set aside for project monitoring and support, to fund the two FSN positions envisioned under the project. These are the Project Management Specialist and the Project Secretary. These two staff people will work within the USAID/Peru Office of Health, Population and Nutrition and will report directly to the Project Coordinator, with second-level supervision provided by the USDH Project Officer. These services will be procured directly by USAID/Peru. They will be contracted as soon after project authorization as possible and will be required for the length of the project.

3. Procurement of the services of an implementing entity. The major procurement under this project will be for the implementing entity. This will be done by USAID/Peru through a cooperative agreement, as specified above in Section III.A.1. A Request for Applications will be sent to organization(s) that have pre-qualified. If deemed appropriate, USAID/Peru will hold a bidders' meeting approximately two weeks after the RFA is released. An award is contemplated by the end of FY 95.

4. Procurement of vehicles. At least 10 double-cabin, four-wheel drive pick-up trucks of less than 2000 ccs will be procured. This is based on one truck for each regional office and one truck for project headquarters. It is anticipated that these will be of U.S. origin. A number of motorbikes will also be procured. Considering the inappropriateness to the Peruvian reality of the only U.S. motorcycle available, non-U.S., non-Peruvian bikes will have to be purchased. Motorbikes of less than 250 ccs are currently only available from Japan or Germany. To this end, this PP contains a waiver for motorbike origin.

5. Short-term, in-country technical assistance. As mentioned in Section III. A. 4. the implementing entity should offer, either directly through its own institution, or indirectly through a sub-agreement, access to a range of short-term technical advisors who are Spanish-speakers. Depending on the availability of resident expertise, many of the proposed candidates may be Peruvian. Speakers of Quechua and Aymara would be an additional benefit.

6. Procurement of external technical assistance. Several types of external technical assistance may be required under the proposed project, as discussed in Section III.A.2 above. The exact nature and level of effort of that assistance will be determined early in project implementation. The necessary assistance will be procured by the Mission from the Global Bureau via buy-ins, add-ons and/or OYB transfers.

7. Procurement of pharmaceuticals and supplies. A basic list of pharmaceuticals, chiefly antibiotics and other medicines to treat genital tract infections, will be procured. All pharmaceuticals funded with U.S. grant funds will be purchased in the U.S. Additive income that is generated by their sale, however, will be able to be used to procure replacement pharmaceuticals from other sources, such as the UNICEF procurement

warehouse in Copenhagen or the local Peruvian market. Safety of pharmaceuticals and quality control will be ensured using a system similar to that devised under the Strengthening Health Institutions Project (SHIP). USAID will work closely with the selected NGO(s) to develop their capacity to effectively carry out such pharmaceutical procurement. An illustrative list of the pharmaceuticals and micronutrients to be procured is contained in Table 1.

A number of supplies and some basic equipment will also be required. Some of these may be U.S. products purchased on the local market, up to a total of $100,000 per transaction. An illustrative list of such supplies is contained in Table 2. For larger purchases, early on in the project a procurement services agent (PSA) in the U.S. should be identified. The supplier can then solicit bids for needed goods, procure them and dispatch them to Peru.

8. Contraceptives. Separate procurement of contraceptives will not be necessary for **ReproSalud**. All contraceptives supplied by USAID are procured centrally by AID/W; in Peru, ordering, receipt and distribution to both the public and private sectors are currently carried out by the NGO PRISMA under the PVFP Project. This is an activity that USAID/Peru will continue for the foreseeable future. Consequently, **ReproSalud** can tap into this source, since ample budgetary provision has been made for FY 95 and 96 in the Mission's Field Support Allocation Request.

The budget contained in Annex 2 gives additional detail on the items to be procured.

Table 1

Illustrative Pharmaceuticals & Micronutrients to be Procured

- To address micronutrient deficiencies:
  - Iron and folic acid tablets
  - Iodine supplements
- To address urinary infections:
  - Trimethoprim
  - Nitrofurantoin
  - Sulfa-trimethoprim
  - Other
- To address vaginal infections (*e.g.*, candidiasis, trichonosomiasis, others)
  - Clotrimazole
  - Metronidazole
  - Nystatin
  - Other
- To address sexually-transmitted diseases (*e.g.*, gonorrhea, chlamydia, syphilis, chancroid, others)
  - Procaine penicillin G 1'200,000
  - Benzathine penicillin G 600,000
  - Tetracycline
  - Erythromycin
  - Other

Table 2

Illustrative Equipment & Supplies to be Procured

* **Office equipment**

  - Photocopier
  - Computers
  - Printers
  - Laser printer
  - Fax
  - AC converter for laser printer
  - UPS
  - Modems
  - LAN server
  - Surge protectors and AC converters
  - Lap-top computer
  - Portable printers
  - Typewriters
  - Software
  - Other

* **Training equipment**

  - Screens
  - Video Cameras
  - Slide projectors
  - Overhead projectors
  - VHS recorders/players
  - Computer monitors
  - Other

* **Medical Equipment**

  - IUD insertion kits
  - Minilap kits
  - Traditional birth attendant kits
  - Specula
  - Childbirth delivery kits
  - Adult weighing scales
  - Blood pressure units
  - Stethoscopes
  - Others

* **Vehicles**

  - Double-cabin, 4-wheel drive pick-up trucks
  - Motorbikes

* **Furniture**

  - Office
  - Medical

* **Supplies**

  - Toner cartridges for laser printers
  - Toner cartridges for laser photocopiers
  - Floppy diskettes
  - Paper for laser printers
  - Paper for photocopiers
  - Paper for fax
  - Cleaning kits
  - Continuous paper
  - Office materials
  - Computer spare parts
  - Car spare parts
  - Other

IV. DEFINITION OF SUCCESS

Circumstances at many levels of the assistance environment will suggest whether the project has been successful. At the program or sector goal level, *i.e., to improve reproductive health in rural and peri-urban areas*, **ReproSalud** will act synergistically with the PFPIP, Project 2000, the PVFP Project, SHIP, Commercial Family Planning, other donor efforts and the GoP to measure its results by indicators specified by Agency policy: reduced fertility; reduced infant and child mortality; reduced high-risk births; and reduced maternal mortality.[37] The principal expected change is:

- A national decline in total fertility from 3.5 in 1991-92 to 3.0 in 2000.

The total fertility rate is the most valid indicator of fertility, because it is a point prevalence rate, that is, it refers specifically to fertility patterns at a particular point in time (rather than referring to cumulative, or past, fertility) and because it standardizes for age distribution (which population growth rate does not).

Baseline and target rates are given here for 1991-92 and 2000, because the former dates refer to the most recent (second) DHS, which is the best source of these types of data in the country, and the latter to a watershed turn-of-the-century year, which will be measured by the fourth DHS. The third DHS, scheduled for 1996, will provide stronger baseline information for the project, at which time targets for project-specific indicators may be revised upward or downward. Further, USAID/Peru will require that the 1996 DHS replace the conventional rural/urban dichotomy with a trichotomy more relevant to the Peruvian reality and reflected in the project purpose: rural/peri-urban/urban. This will allow for the identification of baseline and target indicators that are more valid vis-a-vis the project purpose.

The other principal expected changes in reproductive health over the same period, and their indicators at the goal level, are:

- A decline in maternal mortality from 303 to 200.
- A decline in infant mortality from 55 to 40.
- A decline in chronic malnutrition in under-fives from 37 to 25 percent.
- A decline in STD prevalence of 25 percent.

Through both its reproductive health interventions and its innovative activities in microenterprise and credit, **ReproSalud** will work toward the project sub-goal, *i.e.*, to address women's strategic gender needs. Indicators for measuring success in this realm center on:

- The percent increase of women participating in decision-making at the local level.
- The percent increase in women-controlled CBOs or federations of mid-level groups that address reproductive health.
- The percent expansion of economic opportunities for women.

[37] *Strategies for Sustainable Development, op.cit.*

Because this project is innovative in its explicit attention to women's gender needs, indicators in this area are not well developed, and baseline information for the three indicators above is not readily available. An early responsibility of the implementing entity will be to collect baseline information of this type in the project priority areas. Specific targets will then be developed against these baseline data.

Besides working towards the national goals and sub-goals to which **ReproSalud** will contribute in tandem with other projects, the indicators listed above that can be measured feasibly at the community level will be so measured. These are most likely to be chronic malnutrition, STD prevalence, the indicators for strategic gender needs and some crude measures of maternal and infant mortality. They can then serve as indicators of success at the community level.

The project purpose is to increase the use of family planning and other selected reproductive health interventions in the target areas. This will be measured in project areas very specifically in the following ways:

•	Contraceptive prevalence (modern and total) will increase from 33 and 59 percent to 40 and 67 percent. In rural areas, contraceptive prevalence will rise from 16 and 41 percent, respectively, to 30 and 60 percent.
•	The contraceptive failure rate will decrease from 16 to 5 percent.
•	The contraceptive discontinuation rate will decline from 48 to 25 percent.
•	The proportion of women whose last closed birth interval was less than 24 months will decline from 29 to 15 percent.
•	The average duration of exclusive breastfeeding will rise from 2.2 to 3 months.
•	The proportion of pregnant women who receive prenatal care will rise from 64 to 80 percent.
•	The proportion of births attended by trained personnel will increase from 53 to 67 percent.
•	The prevalence of GTIs will decrease from *x* to *y* percent.
•	Iron-deficiency anemia will decrease by 25 percent among pregnant women.

The above baseline data are DHS national data. The project will monitor these data on a regional level, but to specify that level here would mean repeating each indicator six times. Because DHS data are available at a regional and departmental level, this type of disaggregated monitoring is feasible. The only exception refers to GTIs, for which no national data currently exist. Consequently, this indicator will be specific to relevant sub-projects and will refer to both decreased incidence of GTIs among women who previously suffered from them and decreased duration of infection for women so afflicted.

We have seen that Program Outcome 1 of S.O. No. 4 breaks use of interventions into the sub-components of access and demand. The **ReproSalud** logframe follows that structure and will further measure success according to a specific set of indicators and targets in each domain. Indicators for access include: the gamut of contraceptive methods to which project beneficiaries have access; the proportion of service delivery points that modify their services to meet needs

identified by community women; the proportion of service delivery points that form community advisory committees; and the proportion of inputs that relate to education and counseling.

Indicators for demand include: the proportion of women who participate in community reproductive health/family planning activities; the proportion of CBOs that invest time in researching community problems; the proportion of community services that are supported by community resources; the percentage increase in individuals seeking information; and the proportion of women who understand their menstrual cycle and reproductive physiology.

Project outputs will come under the headings of capacity building, sustainability and information. Capacity building will encompass the capacity of women and CBOs to articulate needs, identify problems and constraints, and take action; the capacity of CBOs to prioritize issues and to design, implement and monitor community-based actions to address reproductive health needs; the involvement of women in local decision-making; and the capacity of CBOs to negotiate and mobilize resources to improve services at the local level. Typical outputs will be: sensitization/awareness-raising campaigns; training in community diagnosis via quantitative and qualitative techniques; the conduct of such diagnoses; training in and the conduct of priority-setting techniques, grant proposal development, and implementation, communication and monitoring techniques; and community outreach campaigns.

Sustainability will encompass organizational viability; extent of credit options for women members of CBOs; and the number of health-focused microenterprises that provide a sustainable source of reproductive health and family planning commodities and services. Typical outputs will be: training in organizational development, management and administration; training in microenterprise development and revolving credit funds; the number of CBOs that establish revolving credit funds; the number of health-focused microenterprises that are established; the number of participating CBOs that develop matching grant schemes; and the conduct of campaigns to raise awareness of the accomplishments of participating women and CBOs.

Information will encompass the use of community-based information for policy dialog and program improvement; the level of information that health providers and consumers possess; and the extent to which service delivery is client-focused. Typical outputs will be: advocacy campaigns; public education campaigns to promote awareness on specific issues identified by community diagnosis; yearly CBO/service provider meetings on best practices; and a yearly "state of the community report" that distills and disseminates lessons learned in the project.

Each sub-grant, of course, will not equally address -- or even address at all -- all program or sub-program outcomes. Accordingly, each sub-grant will be measured against the particular objectives it has set for itself, from among the gamut put forth above. The regional advisors will be key in helping to identify and set measurable indicators of sub-grant success.

Another first-level output will be the number of grants the project makes. Slightly one-third of the $25 million LOP authorization level (*i.e.*, $9.0 million, or 36 percent) has been budgeted for grants and credit. This breaks down into $5.0 million for direct grants in family planning and reproductive health; and some $4 million in innovative activities, based on one million dollars each for seed grants and matching grants, and $2 million for credit.

The budgeting is based on an average size of $25,000 for a direct grant, with anywhere from 35-60 sub-grants being awarded yearly over four years (principally Years 2, 3 and 4, with a small number of grants awarded in Years 1 and 5). This would produce an output of 185 direct sub-grants in family planning and reproductive health. It is estimated that the seed grants for innovative activities will also average $25,000 and that 10 of them will be awarded each year, for a total of 40 grants. Matching grants, similarly estimated at $25,000 each on average and 10 in number over four years,

will have a total output of 40 grants. Finally, it is estimated that 20 sub-projects will participate in the revolving credit scheme each year, for a total of 80 schemes over four years.

A graphic representation of much of this material is contained in the Logical Framework in Annex 1.

V. FINANCIAL PLAN

Introduction and Cost Estimates. The estimated Life-of-Project (LOP) cost and total USAID contribution will be $25 million during a five-year period, all of which will come from DA Population funds. USAID funding will be provided on an incremental basis during FYs 1995-1999 as follows:

Table 3

Projected Obligations and Expenditures by Fiscal Year
(US$ 000)

	Year 1	*Year 2*	*Year 3*	*Year 4*	*Year 5*	*Totals*
Pipeline Beginning of Year	0	7,990	7,488	7,517	6,061	--
Planned Obligations	11,000	3,000	5,700	5,300	0	25,000
Projected Expenditures	(3,010)	(3,502)	(5,671)	(6,756)	(6,061)	(25,000)
Pipeline Carried Forward	7,990	7,488	7,517	6,061	0	0

Table 4

Illustrative Financial Plan by Element
(US$ 000)

Project Elements	*FY Current Obligation*	*Future Years Anticipated*	*Total Costs*
1. Short-Term Technical Assistance (Advisors)	807	580	1,387
2. Long-Term Peruvian Implementing Agency (IA)	3,382	4,585	7,967
3. Commodities	1,723	695	2,418
4. Grants & Credits	2,906	6,094	9,000
5. Local Training ($2,500) (200/300/400/200) Total: 1,100	1,273	1,607	2,880
6. Project Administration Support	909	439	1,348
Total	**11,000**	**14,000**	**25,000**

Table 5

Summary Cost Estimates and Financial Plan
(US$ 000)

Project Elements	*A I D*		*Total*
	Local	*FX*	*Costs*
1. Short-Term Technical Assistance (Advisors)		1,387	1,387
2. Long-Term Peruvian Implementing Entity	7,967		7,967
3. Commodities		2,418	2,418
4. Grants & Credits	9,000		9,000
5. Local Training ($2,500) (200/300/400/200) Total: 1,100	2,880		2,880
6. Project Administration Support	526	822	1,348
Total	**20,373**	**4,627**	**25,000**

The project will encornpass both non-revenue and revenue-producing elements. Total grants and credit will be $9 million over the life of the project. Grants under the direct family planning portion of the project will total $5 million. In addition, an amount not to exceed 16 percent of LOP obligations, or $4 million, will be used for "innovative", or non-family planning or reproductive health activities, that is. women's empowerment more broadly construed. Of that total, $1, $1, and $2 million will be applied towards small grants, matching grants and loans, respectively.

It is not anicipated that the NGO(s) selected to implement the program will be able to provide a 25% contribution, since they are all relatively small and without significant independent resoures. However, all applicants will be asked to include some counterpart contribution in their proposals and these contributions will be evaluated as part of the selection process. Assuming the entity will be an established national one, counterpart will take the form of in-kind contributions and will cover many project operating costs. USAID will ensure that systems are in place to properly account for and report on the contributions on a periodic basis.

Methods of Implementation and Financing

Table 6
Methods of Implementation and Financing
(US$ 000)

Inputs	*Method of Implementation*	*Method of Financing*	*Amount*
Implementing Entity	PIO/T (Cooperative Agreement)	Reimbursement/ Advance/ Liquidation	
1. Technical Assistance			7,967
2. In-country training			2,781
3. Sub-grants and credit			9,000
4. Commodities			580
Sub-total			20,328
USAID/Direct			
1. External Technical Assistance	PIO/T/OYB transfers		1,387
2. International Training	PIO/P		99
3. Commodities	PIO/Cs, POs	Direct Payment	1,918
4. Project Administration	PIO/Ts (PSCs)		1,268
Sub-Total			4,672
Total Project			25,000

Table 6 shows the methods of implementation and financing by element and reflects the preferred methods of financing the various component inputs. The amounts represent the best estimates available at the time of the project design. Budget revisions will be made as necessary during the life of the project and will be based on actual implementation experience.

Approximately $20.3 million in grant funds will be obligated/committed through a competitively bid cooperative agreement with a Peruvian NGO as the implementing entity. The cooperative agreement will provide funds for the management of the project. It will also serve as the basis for sub-granting and credit mechanisms with CBOs and individual grantees and creditors. The implementing entity will provide technical assistance and training to the CBOs and individuals receiving the funds. PILs will be issued to approve annual work plans and budgets and to explain the requirements for fund advances. Finally, the NGO will be expected to purchase commodities. Examples of such commodities would be furniture, office equipment and supplies, as well as short-term technical assistance for, among other things, project monitoring and evaluation. Such procurement will hinge upon USAID's assessment of the ability of the implementing entity to conduct such procurements. It is envisioned that technical assistance from USAID's Procurement Division (EXO/PRC) will be required to train NGO staff in USAID procurement regulations.

In addition to the cooperative agreement, USAID will directly procure and disburse some $1.39 million for external technical assistance, $1.9 million for commodities, including vehicles, antibiotic pharmaceuticals, micronutrients such as iron and folic acid, and $1.3 million for USAID project administration support. Three additional FTEs are required and are approved to allow for an off-shore USPSC Project Coordinator, an FSN Management Specialist and an FSN Secretary.

Contraceptive commodities used under the project will be obtained with funds allocated by the Mission to the Global Bureau. Total commodity purchases will be $2.4 million per year. The amount may increase to meet user demand generated by the project.

Institutional Analysis. Prior to the award of the Cooperative Agreement, the USAID financial analysts will perform a full pre-award survey to confirm administrative and financial management capability, internal controls and adequacy of procurement, personnel and travel policies.

Various U.S. and Peruvian agencies with family planning and microenterprise-type project experience currently exist. Possible candidates with credit experience are: FINCA, Accion Comunitaria, CEPES, CARE, Instituto de Fomento a la Comercializacion Campesina (IFCC), Fondo de Desarrollo Campesino, and Cajas Municipales de Ahorro y Credito. USAID/Peru has had experience with some of the entities mentioned and has had success with them. With Accion Comunitaria, the mission has experienced problems in the past. Should that organization be proposed as a sub-grantee, prior experience and required future actions will be taken into consideration.

Under USAID/Peru's Microenterprise Support Project (527-0349) APPLE matching funds component, three agencies (FINCA, CARE and CRS) have demonstrated expertise in the submission of proposals and success in the management and administration of microenterprise credit programs. The use of an established Peruvian or Peruvian-based entity could result in increased efficiency and effectiveness of implementation as a result of a much reduced start-up time. In addition, there will be a greater chance that the implementing entity will be able to meet the required cost sharing contributions. These considerations, of course, have to be balanced against ones that favor indigenous Peruvian institutions and expansion of USAID/Peru's portfolio of partners.

Recurrent Costs and Sustainability. The level of resources of $25 million is based on detailed analyses of the requirements to produce the outputs described in the Project Description. These are discussed further in the Definition of Success and Economic Analysis of this Project Paper.

Project recurrent costs are considered to be those incremental costs required by the Implementing entity, CBOs and individual recipients to continue project activities after the end of the project. In general, they include the cost of selected staffing, some residual training and technical assistance, in addition to the costs of pharmaceuticals and contraceptives. They do not include project inputs of technical assistance that are provided during the length of the project but do not continue after project completion.

For this project, the existence of recurrent costs depends upon whether the implementing entity is Peruvian. It appears that this will be the case. Should the implementing entity continue with the same activities as those of the project after its completion, recurrent costs will be those noted above. Equally, should the CBOs plan to continue their activities, their recurrent costs will parallel those of the implementing entity.

Should an established Peruvian entity be selected as the implementing entity, it will be in a much better position to sustain recurrent costs after the project is completed. If under this project the implementing entity will be expected to continue similar activities, short-term technical assistance should be made available to it to improve systems of management and administration and program capabilities. Once the entity is selected, a complete recurrent cost analysis will be performed in conjunction with the entity's cost proposal.

Sustainability of the CBOs and the individual recipients is a separate and more difficult issue. CBOs currently exist; however, they are grassroots-oriented, with minimal experience in the family planning/microenterprise-type arena. It is assumed that after project completion, these entities will

be required to obtain additional independent funding to be sustainable. A part of the outcome of these entities will rely upon the viability of the credit program discussed.

Revenue-producing Component. Credit financing components require substantial initial investment in technical assistance and training. Rarely are they self-supporting in the first few years. As stated above, use of experienced entities may significantly reduce start-up costs and hence increase potential for financial viability in a much shorter period. The Micro-Enterprise Support Project uses established, experienced NGOs and intermediate credit institutions.

ReproSalud may have the benefit of an established entity for its cooperative agreement. However, with respect to CBOs, they are less experienced and, hence, will require more incentives to participate in the program. Interest on loans will be charged and will be established following the basic Microenterprise Development Program Guidelines,which call for market rates or rates sufficient to try to cover the total cost of providing credit.

To entice the poorest of the poor and least experienced institutions or individuals to participate in the credit program, interest rates should be maintained as low as possible and loan fees should be very limited. Therefore, financial viability and sustainability of the credit program is unlikely in the short run. It is clear that this portion of the program will require subsidies to cover administrative costs through the first few years of the project.

Commodities. A complete commodity plan is outlined in Section III. C. of this paper. USAID/Peru will procure vehicles directly to ensure that the vehicles arrive in Peru in time for the implementing entity to begin implementation. Other commodities will also be procured by USAID/Peru, as per the procurement plan in this paper.

Indirect Cost Rate. The procurement official will negotiate a provisional indirect cost rate (ICR), which will be confirmed as part of the annual Recipient Contracted Audit. For purpose of budget preparation we have estimated the ICR to be 15 percent.

Disbursement Procedures. The disbursement procedures are linked to the methods of implementation and financing (see Table 6), as well as to the procurement plan. Under the cooperative agreement, the disbursement method will follow that of advances/liquidations, as noted above.

Advances for grants for family planning activities will be provided subsequent to approval of the proposals by the committee. Advances related to the innovative activities grant portion will be subject to the same requirement should any individual grant exceed $5,000. The planning for disbursement of grants should incorporate important factors such as agricultural cycles, the type of project (*e.g.*, education versus commodity), the required implementation time and level of project monitoring required.

Given the nature and size of the individual loans provided under the small loans program ($50-$500 to each individual or institution), advances will be provided to the implementing entity based on projected work plan needs. No funds will be disbursed to the implementing entity to establish revolving funds until the implementing entity has provided USAID/Peru with a complete plan to establish, operate, maintain and dispose/dissolve the funds.

VI. MANAGEMENT PROCEDURES

A. Monitoring Plan

In view of **ReproSalud's** unique and innovative design, monitoring project implementation, particularly at the community level, will be given priority attention. As one of its first tasks, USAID/Peru project staff, with assistance from the implementing entity, will design a plan that will closely track project implementation at all levels. As part of the overall monitoring plan, a survey instrument will be designed to monitor the presence of project inputs in the community, as well as their timeliness and adequacy. The survey will be completed as part of regularly scheduled (at least quarterly) site visits by the USDH Project Officer and/or the Project Coordinator, and one or more members of the implementing entity. The findings from these surveys will be reported in semi-annual project reports and will serve to make adjustments, if required, to the project. This high-level attention to project monitoring will contribute significantly to the efficient and effective implementation of activities by the implementing entity, as well as participating CBOs and NGOs.

The implementing entity will be responsible for the direct supervision of project sub-grants. For those grants containing income-generation schemes, the contractor will track the extent to which the grantees have generated income and the uses of that income for project-related purposes, *i.e.*, activities that empower women and improve their reproductive health. On a quarterly basis, the implementing entity will report to USAID the status of grantee activities, including financial status, and will make recommendations that can further guide implementation of grants.

The USAID Project Officer and/or Project Coordinator will be responsible for direct supervision of the implementing entity, ensuring that work plans adequately reflect implementation priorities, are realistic and can be achieved during the reporting period, and are completed in a timely manner. Of particular importance will be the supervision of the implementing entity's interface with project counterparts, including CBOs, NGOs and community leaders. The Project Officer and/or Coordinator will also be responsible for monitoring overall project implementation by the implementing entity and progress towards achieving project EOPS. The Project Coordinator will also provide proper financial management, ensuring that funds are provided to the implementing entity and project grantees in a timely fashion, that these are properly accounted for and that the implementing entity and grantees strictly adhere to USAID rules and regulations.

The yearly meeting that will be held for all participating CBOs will allow a further strong opportunity for standardized monitoring and sharing of lessons learned in implementation.

Finally, regular USAID Project Committee meetings will be held for project monitoring purposes and will serve as a permanent forum for discussing and resolving bottlenecks. Issues that cannot be resolved at the Project Committee level will be presented verbally or in writing in the form of an Action Memorandum for resolution by senior Mission management.

B. Reporting Plan

The implementing entity will prepare quarterly work plans and will provide quarterly reports to USAID on the progress towards meeting tasks contained in the work plan, the overall status of project implementation, including problems and delays, and project impact on the target population.

These reports will contain information that will serve as input to semi-annual project reports prepared by the Project Officer and/or Project Coordinator. The content of these reports shall include information similar to that required by USAID internal semi-annual reports. Thus, the

implementing entity will report on key activities carried out during the reporting period, overall project status, progress toward meeting EOPS and program outputs, problems and delays, and major activities and/or corrective actions to be carried out during the next reporting period (three months). The implementing entity will also report on the status of project financing, including funding of the implementing entity and grantees, and will advise USAID in a timely manner of possible funding shortfalls for any and all project-funded activities.

C. Audit Plan

The CA Standard Provisions will require the Grantee to maintain auditable accounting records for a period of up to three years after the last disbursement. The USAID Controller's Office will verify prior to the signing of the CA that the Grantee has an acceptable accounting system for the management of U.S. Government funds.

The CA Standard Provisions will require that the Grantee contract for the performance of annual institutional and Grant audits that meet USAID standards. To assist the Grantee to meet these requirements they will be provided copies of the Inspector General's audit guidance for foreign non-profit organizations as well as a listing of qualified Peruvian audit firms affiliated with U.S. and International accounting and auditing firms.

D. Evaluation Plan

Funds have been budgeted for formal mid-term and final project evaluations. These impact evaluations will focus particular attention on indicators that measure the effect and impact of the social components of the project. Specifically, USAID/Peru will develop process and impact indicators that will be used by the evaluators to assess the effect of project activities on the communities and community women receiving project assistance. Criteria will be developed to track and identify what service delivery points or modes of operation are most effective and/or sustainable and to what degree the project has impacted on community-level reproductive health efforts and the decision-making skills of community-level participants.

However, while these evaluations meet USAID requirements, they often do not correspond to project managers' need for timely performance information on which to base management decisions. Therefore, mini evaluations will be conducted as required and will focus on activities vital to project success. For example, a micro-enterprise expert might be contracted for one to two weeks to evaluate income generation activities of the project. Such evaluations will permit the Project Officer/coordinator to make timely adjustments during the normal course of project implementation, thereby avoiding the possibility that activities become misdirected and threaten project success.

Monitoring and reporting by the implementing entity, combined with internal USAID monitoring and its associated information system, should permit USAID/Peru to ensure that project resources are being used effectively, to verify that sub-projects and supporting technical assistance and training correspond to the project purpose, and to assess the relevance and purpose and goal-level effects of the project's collective output.

Further, consonant with **ReproSalud's** focus, it will be necessary to measure the communities' perception of "success," in addition to the donor perspective. To this end, the implementing entity will provide training in participatory evaluation techniques to grant recipients and develop indicators that can measure success at the local level. These indicators will feed into the survey instrument mentioned in Section A. above, which will be implemented during regular (at least quarterly) site visits.

VII. ANALYSES OF FEASIBILITY, KEY ASSUMPTIONS AND RELATED RISKS

A. Technical Analysis

The purpose of a technical analysis is to substantiate that the design of the proposed project is consistent with the body of knowledge about possible solutions to a given problem. Together with the other analyses conducted, it should offer a compelling argument for the proposed project design as a worthy investment for the Agency.

ReproSalud was designed by a team of USAID staff, supplemented by one outside consultant. The USAID staff represent USAID/Peru, the LAC Bureau and the Global Bureau. The team collectively represents the disciplines of public health, anthropology, development studies, economics, finance and business. It represents their collective training, experience and expertise.

Section I. C. contained a synopsis of the technical basis for choosing the project design that **ReproSalud** features. The supporting technical criteria might be encapsulated as follows:

> *1. The supply-side approach is not adequate by itself to reduce fertility, particularly in areas where fertility has remained stubbornly high.*

Section I. B. showed that the Mission has been following an approach in recent years that focuses on improving the coverage and quality of facility-based family planning services. This is clearly an essential -- if not *the* essential -- part of any family planning program. But the underutilization of existing services documented in this paper, contrasted with the imputed unmet need for family planning that has been repeatedly identified, indicates that a supply-side approach is not enough. Fertility is highest in Peru in rural and peri-urban areas, among women with little or no education and among indigenous women. These women are historically harder to reach than urban, educated and westernized populations. Yet for fertility to continue to decline in Peru, a large proportion of such women must be reached, at the same time that support continues for clinics that currently serve metropolitan populations.

The design of **ReproSalud** is not proposed *in lieu of* the existing Mission program, but rather as a complement to it. Indeed, by generating demand for services among hard-to-reach women and referring many of them for clinical procedures, the proposed project should make better use of existing services, thus rendering them more cost-effective.

Recent Mission project evaluations support this notion. The most recent relevant evaluation is the mid-term one for SHIP South, which employs a similar umbrella approach to make grants to NGOs.[38] Since SHIP South works with NGOs rather than CBOs, it is working at a higher level than that envisioned for **ReproSalud**. The results of the evaluation are telling. It calls for "recovering" the project's original design and orienting actions more deliberately at strengthening the demand for PHC at the grassroots, citing this as the central focus for sustainability (p.2). The following is an extremely relevant quote from the evaluation:

> *We consider that SHIP South has passed through a long period of strengthening the supply side of PHC services, and the time has arrived to reorient the project and give priority to strengthening of the demand side....In the project's next phase, more effort should be placed on strengthening community ownership of PHC so that a market equilibrium can be attained. Many health posts see an average of 5-6 patients per day. To strengthen the*

[38] Kepner *et al.*, *ibid.*

supply side in terms of human and capital resources is necessary, but it is not sufficient for the development of an integrated PHC services program. Further, if the purpose of SHIP South is to test alternative models of private primary health care services delivery which improve access, coverage, efficiency and sustainability of services to low-income populations, a demand side approach must be incorporated (pgs.32-33).

Indeed, the recommendations in the SHIP South evaluation for strengthening demand (pgs.48-49) read like a description of the **ReproSalud** project, *even though* these elements of **ReproSalud's** design were in place before the evaluation took place:

a. Reorient the project and give priority to strengthening demand, placing more emphasis on community participation and ownership of PHC activities.
b. Broaden and improve coordination and collaboration with the Ministries of Health and Education. Undertake joint strategic planning with the public sector and assume leadership in PHC policy and program coordination.
c. Carry out an anthropological study that provides understanding of the socio-cultural context of project communities, in particular the role of women in development.
d. Involve women at the center of all project design, plans and activities.
e. Strengthen SHIP South's work with the Ministry of Education, providing PHC contents and producing bilingual and culturally appropriate educational materials.
f. Undertake a learning process to expand NGOs/CBOs' capacity to incorporate effective sustainability strategies.

Further, the mid-term evaluation of the PVFP Project similarly found that services were underutilized and that steps had to be taken to attract more clients, whether that be via improvements in quality or other measures.

The major alternative to **ReproSalud** would be to increase investment in the supply-side of family planning and reproductive health service delivery. That option would be less efficient for two reasons. One, without a concomitant rise in demand, the result might well be further decreases in installed capacity, since supply would outstrip demand. This would raise the unit cost of services offered.

Second, considerations of installed capacity aside, it is patently more efficient to undertake preventive, promotive and first-line curative actions at the community level than deal with them in a curative sense and at an advanced stage in a facility. Hygiene, sexual practices and barrier methods can prevent many sexually-transmitted diseases, for example. This is more efficient than treating them with costly antibiotics. Or, prevention of unwanted pregnancy through contraception is more efficient than dealing with the complications of an unsafe abortion. And coupling longer-term education-based preventive approaches with primary reproductive health actions can maximize the sustainability of benefits to the target population and lower recurrent costs to the public sector.

Again, this PP is not arguing for the superiority of the **ReproSalud** approach over a supply-side approach, but rather the necessity of both for achieving the Mission's strategic objectives. Since the demand-side approach is lacking, a project of the type proposed is called for.

And the insights gained from in-depth work with women should have positive effects for the design of facility-based services as well. A project in Cochabamba, Bolivia, for example, used qualitative research among women to offer recommendations to doctors in underutilized clinics on how to make their services more appealing. Doctors who took the recommendations to heart found that women appreciated it, recommended their clinic to others, and utilization increased.[39]

[39] "Cochabamba Reproductive Health Project," Final Project Report, Rosslyn, VA: John Snow, Inc., 1993.

2. Sustainability cannot be transferred in a vertical fashion. Empowerment, in the sense of women being actors in their own development and of changing economic and social relations of power, is labor-intensive but ultimately cost-effective.

It must be kept in mind that the purpose of **ReproSalud** is to affect more than fertility. It also proposes to improve such other indicators of reproductive health as prenatal care, attendance at childbirth, nutrition and sexually-transmitted diseases. Beyond reproductive health, it further proposes to address women's practical and strategic gender needs, as a mean of promoting their empowerment.

Sustainability and empowerment can be seen as related concepts, since they both contrast with top-down approaches that hand services and goods out to passive beneficiaries. Those types of approaches are eminently unsustainable because they depend on a constant flow of benefits to distribute, whether those benefits be food, agricultural inputs or contraceptives. Since the benefits come from outside, their flow cannot be sustained by the recipient community.

Top-down approaches are also eminently unempowering because they foster dependence among the beneficiary population. People come to look for things to be given to them or done for them, rather than acting on their own behalf. And since people do not control the source of the benefits, they cannot provide them for themselves. Development experience has given this lesson time and again, in feeding programs, in physical infrastructure projects, and in many other types of projects. It is almost a truism to state these lessons, but the same types of top-down approaches are used over and over again.

This is perhaps because top-down approaches have their logic and even their utility. They are logical to specialists who think that everyday people will not know what they need or want and if they do know, those desires may not dovetail with what experts think people should have in order to reach a certain development objective. This gives rise to lack of confidence in community-based approaches.

Top-down approaches have their utility because they typically can be accomplished in shorter time horizons. When the situation is urgent, as in situations of famine, disaster, acute disease outbreaks or civil strife, certain key actions must be accomplished quickly. A top-down approach is the only one that makes sense. Typically it does not consist of an action conducive to sustainable development. But typically it does consist of an action that can set the stage for more developmental action, by allaying an acute problem that would not allow development to proceed.

Examples to support this analysis come from recent Mission work. The SHIP South evaluation, for example, found that rapidity in the NGO selection process diminished the project's capacity to secure community participation in project planning, as well as in giving priority to primary health needs within each community (p.45).

It also pointed out that the project was not taking adequate account of the cultural identity of the Quechua and Aymara ethnic groups that it purports to serve. Native languages had not been used to communicate effectively and initiate a learning process (p.6). This weakened possibilities for community ownership of the sub-projects.

In addition, the evaluation found that the participation of women was still "passive" and that it was "vital for the NGOs to implement strategies that incorporate women and encourage the creation of the conditions needed for women to continue learning about health and its social application. Practicing what they learn will enable the improvement of health conditions for mothers and children under six...For this reason, it is fundamental that the NGOs promote the participation of women in

the planning, execution and evaluation of project activities, contributing to the strengthening of their organizations (pgs.41-42).

That **ReproSalud** has a longer time horizon -- five years -- and substantial authorization level -- $25 million -- argue for its ability to take a more time-intensive, locality-specific approach that increases its probability for fostering activities that are both sustainable and empowering.

3. There is value and effectiveness in working at the macro and micro levels.

A bottom-up approach recognizes that the keys to sustainability and empowerment lie in actions at the community level. It recognizes that people must be masters of their own fate for sustainable development to occur -- they must make choices, "voting" with their "feet" and their pocketbook. At the same time, neither the individual nor the community-based organization is able to act in an environment free of constraints. People's lives are embedded in political, economic, social and cultural contexts that are not of their own making. These contexts can limit or expand opportunities for individual actors.

In recognition of the multiple contexts in which people live, **ReproSalud** offers two principal ways to affect the macro environment that outlines people's possibilities. First, it will work with community-based organizations that can federate to increase their relative bargaining power. These CBOs and federations of CBOs can constitute a "middle layer" between individuals and larger forces such as the state. The middle layer can strengthen the voices of individuals by channeling demands up the system and by making calls on resources. This buffer of middle-layer institutions has been a tool of empowerment throughout social history, whether in the form of trade unions, political parties, social organizations or other forms. Thus, by strengthening community-based organizations, **ReproSalud** can empower individuals.

Second, the project's advocacy activities will seek to change the macro environment in ways that heighten women's possibilities for empowerment. Through continuous monitoring and information collection, the project will identify common impediments to women's reproductive health and development and will then use its resources to try to remove those impediments. An illustrative example, that of family life education curricula, was given in Section II. B. 3. a. In this way, resources can be mobilized for social change.

4. "Umbrella" projects offer efficiencies.

It has been determined through a review of a number of PVO/NGO umbrella projects over the past ten years throughout the world that there are distinct advantages (including cost) of an "umbrella" approach managed by a single implementing entity. Such an approach consolidates and focuses the assistance of the Mission, permitting economies in management and training, while magnifying the benefits of sub-grant and technical assistance and training functions. For example, in 1989 an evaluation of the PVO Co-Financing III Project in the Philippines determined that such an approach "clearly demonstrated that a combination of technical assistance, training, and actual implementation of grant projects is a very effective way to strengthen PVOs."[40]

Experience of Similar Projects. A project in the literature that is akin in thrust to **ReproSalud** is the *Warmi* Project in Inquisivi Province, Bolivia. Implemented during 1990-93 by Save the Children and financed by the MotherCare Project, its lessons have already been distilled. The project objectives were to: i) increase women's knowledge and understanding of priority maternal and neonatal health

[40] "Strategic Assessment: PVO Co-Financing Project III," USAID/Philippines, December 1989.

and nutrition topics; ii) establish women's groups capable of identifying (through a tool called an autodiagnosis) and responding to their own and their infants' health needs; and iii) develop a project module that can serve as a guide for other PVOs.

Some of the lessons learned are further corroboration for the technical underpinnings of **ReproSalud**'s design. Among them:[41]

- Organizing and strengthening women's groups is a good strategy to adopt in settings where women are isolated geographically, culturally and socially.
- The autodiagnosis is a valuable tool for women to identify and prioritize their problems and also serves as a strong motivator for women to look for solutions and to learn more about these problems.
- Respecting cultural values and traditional practices is extremely important in developing messages and methods to effect behavior change.
- Developing educational materials with women's groups and *parteras* is a long process but is well worth the time invested.
- In enhancing policy dialog, one should determine what the audience's principal interests are before engaging in a dialog, and then raise discussion points based on the audience's interests.

And, finally:

- The success of the project was due in large part to the fact that it responded to felt needs.

SDAF. A related Mission experience is the Special Development Activities Fund, which gives small grants to community-based organizations for a variety of development activities. Over the ten-year period 1983-93, the SDAF sponsored 166 small projects, for a total value of $1.1 million in grant funds. Grants cannot exceed $20,000, and most are in the range of $10,000.

Illustrative activities are: a municipal mill, a health center for disadvantaged children, a solar community kitchen, an environmental sanitation program, educational program support for rural schools, potable water installations, and equipment to improve a low-income women's laundry business. Implementation periods vary from three months to one year. Most are about eight months.

The findings of an external evaluation of ten years of experience with the SDAF program are relevant to **ReproSalud**. Among the principal ones: (i) the grants were able to leverage counterpart contributions, whether financial or in-kind; (ii) they were successful in strengthening the organizational capacity of participating groups; (iii) in some cases the mere presence of the project was enough to stimulate additional activities that helped improve the quality of life of the beneficiary population; (iv) although the projects have helped improve quality of life, they have not necessarily helped raise incomes, although that was not intended in many projects; (v) women have had a lead role in the projects, which has helped raise their self-esteem and leadership profile in their base communities; and (vi) many projects have become self-sufficient or have otherwise attracted other sources of funding that allow them to continue operating.

Regarding management, the SDAF will no doubt serve as a model for many aspects of the sub-grants under **ReproSalud**. The SDAF application and selection procedures were evaluated as simple and unbureaucratic. The SDAF experience has also shown that even in difficult times of economic

[41] "Project *Warmi*," MotherCare Project Final Report, Rosslyn, VA: John Snow, Inc.; July 1993.

crisis and social strife, small projects can be implemented in even the most distant and inhospitable parts of the country.

In sum, the SDAF has identified projects that, despite their small size, have been able to exert high impact in improving the quality of life of beneficiaries, particularly women. They have succeeded in large part because of the high level of community participation they enjoy, which is in turn a reflection of their design having originated in the felt needs of the community.

Some of the recommendations of this evaluation are salient for **ReproSalud**: provide a higher level of resources for grant-making; concentrate the program in specific geographic areas, in the hope of achieving a critical mass of activity and to facilitate monitoring; link activities up more closely with other Mission-supported activities; shorten sub-project implementation and/or monitoring periods, so that adjustments can be made in a timely manner; undertake more aggressive information-sharing among sub-grantees, as well as more aggressive dissemination of information in the Mission and USAID in general about activities and accomplishments under the program; consider building in some added incentives for grantees to reach particular benchmarks; and incorporate a technical assistance component. As can be seen, virtually all of these recommendations are contemplated in the **ReproSalud** design.

B. Institutional and Administrative Analysis

1. Background

USAID/Peru's extensive, long-standing experience with family planning in Peru provides the institutional memory and technical expertise necessary to expand the existing portfolio of projects to address the slow progress of family planning in rural areas. The HPN Office has gained extremely valuable experience in the implementation of the SHIP project that provides guidance for launching a parallel project focused on reproductive health as a leading-edge technology to improve family planning.

2. Organizational Issues

a. General Issues

The combination of large, under-served rural and peri-urban populations, limited public sector resources to expand community-based preventive services, and an array of utilization and compliance questions that can only be understood and solved at the user level makes it necessary that project activities be at the community level in rural and peri-urban areas. The project will have to build site-specific understanding of health behavior and client preferences in order to successfully address the multi-faceted issues affecting the utilization of family planning and other reproductive health services.

The project will rely almost entirely on private sector organizations -- private voluntary organizations, non-governmental organizations, and community-based organizations -- for the implementation of activities. Thus, a major issue will be how to structure effective linkages between project activities and public sector service delivery systems. Although project operations will conform to public sector policy and norms, the main points of interaction will be coordination at the sub-regional level. Therefore, the development of an information-based linkage at this level will be critical to ensure that the lessons learned from project activities are used to improve public service delivery systems. An effective advocacy and communication focus will be essential. Moreover, project training activities should seek to develop a common understanding among private and public service providers on community issues affecting utilization, compliance, and quality of services.

Sustainability of CBOs and NGOs providing services and benefits will be a more complex second major issue. The most far-reaching sustainable component of a project is, of course, building human capacity. However, the potential of talent to apply knowledge and skills is limited by the available resources. The project will need to adopt a creative and flexible approach to strengthening the viability of key CBOs and NGOs, not all of which need to or will be sustainable if they are effective, *i.e.*, meet their goals. Early in the project the implementing entity and USAID will have to develop a sustainability strategy that categorizes the project's approach to sustainable groups and benefits.

This analysis concentrates on organizational and management issues pertaining to private sector organizations and small community groups. The Institutional Analysis for Project 2000 contains an excellent analysis of the MoH that forms the background for this analysis and will not be duplicated here.

b. Project Strategy

The organizational performance of local CBOs and NGOs will be critical for project success. The assessment of organizational and management features in development programs is usually under-emphasized in project analysis. However, experience has shown that project design should focus attention on such institutional aspects as structure and processes that are major determinants of organizational efficiency and effectiveness. Although technology is very important, successful project implementation depends heavily upon the operational requirements of the technology.

The challenge for **ReproSalud** will be to build the community and gender-specific understanding of reproductive health and family planning behavior and preferences; and to use this information to increase the use of services, technology, and information. Social mobilization and community participation will be crucial elements in this strategy. The operational requirements of community-based, client-focused programs are quite different from those of technology-driven programs; thus, the capacity of the implementing entity to manage a process-driven project is critical.

Evaluations of community-based projects, *e.g.*, the SHIP South mid-term evaluation, demonstrate that the principal constraints that hinder the performance of the implementing entity are institutional, organizational, and implementation factors such as:

- inadequate policies,
- vague plans or strategies that fail to give focus to priority actions,
- poorly identified user needs, and
- deficient or non-sustainable systems.

These evaluations reinforce the importance of defining organizational arrangements, procedures, and criteria for prioritization, and of developing strategic plans for goal setting and resource allocation in project design and implementation. To the extent possible, the RFA should query potential contractors on how they will handle these actions and their past performance on these issues.

USAID/Peru and the implementing entity should hold a series of team planning meetings in the start-up phase of the project to ensure that there is a common understanding of operational principles, goals, objectives, and the means of verifying progress and impact. It will be crucial that the implementing entity understand how the project will contribute to the Mission's strategic objectives. In addition, the implementing entity must have a clear sense of how to manage the small grants component of the project in a manner that is responsive to community needs and also be cognizant that the array of project inputs, which includes grants, training, IEC, collaboration, and advocacy, needs to be additive, synergistic, and appropriately sequenced. The danger is that project resources may be spread too thin or activities fragmented, with little or no thought of how they will

complement each other as parts of a coherent whole. The SHIP South evaluation could serve as a case study to be looked at prior to these meetings.

In short, the implementing entity will need to think strategically and act locally. This is not an easy task, and it will require guidance from and dialog with USAID/Peru to ensure that the strategic elements are in place and that there is a project information system that regularly and consistently reports effect and impact information to USAID.

c. The Utility of Working with CBOs

With limited public sector resources available for preventive care, it is important to explore options and the feasibility of shifting some of the costs, responsibility, and capacity for problem solving to local communities.

PVOs, NGOs, and CBOs have the flexibility to experiment with innovative approaches and are in a unique position to contribute toward creating the technical and social conditions necessary for strengthening community actions.

PVOs, meant here as large organizations based in the U.S. or elsewhere outside Peru, tend to have less day-to-day contact with local communities. They can, however, provide specific technical and management support and/or training to the communities, and thus may be very useful to the project. USAID Lima has a long history of working with such PVOs as CARE, IPPF, Pathfinder, and PACT, which may be able to provide some useful technical and/or organizational input into the project.

NGOs tend to be smaller and more locally or regionally based. In the parlance of USAID, they typically are indigenous to the host country. A recent publication lists a total of 897 NGOs in Peru, including 123 in priority areas for **ReproSalud** outside Lima.[42] This listing is a useful guide, although it includes some NGOs known to be inactive, many whose objectives are unrelated to the project, and does not include others known to be active. Nonetheless, some of the NGOs listed are likely to be in a position to provide useful input into **ReproSalud**.

NGOs devoted to local or regional development activities in the rural and peri-urban areas where **ReproSalud** activities will occur are especially well positioned to help gain access to the local communities with which they work and to anticipate problems that might arise as a result of local conditions. They may also serve as intermediaries with local communities and CBOs, some of which may lack formal recognition, independent legal status (*i.e., personeria juridica*) or experience in managing projects and funds.

Some of these local or regional NGOs have strong Church ties, which may inhibit their possibilities for effective reproductive health activities, especially contraception, even though local parish priests or nuns may be fully supportive of these activities. On the other hand, a good working relationship with Church institutions may be very useful for gaining community and other institutional acceptance and support for project activities.

Some of the lay NGOs working in local or regional areas where **ReproSalud** will be active have or have had in the past ties to Peruvian political parties. Most, however, are not politically active as institutions, and their past experience in dealing with problems rooted in political circumstances may be very useful for the project. Care must be taken to avoid involving the project or project funds in

[42] Jorge Noriega Dávila and Miguel Saravia López de Castilla, eds. (1994). *Perú: Las Organizaciones No Gubernamentales (ONG)*. Lima: DESCO.

activities that may be used by one political party or tendency to gain local hegemony at the expense of others. Such situations may arise, even though political party activity and influence in Peru have abated enormously over the past four years.

The SHIP South experience with NGOs in Puno will be useful for **ReproSalud** there, as will other USAID/Peru experiences with NGOs through the projects with PRISMA and PACT throughout Peru. Some of the Lima-based NGOs focus directly on women's and reproductive health concerns; among them are Apropo, Micaela Bastidas, Chirapaq and CAMETSA. A few deal with women's development in a more integrated way, such as Flora Tristán and Peru Mujer. Manuela Ramos is notable for its integrated approach to women's development, as well as its strong activities in health, women's rights, research in women's issues and marketing of women's handicrafts. PROCADERA, a Lima-based NGO, is active in promoting rural credit in highland areas of southern Peru.

Among NGOs working in reproductive health activities in **ReproSalud** priority rural and peri-urban areas are INPPARES (Juliaca, Huancané and Ilave), Planfami and CIED-Puno in Puno. Labor-Ilo is active in promoting women's health and peri-urban development activities, as well as their strength, environmental action, in and around Ilo. In Tarapoto, PRODEMU has experience in women's and health activities, and in Ucayali, AMETRA has long experience with traditional medicine among the Shipibo Indians.

Most of the non-Church NGOs in Peru are undergoing a period of constriction of activities and of difficulties in obtaining funding to continue their activities, as international private-sector support dwindles. Many of these, as well as some that are actually expanding, will have the capacity to absorb **ReproSalud** activities or some aspect of them, or at least help gain access to local communities and CBOs.

The most important stakeholders in **ReproSalud** are going to be local communities and CBOs. CBOs, having a range of representativity and organizational capacity, exist nearly everywhere the project is going to be active. These include mothers' clubs; women's committees; *vaso de leche* committees; neighborhood development committees; associations of producers, artisans, and marketers; cooperatives; irrigation committees; agrarian leagues and federations; and many others. Some are single purpose, and others have multiple development objectives. Most lack significant financial resources and have organizational and management limitations.

Nevertheless, they represent the most genuine expressions of community concerns and interests, and they should be supported in their efforts to empower both communities and women. Few are incapable of developing the necessary organizational and management skills to represent their constituencies more effectively, given sufficient training and encouragement. For these reasons, **ReproSalud** should give priority to strengthening CBOs, even when it may be necessary to mobilize NGO, PVO, university or public sector technical and organizational resources in order to do so.

However, care should be taken to avoid raising the expectations of CBOs beyond realistic possibilities and to explain to them carefully and clearly project objectives, requirements, organizational and contractual relationships, and potential resources. There is a serious risk of alienating these organizations and their base communities if project implementation proceeds too precipitously or without sufficient prior communication of these elements.

3. Management and Administrative Issues

a. General

The project will operate in a structure that includes USAID, an implementing entity, and an array of community-based organizations, with some additional input from NGOs and PVOs. The SHIP South evaluation found that there was some confusion on operational roles, particularly between management and administration roles and responsibilities.

There is a critical need for clarity on the roles and responsibility of all players. In the initial planning meetings between USAID/Peru and the implementing entity, project management responsibilities, definitions and information needs should be reiterated and expanded upon. Management should be defined as providing vision, judging of priorities, leading, managing change, and acting as the final venue for resolving conflict. Administration should be defined as the orderly application of routine procedures within existing legislation and policy. There must be a two-way flow of information and feedback. For example:

- USAID/Peru is managing a portfolio of health, population, and nutrition projects towards strategic objectives, ensuring coordination and providing leadership. In the jargon of re-inventing government it is "steering."

- The implementing entity is providing strategic "rowing" towards the Mission's strategic objectives, as well as operational management of the project. Implementing entities generally need to understand how the projects they are managing are contributing towards larger strategic objectives, to avoid turf disputes between projects and over identification or too tight "ownership."

- The CBOs also need to understand how their individual grants contribute to larger project objectives, as well as community objectives.

Based on the SHIP South experience and the over-emphasis that the project implementation agency placed upon administrative as opposed to strategic management, it is likely that the implementing entity for **ReproSalud** would benefit from an external consultancy to explore possibilities for streamlining administrative procedures.

b. USAID Management Role and Staffing Issues

Assuming the availability of staff, the project presents the Mission and the HPN office with an unusual opportunity to identify key issues of national or regional importance and to conduct analyses that will help:

- Develop and refine programmatic interventions that address under- utilization of services, compliance, and sustained use of family planning technologies.

- Glean the lesson learned from efforts to consolidate volunteer resources and reach hard-to-serve populations that can guide larger-scale operations or provide understanding of the time, money, and human resources needed to nurture fledgling organizations to self-sustaining and viable units.

- Streamline and strengthen management capacity to implement community-based approaches and to develop criteria to evaluate which aspects of community participation contribute to sustainability and desired impacts.

Answers to many of these questions will not only refine the approach and improve the effectiveness of **ReproSalud**; they are also applicable to other USAID programs and would be an important contribution to regional learning and understanding. In addition, there are valuable opportunities for inter-project collaboration and planning that could strengthen the strategic management of the entire HPN portfolio.

Given the current management burden of the direct-hire staff, this type of analysis, development of lessons learned and cross-portfolio planning is unlikely without the addition of project-funded staff.

c. Grants Management

CBOs are particularly well placed to understand local constraints and to provide services and information that reflects community preferences. Assisting small CBOs to turn community understanding into grant proposals and to monitor and support the performance of small, often fledgling grass roots organizations requires an implementing entity with in-depth national understanding and experience; an existing network of institutional contacts and collaborators; a capacity building or management development approach to working with client groups; and experience with developing objective, transparent procedures and criteria for identifying, reviewing, and selecting grantees.

Major challenges for the implementing entity will be to identify a culturally sensitive process for setting priorities that will ensure that the allocation of project funds for small grants is targeted where the greatest benefits can be obtained for the cost; outline objective criteria for funding grants; and identify operational factors, primarily training, technical assistance, and collaboration, that will maximize the credibility and utility of the grants. A high level of participation by community women in these decisions will increase the probability that the grants will reflect women's reproductive health needs and will ultimately contribute to improved family planning among the target populations.

The SHIP South evaluation pointed out the need to know and motivate a broad range of potential grantees and to assess their implementation capacity early in the grant process. This will be particularly important for the **ReproSalud** project, where the intention is to provide grants with a priority for CBOs rather than NGOs. The CBOs are likely to need additional support in the first round of grants to develop proposals, implement activities, keep satisfactory records, and report on their activities and expenditures. The process should not exclude first-time grant applicants nor newly emerging women's groups; their inclusion in the program will require particular attention and creativity. It might be useful to consider setting aside funds for grants to small, disenfranchised groups.

d. The Implementing Mechanism

ReproSalud's organizational and management needs clearly favor a national entity to implement the project. The qualifications should include in-depth national socio-cultural understanding; an established network of contacts with national and local level women's groups that will facilitate entry into rural communities and community organizations; and demonstrated experience and competency with planning and management, fiscal management and administration and management information systems.

Moreover, to meet USAID's impact reporting needs, the implementing entity should have an institutional focus or approach that emphasizes effective governance and strategic management by senior managers; flexible response to changing demand and circumstance; skillful creation of an internal organizational culture and values that sustain achievement; and a leadership style that delegates authority and encourages initiative. These four factors are particularly relevant to all phases of **ReproSalud** as the project focus and orientation emphasize capacity building,

collaboration, fostering local ownership, creativity, technical competence, and a record for quality management at the community level.

e. Evaluation Issues

External midpoint and final project evaluations are responses to bureaucratic requirements and, for the most part, do not correspond to project managers' needs for timely performance information on which to base management decisions to modify project implementation. Therefore, the implementing entity will need to put into place a management-focused internal review process and information system that provide progress information and feedback to USAID/Peru and the CBO grantees. Information needs at all levels must be clearly identified in order to avoid collecting marginally useful information and overloading the system.

An internal project monitoring and information system should allow USAID/Peru to ensure good resource use over time, orient grants and supporting technical assistance and training toward the project purpose, and assess the relevance and purpose- and goal-level effects of the project's collective output. The implementing entity will need to train the CBOs and other small grant recipients in participatory evaluation techniques and develop indicators that measure the communities' perception of "success," not just the donor's perception.

USAID/Peru will need to direct particular attention towards developing an approach for measuring the effect and impact of the social components of the project. Specifically, process and impact indicators will need to be developed to evaluate the effect of project activities on the decision-making skills and capacity of women, and to track and identify what service delivery points or modes of operation are most effective or sustainable and why. The trade-off between maximal and optimal sustainable impact needs to be understood if community-based programs are to be replicated.

C. Social Soundness Analysis

ReproSalud is designed to increase the utilization of family planning and other selected reproductive health interventions, giving priority to six provincial regions of Peru, the eastern section of Lima and the peri-urban area of Chiclayo. It will work with community-based organizations with technical support from an implementing entity and NGOs to promote a demand for such services and to empower women and their communities in the process. This analysis concerns the social soundness of the project, taking into consideration the socio-cultural characteristics of the diverse target local populations and an evaluation of their needs and desires for such types of health care.

This analysis is based on the Mission's recent experience in each of the project areas, and on the available published and unpublished literature.

1. The Sociocultural Context

Peru is a country which, although rich in history and natural resources, has suffered severe economic crises and a succession of natural disasters over the past three decades, during which it has had both formally democratic and military governments. Over the past 15 years these socioeconomic problems have been accompanied by political violence, which has devastated the country and produced widescale rural to urban migration.

The Peruvians most seriously affected by these conditions are precisely the rural Indian, peasant and peri-urban populations of the project area. A large portion of the population in these areas has migrated from rural highland areas to peri-urban shantytowns in the same regions, as well to the city of Lima.

The priority areas of **Reprosalud** include a diversity of sociocultural situations in all three of Peru's principal geographical regions.

On the coast they include La Libertad, which is a traditionally agricultural and commercial region, centered on the city of Trujillo but with a highland hinterland where a mestizo peasant population predominates, and Chiclayo, which is similarly, the Department of Ica in the Libertadores/Wari Region is principally an agricultural and commercial area with a largely rural mestizo population, and also includes a long established black population in the Chincha area to the north of the capital city of Ica.

Another coastal area is that of the Departments of Tacna and Moquegua in the extreme south of the country, which form part of the José Carlos Mariátegui Region. The populations of these departments are mainly mestizo and include a labor force for the Toquepala and Cuajone copper mines in Moquegua and the port city of Ilo, as well as trade services in the free port city of Tacna near the Chilean border. Tacna and Moquegua also have a highland hinterland mainly populated by Quechua- and Aymara-speaking Indians.

Among the highland regions included in the project area is the rest of the Libertadores/Wari Region (Departments of Ayacucho and Huancavelica), which are areas of extreme poverty and until recently the center of activity of a violent insurgent group, *Sendero Luminoso*. The population of this area is largely Quechua-speaking and traditionally isolated from the country's national economy.

Another highland area is the Department of Puno, in the José Carlos Mariátegui Region, which contains a population of 1,120,000 mostly Quechua- and Aymara-speaking Indians who live at altitudes approaching and exceeding 4,000 meters. Also, the Chavín Region, including the Department of Ancash and portions of Huánuco, is populated by Quechua-speaking Indians and mestizos in another traditional agricultural and commercial area in the north central Peruvian highlands.

The jungle regions among the project areas are San Martín and Ucayali. The population of San Martín is largely mestizo, descended from jungle Indians and migrants from the highlands. There are two traditional jungle Indian populations in this region, the Aguaruna, a Jivaroan group in the upper Mayo River basin, and the Lamas, in central San Martín, who are descendants of a mixture of diverse Amazonian ethnolinguistic groups who learned Quechua as a *lingua franca* in 17th Century Jesuit missions. In Ucayali, the traditional Amazonian Indian populations are the Shipibo-Conibo, Asháninka, and related Pano and Arawak speaking peoples, who constitute 20 percent of the regional population; the rest are riverine peasants who have lost their Amazonian Indian identity and recent migrants from the central highlands.

Both San Martín and Ucayali have been the scenes of major drug trafficking and political violence during the late 1980s, but they have since returned to a relative calm. Nevertheless, their economies and social organization have been devastated by these upheavals, as well as by their peripheral position during major national economic restructuring. All of this has seriously affected social and economic development and also worsened both overall income distribution and the relative position of women in the society.

2. *The Beneficiaries*

The project beneficiaries will be women of childbearing age and their male partners in the project areas, where health services are generally severely underdeveloped and where fertility is highest. Their children, families and communities will also benefit both directly and indirectly from project activities, which in addition to reproductive health services, include interventions to strengthen their economic and political situations.

These benefits will be generated through community organization and empowerment via small grants with the support of training efforts, credit, and technical assistance to be provided by the implementing entity, NGOs, and USAID directly.

These beneficiaries will be among the poorest and most marginal families in Peru, located in rural and periurban areas where both health and poverty indicators indicate the greatest need. Their educational levels will range from illiterate to complete high school education, but a majority will not have attained more than a primary school education. Thus, their position within the labor market will be among the least favored.

In the rural areas, those families that own land are small farmers whose holdings average from one quarter of a hectare to three hectares, except in the jungle areas, where 20 to 30 hectares is the usual range of land holding. Plots of these sizes are used mainly for subsistence production and allow for little or no surplus. In some of the highland areas (Puno, Ayacucho, Huancavelica, and Ancash), agricultural work is seasonal, which is conducive to migrations during the rainy season months of December through April. The usual destinations are the jungle and the coast for urban wage labor or independent services in Lima or other coastal areas, while gold mining or agricultural activities are the most common livelihoods in the jungle. Even when these seasonal activities are combined, these populations remain in the lowest income strata. In the peri-urban areas where the project will be active, a majority of the people are unable to obtain stable full-time employment, and most are artisans or street vendors or are engaged in service activities, often at less than full capacity.

Many of the women who will be involved in the project are likely to belong to mothers' clubs and similar community-based organizations, whose organization is encouraged by the Peruvian Government as vehicles for food distribution and other economic assistance activities. Some of the highland peasants are affiliated with provincial, departmental or regional agrarian leagues or federations, although these have lost much of their political strength in recent years. Most of the jungle Indians are organized in federations or associations on an ethnic group, river basin, or regional basis. The peri-urban women and men targeted in the project frequently participate in special committees to obtain such urban services as water, sewerage, and electricity, or to form guard patrols to protect their neighborhoods from crime.

While the entire range of political affiliation options is probably represented among these beneficiaries, few are active in party politics, as is generally the case in Peru. The most common kind of natural community organization is the single-purpose association, which is important in mobilizing community efforts. Under this heading come irrigation committees, various kinds of producers and marketing associations, local health committees, and sports organizations.

Family units or kin groups constitute minimal production units and thus will be emphasized for their ability to share in project activities and benefits; the major focus however, will be upon women and their empowerment. They and their community-based organizations will be the channel for introducing project activities and benefits into the local communities. Nonetheless, men and both adolescents and young adults of both genders will be expressly included in reproductive health interventions.

The GoP is firmly committed to policies that are supportive of the kind of reproductive health services to be provided under this project; it has established a National Program for Reproductive Health Services for Families, which seeks to prevent high-risk and unwanted pregnancies, prevent abortions, ensure voluntary access to safe, effective contraceptive methods, and provide information and counseling to high-risk populations. Moreover, GoP policy encourages community participation in local health committees to plan for health sector activities such as those of **ReproSalud**.

3. Participation

The strategy of **ReproSalud** is to promote a horizontal approach that emphasizes community ownership of the project and its activities. The project design is unusually strong in its focus on community-level decision-making in design, implementation, monitoring, evaluation, and mid-course corrections of project activities, as the key to project success. In June 1994, representatives of potential beneficiary populations and NGOs that are similar to those likely to become involved in the project participated in a colloquium that helped inform the project strategy, contributing important concepts, such as attention to the situation of adolescents and the importance of economic empowerment of women as an underlying premise for the success of any efforts in reproductive health services.

For this community approach to be effective, it will be necessary to incorporate important participatory elements into project implementation as well. Thus, from the beginning, the necessary time must be taken and the effort made to go immediately to the field to **listen** to the potential beneficiaries and plan the project implementation around their needs and preferences. Then, a series of successive workshops and local and regional planning sessions must be conducted in order to reach concerted decisions based upon the collective wisdom of all project stakeholders -- the communities, CBOs, NGOs, MoH, other public authorities, the implementing entity, and USAID -- for each stage of the project, and thus ensure not only the acceptance of the project by each, but also and especially community ownership.

Such a strategy will take time, and project implementation may not proceed as quickly as USAID and the technical staff of the implementing entity might consider ideal. However, attainment of the desired level of participation is critical, and project implementation must not proceed in a precipitous manner. It will be necessary to constantly review the level of active community-based participation and to avoid short cuts that might expedite meeting some project goals in a timely manner, while leaving communities out of active decision-making.

Moreover, effective monitoring and evaluation mechanisms must be implemented in a way that involves extensive participation on the part of stakeholders and that allows them to understand project issues and assume project challenges.

4. Socio-cultural Feasibility

Reproductive health needs and related empowerment mechanisms will vary from one area to another, according to economic and sociocultural differences. In some rural highland areas, where large numbers of children per family are common, labor requirements will be a determining factor in preferred family size. These labor requirements may be changing over time, if, for example, available land holdings are too small under current economic conditions to require traditional levels of family labor. In such cases, desired family size may be reduced. Alternatively, tightening economic pressures may make necessary more family labor input and less wage labor. In urban areas, reduced labor requirements and the greater costs associated with raising children should make smaller families more appropriate and desired.

Some jungle Indian ethnic groups with small populations, however, may wish to have large families in order to survive and defend themselves against external pressures on their lands, forests, and fishing resources. These needs must all be taken into account and a variety of possible responses offered. Family planning must indeed be planned with the beneficiaries according to their needs, rather than being imposed on the basis of external criteria.

There will also be cultural factors that will condition the understanding and acceptability of reproductive health activities and the involvement of women from rural areas or recent migrants

from these areas to cities. Technical personnel who participate in project implementation must be sensitive to these factors.

In some cultural situations, male reproductive health workers may not be accepted by women; in others they may be preferred. Culturally-rooted beliefs about the body and its care must be taken into account. Some reproductive health matters may be considered appropriate or inappropriate for discussion in mixed company or under other circumstances. Care must be taken to obtain information on these factors and avoid ethnocentric interpretations of how women or communities should behave, before acting in culturally offensive ways. In planning project implementation, anthropological data and interpretations should be previously consulted, especially in rural highland and jungle Indian areas.

Of particular importance may be the cultural significance attached to gender and kinship affinity and avoidance customs and expectations, particularly regarding menstruation, coitus, pregnancy, childbirth, menopause, and death. Care must be taken to ensure that the use of traditional birth attendants and other reproductive health workers does not violate local cultural norms. For example, many Indian women are very uncomfortable giving birth in clinics on a bed; they prefer a squatting position, holding on to a tree for support. Moreover, they resist being shaven, given enemas, and other features of modern medical practice in childbirth care. These cultural situations must be addressed seriously and in a flexible manner. Hygiene is important, but not necessarily Western notions of hygiene.

The greatest risks faced by the project are those that arise from culturally inappropriate activities and lack of active community participation. The violation of cultural norms may produce serious setbacks that could delay effective project implementation more than those delays that will result from taking the time and having the patience to address issues effectively and attain the desired level of community participation and collective planning. If the project is to be successful, the implementing entity and USAID must avoid overzealous and overhurried project implementation; instead, they must carefully but efficiently and effectively advance toward the desired results.

5. Impact

The key to project impact will be the level of beneficiary and community participation and the extent to which coordination takes place with all other project stakeholders, including local and regional government authorities, CBOs and NGOs, as well as the implementing entity and USAID. If this effort is successful, the project should become locally sustainable and will constitute a model that can be replicated widely in other areas, thus having much greater impact.

Democracy will be strengthened by involving women and local communities in efforts to plan their own future and also by their economic empowerment, which will strengthen overall development efforts. Many of the local women's organizations are likely to become interested in the small grants designed to attain a level of female economic empowerment. Their active participation in activities made possible by these grants is likely to result in their greater capacity to organize new reproductive health services or encourage them within existing organizations. Success in reproductive planning will also be a major contribution toward attaining environmental goals of conserving valuable natural resources and biological diversity.

Among the risks involved would be a failure to convince key actors in the strategy, thus giving rise to divisions and the unproductive dispersal of energy. Project success assumes both community and institutional commitment to the strategy, as well as the neutralization of potential opposition forces.

6. Issues

In Peru, the principal population issue is not the numbers themselves, but the relationship among population, land and other natural resources, and the availability and efficiency of appropriate technology. This project seeks to address all of these productive forces together in a manner that will allow them to attain the most desirable balance for all parties involved. By encouraging economic development efforts that will empower women and their communities, project beneficiaries will be better able to decide how to plan for more productive individuals, families and communities.

Some opposition to contraceptive efforts can be expected from the more conservative elements of the Catholic Church hierarchy, as well as from some fundamentalist Protestant groups. Disinformation campaigns to equate family planning with abortion are likely, as was evident during the period leading up to the Cairo Conference. However, local parish priests and other community-level religious leaders may well be in disagreement with such a stance, though it is uncertain what concrete actions they might take at the local level.

By placing the emphasis on overall reproductive health and allowing the beneficiaries to decide on what family planning mechanisms are most appropriate to their needs, the project should be able to overcome these vertical political pressures and defend client interests effectively. Quiet work with the communities without public confrontation with opposition zealots will be more effective. However, public information will be necessary to make project services known at the local level and involve women and their communities.

The complementary efforts to empower women and their communities economically will also go a long way toward their political empowerment and thus their possibilities of making their own decisions, rather than letting authoritarian forces dominate them in ways that oppose their legitimate personal, family, and community interests. Woman with a sense of their own worth who are strengthened by an improved economic position relative to men and external dominant forces should assume the freedom to defend these interests more effectively.

D. Gender/Women in Development Analysis

ReproSalud will be one of the first population projects to respond to the Administrator's call to make women equal partners as both agents and beneficiaries of the development process. In the language of the gender framework given below,[43] this implies meeting both women's practical and strategic gender needs.

1. General Framework

Moser, whose gender planning framework informs **ReproSalud**, contends that development activities have not adequately taken into account that men and women play different roles in particular socio-cultural contexts and that those roles generally result in different needs for men and women. The differences in the roles men and women play in society occur because of a gender division of labor that places a greater burden of responsibility on women. Termed the "triple role of women," these responsibilities are divided by gender analysts into three categories: reproductive, productive, and community participation.

[43] Caroline Moser, "Gender Planning in the Third World: Meeting Practical and Strategic Gender Needs," *World Development*, 17(11): 1799-1825.

Perhaps the most recognized by development planners, the reproductive role is the nurturing and caretaking that stem from women's familial obligations, typically to their spouses and children, and that ensure the maintenance and reproduction of the labor force. The productive role refers to work that has either an actual or potential exchange value; although rarely recognized, women engage in productive activities as either primary (particularly in the case of single-headed households) or secondary income-earners. Their work can take place in a multitude of fora, including the formal, informal and agricultural sectors. Third, women are also involved in their communities, implementing activities that enable the community to survive. This community management role is usually unpaid, volunteer labor often undertaken as an extension of their domestic responsibilities (*i.e.*, organizing *ollas comunes*).

In contrast, men tend to carry out different roles. Although certainly caring about the well-being of their families, men generally do not have a reproductive role, as they are not likely to be responsible for childrearing and homemaking responsibilities. Men's oft-recognized productive role is key for their families' survival. Although they do engage in community activities, they do so in a way different than women. While women are involved in the day-to-day provision of "items of collective consumption," men tend to be conferred greater leadership responsibilities, more often involving themselves at the formal level of the political system.

The result of the gender division of labor is that women are severely burdened by simultaneously balancing their triple roles. This implies that women have different needs that development planners must identify within a particular socio-cultural context if activities are to be successful. Women's practical gender needs arise from the gender division of labor and the basic human need for survival. Strategic gender needs are those that must be met in order for women to overcome their subordination and for society to achieve a more equitable organization.

2. *Peruvian Context*

Despite the vast diversity of socio-cultural conditions in Peru, women's triple role and subordination are a reality throughout much, if not all, of the country. The most recognized of their responsibilities, particularly by health programs, relate to the reproductive role. Principally as mothers and wives, women take care of their families, bearing children and seeing to their developmental, educational, emotional and health needs; performing household chores, such as cooking and cleaning; attending to the emotional, sexual and health needs of their husbands; and carrying out sundry other tasks.

Although typically deemed the realm of men in their traditional role as "bread winners," the productive role is actually the domain of both men and women in Peru. Women in Peru are engaged in productive activities that either directly or indirectly produce income. Women who work for cash are more likely than men to work in the informal sector. Those who work in the formal sector have incomes just below half that of men. Activities that do not yield cash but do prevent families from having to purchase items are often confused with women's reproductive roles and therefore not usually recognized as productive. In fact, these "indirect income" activities have been and continue to be important mechanisms for survival, particularly in recent times of economic crisis. Examples of such activities include sewing clothes, producing agricultural goods for home consumption and even breastfeeding.

Peru enjoys a great deal of community participation on the part of both men and women; however, this participation does differ by gender. Notwithstanding changes in community roles resulting from the last decade of severe economic and political turmoil, men are more likely to be involved in the politics of their communities, while women are more likely to be active in the day-to-day management of community activities. This division of labor is clearly seen in health programs throughout much of Peru; in both the NGO and public sectors, men tend to make decisions about which activities to undertake and invest in (*e.g.*, ORS, immunizations and family planning).

In contrast, the people who implement those programs at the community level are more likely to be women. Typically called community health workers or community promoters, these individuals, who are usually unpaid, are the health system's primary line of defense against illness and malnutrition in remote peri-urban and rural settings. *Vaso de leche* clubs and *clubes de madres* are excellent examples of the positive impact that results from women's participation in the community; they also demonstrate that women's participation in the community tends to resemble the type of activities undertaken as part of their reproductive role.

3. Gender and USAID/OHPN's Current Portfolio

Because it has identified women and children as the major beneficiaries of its projects, USAID/Peru has been successful at meeting many of women's practical gender needs through its HPN portfolio, principally through enhancing their abilities to perform their reproductive role more effectively and efficiently. Recognizing women's role as caretakers within the household, child health and nutrition activities have focused on women, providing them with information about how to care better for their families and linking them with preventive and curative services. Family planning provision has similarly met women's practical gender needs by improving maternal and neonatal health outcomes; taken in concert with more recent additions to the HPN portfolio, such as emergency obstetric services under Project 2000, these activities will prevent a great deal of morbidity and mortality among women of reproductive age, will generally enhance women's capacities as mothers, and will meet their immediate and basic needs for survival.

Despite being primary beneficiaries of USAID/Peru's efforts in health and population, women have been less likely to be key participants with decision-making responsibilities. Their participation has generally been limited to the promotion and provision of health services and education at the community-level. Because such work is rarely remunerated, women have "profited" only in terms of their enhanced status in the eyes of their communities. While this enhanced status is important, it may not be unfair to state that it has been the MoH, the donor community and other major investors in the health sector that have largely benefitted from their participation.

The limited participation of women as "stakeholders" in the health system has meant that their strategic gender needs are neither identified nor satisfied. These needs relate to health care as well as to broader development goals, such as human rights and economic growth. In terms of health care, strategic gender needs might be those that relate to the physical and emotional consequences, among others, of subordination. An example that has a direct impact on women's reproductive health is domestic violence and sexual coercion. In such contexts of direct subordination, women are unable to exercise their basic human rights to bodily integrity and choice in the number and spacing of their children; they are also more vulnerable to transmission of HIV and other STDs.

Other strategic needs would be met by the benefits of participating in the process of being a stakeholder. Becoming agents of change in the health care system could lead to women's own self-realization and empowerment. In the context of the above example, organization by women around the issue of domestic violence could lead to increased abilities to speak publicly and to garner resources for issues directly relevant to them.

The current underutilization of available health services is a result of women's marginalized participation in the health sector. Such marginalization in the design of health programs and in decisions regarding the allocation of resources within the health sector has had a negative impact on the perceived and actual relevance of available health services. Numerous studies have demonstrated that quality of care is a major problem in both the public and private sectors, while other studies have shown that a "cookie cutter" approach to service provision does not take into account communities' (and women's) specific beliefs and cultural norms. The result is that even when physical access is achieved, socio-cultural barriers and quality of care problems remain major impediments to service utilization.

*4. Meeting Women's Gender Needs: **ReproSalud's** Response*

ReproSalud is designed to meet both women's practical and strategic needs. It acknowledges that women's participation in the design of health programs and in decisions regarding allocation of resources will lead to more accountable, relevant and utilized reproductive health services, while simultaneously enhancing women's engagement in the process of community and resource mobilization.

Building on previous successes in meeting practical gender needs, USAID/Peru has designed **ReproSalud** to be responsive to women's immediate needs. The qualitative research process will highlight these issues and provide communities with a sense of ownership about the resulting reproductive health programs.

Unlike other projects, **ReproSalud** also explicitly seeks to meet women's strategic gender needs. Besides highlighting issues of an immediate nature, the qualitative research process will serve as a means for self-discovery and actualization among participants and will increase women's ability to openly discuss the traditionally taboo subjects of sexuality and reproduction. The advocacy activity will enable, indeed encourage, women to be active and articulate voices for increased health sector attention and resource allocation to areas of concern to them, thereby raising the level of their community participation from that of management to that of leadership.

Because of their unique inclusion in a health project, the innovative microenterprise and credit activities deserve special discussion. They will increase the efficiency and effectiveness of women's role as producers. By increasing access to resources, microenterprises and credit will enable women to meet their families' immediate needs for consumption, as well as their ability to invest in their own health care. It will also give them increased leverage in their relationships with their male counterparts, particularly their spouses. In essence, the microenterprise and credit activities meet both practical and strategic gender needs.

In sum, **ReproSalud**'s strength is that it encourages women to be the agents of their own change. It addresses problems arising from all three of their roles. As Moser argues, this holistic approach is necessary if both practical and strategic gender needs are to be met: Because of the need to "balance" their triple role, women require integrative strategies that cut across sectoral lines.[44]

E. Economic/Financial Analysis

1. Background

Peru has undergone a profound change in economic policies in recent years -- from the populist policies of the Alan Garcia Government to an orthodox market approach under the current Fujimori Government. The hyperinflation associated with the Garcia Government and the ensuing stabilization program have had a direct bearing on the ability of the GoP to deliver reproductive health services in many communities throughout Peru. This section focuses on the economic framework that has influenced the ability of the GoP to provide such social services.

From July 1985 to July 1990, the Garcia Government implemented "heterodox" economic policies directed at raising the rate of economic growth by increasing domestic demand through credit expansion, tax reductions and government-mandated wage increases. Following a short-lived boom with real GDP growth rates averaging nearly 7 percent a year in 1985-1987, real GDP plunged by an average of 8 percent a year in 1988-1990; inflation soared from 100 percent during 1987 to

[44] Idem., p.1806.

1,700 percent in 1988, eventually reaching a staggering 12,000 percent during the 12 months ending in August 1990. Such inflation was caused by budget deficits in excess of 8 percent per year, on average, during 1987-1990 and the resulting financing of these new deficits by the Central Bank. During this period tax revenues plummeted, domestic savings shrank, and the external current account deficit climbed to nearly 5 percent of GDP in 1990.

Public sector deficits were the result of widespread subsidies (through low public sector tariffs and prices) and reductions in tax revenues (due to the government's tax reductions). In turn, Central Bank quasi-fiscal losses stemmed from multiple exchange rates, financial subsidies, and monetary transfers to development banks. The consolidated public sector deficit, including the Central Bank's foreign exchange and financial losses, exceeded 10 percent of GDP in 1987 and 1990.

Policy during the latter half of the 1980s reversed financial liberalization: convertibility of dollar deposits into foreign currency deposits was suspended; ceilings were reduced on interest rates; legal reserve requirements were increased to finance subsidized public sector credit, primarily to agriculture; and, monetary expansion was out of control. The result by 1990 was a dramatic reduction in financial intermediation in the formal banking system: Broad money and credit to the private sector in real terms were only 27 percent and 20 percent respectively, of their 1985 levels.

Hyperinflation and the decreases in real GDP led to a severe deterioration in real wages. By 1990 real wages were equivalent to 43 percent of their 1988 level. Consumption declined and income distribution, already one of the most unequal in Latin America, worsened.

The new government, which took office in July 1990, implemented a comprehensive stabilization program and structural reforms aimed at rectifying the macroeconomic imbalances, improving competition and achieving an efficient allocation of resources, setting the foundations for long-term growth.

The new economic program has had the following objectives: i) reduce inflation through fiscal and monetary discipline; ii) promote efficiency by privatization, deregulation and trade liberalization; iii) promote foreign and domestic investment by establishing clear rules and equality of treatment; iv) encourage employment by making the labor market more flexible; and v) re-insert Peru into the international financial community.

In order to achieve the objectives, the economic measures taken have included tight monetary and fiscal policies and the removal of price controls and subsidies, with a view toward eliminating the budget deficit, and market determination of the exchange rate and interest rates; and, trade liberalization through the reduction and consolidation of tariff rates and elimination of quantitative restrictions on imports. Domestic markets have been deregulated, and legal restrictions to private sector employment have been eliminated. Other reforms include: simplification of the tax system and strengthening of tax collecting institutions; reduction in public sector employment; and, removal of state monopolies and the beginning of a process to privatize public enterprises.

The results of this stabilization program have been impressive on the macroeconomic front: The annual inflation rate has declined substantially -- to 40 percent in 1993, with a likely rate of 15 percent for 1994. Further, international reserves have increased because of an inflow of external capital, and the government currently has a budget surplus of 4.5 percent of GDP, due mainly to privatization revenues (at 5.4 percent of GDP), leading to a "disguised" deficit of approximately 1 percent. Tax revenues are presently about 12 percent of GDP. The Peruvian Government has re-scheduled its official debt through the Paris Club, and is beginning negotiations with its commercial bank creditors. Real GDP grew by almost 7 percent in 1993, and has an estimated rate of growth of 12.9 percent for 1994. Growth is stronger in the primary sectors of mining, fishing and industrial processing of primary products.

Meanwhile, serious economic problems remain: the underemployment rate has increased from 37 percent in 1988 to 76 percent in 1992 (data for Lima), and real wages are at 50 percent of their 1988 levels. Though real rates of economic growth of 6 percent and higher are anticipated 1995 - 1996, at such rates real GDP in 1996 would still be below its 1988 level. Also, tight monetary policies have led to an overvalued exchange rate, which limits the medium-term growth of non-traditional exports; these tend to be labor intensive and thus could generate significant gains in employment. Therefore, real growth during the next two years is likely to focus on primary sectors, which tend to be more capital intensive; this would lead to slower gains in employment. Moreover, since labor income in Peru is approximately 23 percent of national income, it is unlikely that the benefits of growth will trickle down in terms of higher disposable incomes for the poor in the very near future.

The ability of the Peruvian Government to increase social expenditures remains constrained, in the long term, by the still low (by international standards) tax burden in relation to GDP and the high percentage of the budget allocated to payments on the external debt. In the next two years, budgetary social expenditures (*e.g.*, health and education) will be financed mainly from privatization revenues, followed by borrowing from international financial institutions. Since privatization revenues will end, once the privatization program ends (1995), and there are constraints to foreign borrowing, sustained increases in budgetary social expenditures will depend on the ability of the GOP to increase its tax revenues to up to 14 - 16 percent of GDP.

In summary, the current macroeconomic program has set the foundation for sustained growth for the Peruvian economy with increasing incomes in the long run. Nevertheless, in the short run the ability to pay for family planning services is limited by the previous five-year deterioration in real disposable incomes for a majority of the population.

2. *Analysis*

a. Project Approach

For a project such as **ReproSalud**, the traditional type of economic cost-benefit analysis is not acceptable. Neither an internal rate of return (IRR), nor a rate of return on investment (ROI) is a feasible tool for analysis of the proposed project. In this, as well as other regards, **ReproSalud** is analogous to the Mission's PVO Support Project (527-353). During project design, a great deal of attention has been given to the incorporation of least-cost alternatives for the delivery of various forms of development assistance, including technical assistance in program management, the broad range of reproductive health issues, and income generation.

It has been determined through a review of a number of PVO/NGO umbrella projects over the past ten years throughout the world, that there are distinct advantages (including cost) of an "umbrella" approach managed by a single contractor. Such an approach consolidates and focuses the assistance of the Mission, permitting economies in management and training, while magnifying the benefits of sub-grant and technical assistance and training functions. For example, in 1989 an evaluation of the PVO Co-Financing III Project in the Philippines determined that such an approach "clearly demonstrated that a combination of technical assistance, training, and actual implementation of grant projects is a very effective way to strengthen PVOs."[45] Another benefit of this type of approach is that it facilitates the feedback and linkages among sub-projects and institutions.

Closer financial analysis will be made of the likely cost and sustainability of sub-grant activities by the prospective sub-grant recipients and the institutional contractor. In general, local NGOs have

[45] "Strategic Assessment: PVO Co-Financing Project III," USAID/Philippines, December 1989.

proven to be a low-cost way to deliver development assistance. Evaluations of other PVO/NGO support projects have found that administrative and overhead costs average between 7 and 10 percent for indigenous NGOs (comparable data for U.S. NGOs would imply administrative costs of 25 to 60 percent). It is expected that technical assistance and training provided under this project will, in the long run, further enhance the efficiency and effectiveness of indigenous women's groups and community organizations.

b. Income-Generation Activities

When appropriate, as in the case of the proposed income generation activities, the sub-grants will require that informal cost/benefit analyses be undertaken. Because of the possible complexity of even informal cost/benefit analysis, the institutional contractor will work closely with the prospective sub-grant recipients to develop cost/benefit studies that provide benefit (*i.e.*, actual financial return to the NGO).

It is anticipated that a small percentage of the sub-grants provided through the implementing entity will be for the purpose of income generation for the women's group or community organization. These groups would have many of the characteristics of traditional microenterprise; such characteristics would include: usually 10 or fewer employees, reliance on informal credit markets, little management specialization, simple and unsophisticated products and/or services, and service of a local market through simple marketing channels.

The approach to the economic empowerment of these groups would be through what has been referred to as the "enterprise formation approach."[46] This approach aims to integrate highly disadvantaged groups or individuals from the survival economy into the "microeconomy." These programs are sometimes referred to as community development programs -- as in the case of **ReproSalud** -- because their enterprise development work is frequently embodied in a broader social development program -- reproductive health issues in the case of **ReproSalud**. These programs often serve a relatively large proportion of new entrepreneurs and offer a comprehensive range of services focused on creating rudimentary business skills. Credit is almost always tied closely to training and technical assistance, and loans are relatively small. The relatively high per-beneficiary costs typically incurred by these efforts are justified by the expectation of high social returns in terms of poverty alleviation, community growth, or reproductive health in the case of **ReproSalud.** Generally speaking, much of the direct benefit of the enterprise formation approach is in the form of income generation rather than of employment; such is the case with **ReproSalud**.

Grant funds would be provided by the implementing entity to community groups managed by women. The types of activities that the project would fund for the purpose of income generation could include things such as marketing initiatives (both goods and services), training in the management of microenterprises, and revolving credit funds for a sub-group of women. In general, the purpose of all such grants would be to enhance the ability of women's groups to generate new or additional income.

It is expected that grants for the purpose of income generation would break down as follows: grants that the group wishes to use as a group for purposes such as child care, a *comedor popular*, or the production and/or marketing of a product, such as handicrafts or agricultural products; or, grants that the group would use to capitalize a revolving fund to be used to make loans to individuals or small groups of individuals within the group.

The revolving fund approach would be analogous to the use of *Grupos Solidarios*, an approach that has proven to be successful with women's groups in Bolivia. Once the funds are provided to the

[46] *A.I.D. Evaluation Special Study No. 65*, "A.I.D. Microenterprise Stocktaking: Synthesis Report," CDIE, December 1989.

group, they could be put toward the same type of activities mentioned above. All loans would be at positive real rates of interest. These real rates of interest will cover all costs incurred plus the opportunity cost of capital. Repayment of principal, along with interest, would serve to continue the capitalization of the fund, as well as enhance the ability of the group to address the reproductive health issues that the group considers important. From a financial perspective, such small loans, where the group or a sub-group is responsible for the repayment of any individual loan, have proven successful in a number of places.

The economic rationale of this approach rests on the fact that unless credit programs are specifically designed to account for social and economic differences within the communities served, they will very likely reinforce inequality by promoting additional opportunities for the more privileged. Including the issues of equity, empowerment, and community development as integral concerns of credit projects can add to opportunities for both growth and equality among individuals and within the communities served.

c. Summary

Finally, it is worth mentioning that virtually all of the reproductive health activities that would be pursued by **ReproSalud** should provide positive economic benefits to Peru, not just those efforts that seek to generate income. For example, efforts that raise the level of education of women within the group would, in the long run, tend to lower fertility levels. More broadly, **ReproSalud** seeks to promote institutional sustainability in all of the activities it pursues. While many social programs can never hope to become financially sustainable, this project hopes to enhance the institutional capacity of the women's groups to address their own reproductive needs as they perceive them, and to strengthen the ability of their institution to address those needs.

Endnote on Use of Population Funds for Innovative Activities

State 128823, entitled "Use of Population Funds," issued May 14, 1994) states the Agency's desire to explore new ways of achieving population objectives and that therefore, in addition to population activities the Agency currently supports, which include certain reproductive health activities, a limited portion of population funds may be used for innovative activities, such as female education and empowerment activities specifically designed to enhance the demand for and use of family planning services in the near term.

The cable stipulates that up to $85 million of the President's proposed FY 95 budget that is allocated for population activities in the sustainable development account may, in addition to the types of activities already approved for FY 94 funds, be available for new population initiatives.

Examples of these innovative activities might be: education programs for female maternal and child health and family planning community workers who are directly involved in family planning motivation or service delivery; education programs for girls and women that specifically target family planning knowledge and motivation; policy initiatives aimed at reducing barriers to girls' education and increasing access to and use of family planning and reproductive health services, such as removing the prohibition of pregnant girls' attending school; and support for microenterprise women-owned family planning and primary health care clinics; and similar clearly-targeted activities.

The reproductive health activities that can be supported with population funds (this approval was in effect beginning with FY 94 funds), are: selected interventions for ensuring safe pregnancy and delivery; improvement of female nutritional status; prevention and management of sexually-transmitted diseases; prevention of harmful practices, including female genital mutilation; and post-abortion treatment and post-abortion family planning services. Missions may use population funds for these activities in addition to family planning.

Use of population funds for these innovative activities must first be approved by PPC and G. Consequently, USAID/Peru sent two cables (Lima 9997 and 10100) in October 1994 requesting approval for use of up to 16 percent of the project authorization level, or $4 million, for innovative activities in income-generation. An *Ad Hoc Committee for the Use of Population Funds Proposal* was set up and met on December 2. It prepared an Action Memorandum for the DAA of the Center for Population, Health and Nutrition and the Senior Population Advisor of PPC; the memorandum endorsed the USAID/Peru request and was approved by the two relevant parties on December 12, 1994. This approval was transmitted formally via State 330577, dated December 16, 1994.

Annex 1

Logical Framework

Project Name and No.
Reproductive Health in the Community **ReproSalud** (527 0355)

Peru LOP$25,000,000
FY 95-FY 2000

LOGICAL FRAMEWORK

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS[1]
PROGRAM OR SECTOR GOAL:	**Measures of Goal Achievement and Indicators:**		
To improve reproductive health among women in rural and peri urban areas	Decreased fertility - Total fertility declines from 3.5 in 1991-92 to 3.0 in 2000.	Encuesta Demografica y de Salud Familiar (ENDES) 1996 and 2001.	Public policy supporting family planning and reproductive health is in place.
	Improved maternal-child health - Maternal mortality declines from 303/100,000 live births in 1991 to 200/100,000 in 2000 - Infant mortality declines from 55/1000 in 1991-92 to 40/1000 in 2000 - The proportion of children under 5 yrs with chronic malnutrition decreases from 37% in 1991-92 to 25% in 2000.	Community reproductive health assessments and Encuesta Demografica y de Salud Familiar (ENDES) 1996 and 2001	Public sector service delivery systems increase coverage and quality of service Political & financial support is present. Ability to determine where and to what extent ReproSalud contributes to changes.
	Prevalence of STDs declines by 25%	Community reproductive health assessments	Project ability to acquire needed drugs.
Subgoal: To address the strategic gender needs of women.	Women's empowerment in project areas: Percent increase in women participating in decision-making at local level - Percent increase in the number of women-controlled CBOs or federationsof mid-level groups that address reproductive health Percent expansion of economic opportunities for women	Project baseline data & evaluations	

Project Name and No.
Reproductive Health in the Community **ReproSalud** (527-0355)

Peru LOP$25,000,000
FY 95-FY 2000

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS[1]
PROJECT PURPOSE:	**End of Project Status (EOPS) - Conditions that will Indicate Purpose Has Been Achieved & Indicators.**		
To increase the use of family planning and other selected reproductive health interventions, supported by community-based programs	Increased availability of family planning and other reproductive health technologies (in project areas, as measured by): - Contraceptive prevalence (modern and total) among women in union aged 15-49 increases from 33% and 59% in 1991-92 to a) 40% and b) 67% in 2000 - In rural areas, contraceptive prevalence rates rise from 16 and 41%, respectively, to 30 and 60% - Percent of women in union using contraception who experience unintended pregnancy per year decreases from 16% in 1990 to 5% in 2000. - Proportion of women whose last closed birth interval was less than 24 months declines from 29% in 1991-92 to 15% in 2000 - Average duration of exclusive breastfeeding increases from 2.2 months in 1991-2 to 3 months in 2000 - The percent of women who discontinue use of a contraceptive during the first year of use declines from 48% in 1991-92 to 25% in 2000	Community reproductive health assessments and Encuesta Demografica y de Salud Familiar (ENDES) 1996 and 2001	The implementing agency is able to begin work in a timely fashion. International consultants can enter the country as needed to assist project implementation. Public infrastructure and personnel are in place for referrals and to provide back-up services and reliable supervision. Reliable logistics and procurement systems are in place.
	- Percent of pregnant women receiving prenatal care increases from 64% in 1991-92 to 80% in 2000. - Prevalence of GTIs decreases from x% in 1995 to y% in 2000 - Iron deficiency anemia decreases by 25% among pregnant women.	Community reproductive health assessments and Encuesta Demografica y de Salud Familiar (ENDES) 1996 and 2000 Project Information System data from community diagnoses.	

Project Name and No.
Reproductive Health in the Community **ReproSalud** (527-0355)

Peru LOP$25,000,000
FY 95-FY 2000

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS[1]
	Increased access to client-focused services (in project areas, as measured by): A wider gamut of contraceptive methods is available at the community level and through referral 50% of existing service delivery points (public & private) modify modes of operation and services offered to meet needs identified by community women - Proportion of births attended by trained personnel increases from 53% in 1991-92 to 67% in 2000 - 50% of service delivery points that assess client satisfaction form community advisory committees and/or take corrective action - Education and counseling activities form a major component of the activities of service delivery points	Community reproductive health assessments and monitoring Encuesta Demografica y de Salud Familiar (ENDES) 1996 and 2001. Project Information System data from community diagnosis Exit interviews with clients. Supervisory records	Ability of other programs and projects to strengthen public sector systems.
	Increased demand for services and information (in projet areas, as measured by) The proportion of women participating in or leading community RH/FP projects & action groups The proportion of CBO organizations that invest time in researching community problems and/or own funds on reproductive health and family planning activities The proportion of annual costs of community services supported by community resources - Percentage increase of individuals and organizations actively seeking reproductive health and family planning information (IEC coverage). - The proportion of women who know their menstrual cycle and days when at risk and/or who know reproductive physiology	Community reproductive health assessments and monitoring Encuesta Demografica y de Salud Familiar (ENDES) 1996 and 2001. Project Information System Financial records of grantees Community diagnosis data.	

Project Name and No.
Reproductive Health in the Community **ReproSalud** (527-0355)

Peru LOP$25,000,000
FY 95-FY 2000

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS[1]
OUTPUTS:	**MAGNITUDE OF OUTPUTS**		
1 Capacity Building Increased capacity of women and CBOs to articulate needs, identify problems and constraints to use of reproductive and family planning services and information, and to take action Strengthened capacity of CBOs to prioritize issues, design, implement and monitor community based actions to address reproductive health needs Increased involvement of women in local decision making Strengthened capacity of CBOs to negotiate and mobilize resources to improve reproductive health services for women at the local level	Per target area (7 target areas over 5 years): One sensitization/awareness-raising campaign conducted and appropriate follow-up with CBOs - cluster of target communities and CBOs identified - institutional appraisal of all interested CBOs All CBOs identified as potential grantees trained in community diagnosis via quantitative/qualitative techniques One comprehensive community diagnosis and data analysis conducted per community in target area cluster. - as needed, small surveys and/or local level operations research conducted to support community diagnosis process - as needed, supplemental training per community or cluster of communities All CBOs conducting community diagnosis trained in - priority setting techniques - community priority setting process - grant proposal development - implementation, communication & monitoring techniques One multi-stage communication outreach campaign to support community based activities.	Project information system Project implementation records. Baseline data from community diagnosis, surveys	

Project Name and No.
Reproductive Health in the Community **ReproSalud** (527-0355)

Peru LOP$25,000,000
FY 95-FY 2000

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS[1]
2 Sustainability Improved organizational stability and/or self sustaining CBOs that will continue to invest in reproductive and family planning actions that provide community benefits Increased credit options for women members of CBOs to invest in actions that lead to improved family well-being Increased number of health focused microenterprises that provide a sustainable source of reproductive health and family planning commodities and services	All CBOs receive basic training in organizational development, management and administration 50% of CBOs receive additional training in microenterprise development, managing revolving credit funds, & building self-sufficient organizations Number of CBOs that establish or otherwise participate in revolving credit funds Number of health-focused microenterprises established 10% of CBOs develop matching grant schemes to build financial stability One PR campaign/community seminar per year in the target area to publicize the accomplishments of women and heighten the visibility of CBOs		

Project Name and No.
Reproductive Health in the Community **ReproSalud** (527-0355)

Peru LOP$25,000,000
FY 95-FY 2000

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS[1]
3 Information Increased use of community based information for policy dialog & program improvement Better informed health providers and consumers Client focused reproductive health and family planning service delivery	One advocacy campaign per year (local and/or national) to generate policy dialog One public education campaign per year to promote awareness on specific issues identified by community diagnosis (e.g., RTIs, patient rights, appropriate use of medicine) Yearly CBO/service provider consultative/best practices meetings in each target area to share information, encourage collaboration and foster the establishment of CBO networks, federations or action groups across public and private sector. A yearly "state of the community" report that distills and disseminates the lessons learned that enhance impact and effectiveness of community-based programs and cross-sectoral guidance that can be used nationally or regionally		
INPUTS:			
AID contribution 1 Institutional Contract a TA long & st b commodities c training 2 Coop agreements 3 Buy in to centrally funded projects 4 AID contraceptive 5 AID financial review 8 AID evaluations 9 Project funded staff			

[1] These assumptions apply throughout the Logical Framework

Annex 2

Budget

REPROSALUD PROJECT (527-0355)
PROJECT BUDGET SUMMARY BY ELEMENT BY YEAR
(US '000 $)

ELEMENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
I GLOBAL BUREAU AND OTHER COLLABORATION TECHNICAL ASSISTANCE (Advisors)	261,217	269,054	277,125	285,439	294,002	1,386,838
A. Salaries ($300*15d*2t*9p) (9 P/M)	81,000	83,430	85,933	88,511	91,166	430,040
B. DBA (5.95% of US Salary)	4,820	4,964	5,113	5,266	5,424	25,587
C. Travel/Transportation Expenses	104,850	107,996	111,235	114,572	118,010	556,663
1. International Travel	92,970	95,759	98,632	101,591	104,639	493,590
a. Ticket ($2,000*2t*9p)	36,000	37,080	38,192	39,338	40,518	191,129
b. Per Diem ($211*15d*2t*9p)	56,970	58,679	60,439	62,253	64,120	302,461
2. Local Travel	11,880	12,236	12,603	12,982	13,371	63,073
a. Ticket ($180*2t*9p)	3,240	3,337	3,437	3,540	3,647	17,202
b. Per Diem ($120*4d*2t*9p)	8,640	8,899	9,166	9,441	9,724	45,871
D. Other Direct Costs (2%)	3,813	3,928	4,046	4,167	4,292	20,246
E. Overhead (35%)	66,734	68,736	70,798	72,922	75,110	354,302
II LONG-TERM PERUVIAN IMPLEMENTING AGENCY (IA)	1,533,966	1,561,000	1,607,830	1,608,162	1,656,407	7,967,364
A. Salaries	528,000	543,840	560,155	576,960	594,269	2,803,224
1. Management and Administration						
a. Chief Technical Coordinator (3.000*12)	36,000	37,080	38,192	39,338	40,518	191,129
b. Project Administrator (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
2. Community Research and Service						
a. Research Advisor (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
b. Advisor FP and Reproductive Health (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
c. Service Delivery Advisor (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
3. Information						
a. Education Advisor (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
b. Training Advisor (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
c. Advocacy Advisor (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
4. Organization Strengthening & Sustainability						
a. Management Development Specialist (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
b. Sustainability Specialist (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
c. Financial Analyst (2.300*12)	27,600	28,428	29,281	30,159	31,064	146,532
5. Regional Advisors						
a. Chavin (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
b. La Libertad (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
c. Puno Quechua (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
d. Puno Aymara (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
e. Ayacucho (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
f. Huancavelica (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
g. San Martin (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
h. Ucayali (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
i. Lima Este - Lambayeque (2.000*12)	24,000	24,720	25,462	26,225	27,012	127,419
B. Bonus July & Dec and CTS (Severance) (25%)	132,000	135,960	140,039	144,240	148,567	700,806
C. Fringe Benefits (20%)	105,600	108,768	112,031	115,392	118,854	560,645
D. Travel/Transportion Expenses	205,520	211,686	218,036	182,922	188,410	1,006,574
1. International Travel	38,120	39,264	40,442	0	0	117,825
a. Ticket ($2.500*2t*4p)	20,000	20,600	21,218	0	0	61,818
b. Per Diem ($151*15d*2t*4p)	18,120	18,664	19,224	0	0	56,007
2. Local Travel	167,400	172,422	177,595	182,922	188,410	888,749
a. Ticket ($180*12t*15p)	32,400	33,372	34,373	35,404	36,466	172,016
b. Per Diem ($50*15d*12t*15p)	135,000	139,050	143,222	147,518	151,944	716,733
E. Operating Costs	358,850	352,312	362,881	373,767	384,980	1,832,790
1. Administrative Personnel	211,950	218,309	224,858	231,603	238,552	1,125,271
2. Logistics	146,900	134,003	138,023	142,164	146,429	707,519
F. Audit	30,000	37,000	38,110	39,253	40,431	184,794
G. Indirect Cost Rate (Provisional 15%)	203,996	208,435	214,688	214,880	221,327	1,063,325

REPROSALUD PROJECT (527-0355)
PROJECT BUDGET SUMMARY BY ELEMENT BY YEAR
(US '000 $)

ELEMENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
III COMMODITIES	**991,470**	**377,826**	**375,371**	**386,142**	**287,231**	**2,418,040**
A. AID Direct Procurement	384,000	0	0	0	0	384,000
1. Vehicles (11cars*18.000) (40bikes*$4.200)	384,000	0	0	0	0	384,000
B. IA Procurement	607,470	377,826	375,371	386,142	287,231	2,034,040
1. Equipment	196,570	0	0	0	0	196,570
2. Supplies	81,900	108,357	111,608	114,956	118,405	535,225
3. Furniture	83,000	13,089	0	0	0	96,089
4. Pharmaceuticals & Micronutrients	150,000	154,500	159,135	163,909	168,826	796,370
5. Medical instruments	76,000	78,280	80,628	83,047	0	317,956
6. Other	20,000	23,600	24,000	24,230	0	91,830
IV GRANTS & CREDIT	**0**	**1,375,000**	**2,317,500**	**3,076,610**	**2,230,890**	**9,000,000**
A. Direct Family Planning R.H. Grants	0	875,000	1,287,500	1,591,350	1,246,150	5,000,000
1. Grants ($25,000) (35/50/60/50) Total: 195	0	875,000	1,287,500	1,591,350	1,246,150	5,000,000
B. Innovative Activities	0	500,000	1,030,000	1,485,260	984,740	4,000,000
1. Small Grants ($25,000) (5/10/15/10) Total: 40	0	125,000	257,500	371,315	246,185	1,000,000
2. Matching Grants ($25,000) (5/10/15/10) Total: 40	0	125,000	257,500	371,315	246,185	1,000,000
3. Loans ($25,000) (10/20/30/20) Total: 80	0	250,000	515,000	742,630	492,370	2,000,000
V TRAINING, INFORMATION AND SHORT TERM TECHNICAL ASSISTANCE	**121,250**	**496,175**	**771,213**	**974,702**	**516,204**	**2,879,544**
A. Local training and information meetings ($2,500) (number: 132/232/300/132) Total: 828	0	330,000	597,400	795,675	333,282	2,056,357
B. Regional training and information meetings ($6,250*4)	25,000	25,750	26,523	27,318	27,318	131,909
C. National training and information meetings ($20,000*2)	0	40,000	41,200	42,436	43,709	167,345
D. International ($1,250) + ($250*15d*1t*5p)	16,250	18,025	21,218	21,855	21,855	99,202
E. Short Term Technical Assistance (8P/M*$10,000)	80,000	82,400	84,872	87,418	90,041	424,731
VI PROJECT ADMINISTRATION SUPPORT	**249,120**	**217,092**	**310,341**	**230,569**	**341,092**	**1,348,214**
A. AID Management Support	234,120	201,642	209,428	214,178	236,660	1,096,027
1. Project Coordinator (US)	182,620	148,597	154,791	157,903	178,696	822,607
1.1 Salary ($230*260d)	59,800	61,594	63,442	65,345	67,305	317,486
1.2 Post differential (15% of US salary)	8,970	9,239	9,516	9,802	10,096	47,623
1.3 COLA (5%) (See Table)	1,400	1,442	1,485	1,530	1,576	7,433
1.4 DBA (5.95% of US salary/Danger pay)	3,558	3,665	3,775	3,888	4,005	18,890
1.5 Fringe benefits (20% of US salary))	11,960	12,319	12,688	13,069	13,461	63,497
1.6 Travel/Transportation Expenses	17,854	22,390	22,941	24,010	24,095	111,289
a. RR/HL ($2,000*2)	0	4,000	4,000	4,500	4,000	16,500
b. Emergency evacuation	1,000	1,030	1,061	1,093	1,126	5,309
c. International travel	4,614	4,752	4,895	5,042	5,193	24,496
- Ticket ($2,500*1t*1p)	2,500	2,575	2,652	2,732	2,814	13,273
- Per Diem ($151*14d*1t*1p)	2,114	2,177	2,243	2,310	2,379	11,224
d Local travel	12,240	12,607	12,985	13,375	13,776	64,984
- Ticket ($180*12t*1p)	2,160	2,225	2,292	2,360	2,431	11,468
- Per Diem ($120*7d*12t*1p)	10,080	10,382	10,694	11,015	11,345	53,516
1.7 Transportation Effects	17,230	2,472	4,403	2,623	19,393	46,120
a. UAB ($2.5 lb.*700lbs)	1,750	0	1,857	0	1,970	5,576
b. HHE ($1.4*7,200lbs)	10,080	0	0	0	11,345	21,425
c. Storage ($100 mo. per 10,800lbs)	2,400	2,472	2,546	2,623	2,701	12,742
d. POV	3,000	0	0	0	3,377	6,377
1.8 Allowances	61,848	35,476	36,541	37,637	38,766	210,268
a. Temporary Quarters Living (TQLA)	14,968	0	0	0	0	14,968
b. Education (admission fee $6,000, $7,500/yr tuition)	27,000	15,000	15,450	15,914	16,391	89,754
c. Living Quarters (LQA)	19,880	20,476	21,091	21,723	22,375	105,546
2. Management Specialist IX	35,000	36,050	37,132	38,245	39,393	185,820
3. Secretary V	16,500	16,995	17,505	18,030	18,571	87,601
B. Financial Reviews	15,000	15,450	15,914	16,391	16,883	79,637
C. Evaluation	0	0	85,000	0	87,550	172,550
TOTAL	**3,157,023**	**4,296,146**	**5,659,380**	**6,561,624**	**5,325,827**	**25,000,000**

REPROSALUD PROJECT (527-0355)
PROJECT BUDGET SUMMARY BY ELEMENT BY YEAR
(US '000 $)

ELEMENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	USAID	NGO
I SHORT-TERM TECHNICAL ASSISTANCE (Advisors)	261,217	269,054	277,125	285,439	294,002	1,386,838	1,386,838	0
II LONG-TERM PERUVIAN IMPLEMENTING AGENCY (IA)	1,533,966	1,561,000	1,607,830	1,608,162	1,656,407	7,967,364	0	7,967,364
III COMMODITIES	991,470	377,826	375,371	386,142	287,231	2,418,040	2,418,040	0
IV GRANTS & CREDIT	0	1,375,000	2,317,500	3,076,610	2,230,890	9,000,000	0	9,000,000
V TRAINING, INFORMATION AND STTA	121,250	496,175	771,213	974,702	516,204	2,879,544	0	2,879,544
VI PROJECT ADMINISTRATION SUPPORT	249,120	217,092	310,341	230,569	341,092	1,348,214	1,348,214	0
TOTAL	3,157,023	4,296,146	5,659,380	6,561,624	5,325,827	25,000,000	5,153,092	19,846,907

Annex 3

Organizational Profiles of Four Potential Implementing Entities

History and legal status. Operating informally as of 1978, Manuela Ramos was formally founded in 1980 as an "asociacion civil sin fines de lucro," *i.e.*, a not-for-profit non-governmental organization. Its registration number is 4658 (dated January 10, 1980) in the Registry of Associates of the Public Registry.

Purpose. To serve as visible leaders in the design and application of activities intended to gain power and resources for women in their economic endeavors, organizations and family life.

Its articulated objectives for 1993-95 are:

1. Gender-focused political activities targeted at both the public and private sectors regarding employment, political participation, reproductive health and violence against women.

2. A public presence for these activities and Manuela Ramos in the mass media and in various forms of public expression.

3. Women's microenterprises in the Southern Cone of Lima, with a strong gender focus, strong linkages among themselves and incorporated in a sustainable manner into national economic and social development.

4. A portfolio of services, targeted prioritarily to women, developed along a methodology aimed at sustainability and community participation.

5. Self-financed entrepreneurial activities.

Activities are carried out at many levels: a) internationally, through women's networks; b) regionally, in association with women's groups in Colombia, Bolivia and Ecuador, among other countries; c) nationally, in the vast majority of departments in Lima; and d) locally, with concentration in the Southern Cone of Lima.

Financial information. The group's annual budget is around $700,000 per year. The total budget is directed to women's development. Workplans are done on a three-year basis. In the near future, the group will move to a five-year planning cycle. The magnitude of the budget is offset by the diversity of donors with which Manuela Ramos works. For the period 1993-95, for example, Manuela Ramos has enlisted the support of no fewer than 21 donors, almost all of which are non-U S. sources:

- A.A. Alemana
- ABOS/FOS
- CARE
- Christian Aid
- Cooperacion Espanola
- Cooperacion Holandesa
- Dias de Oracion
- Ford Foundation
- Helpage
- ICCO
- Inter-American Development Bank
- International Women's Health Coalition
- KULU

-- MATCH
-- Noyes Foundation
-- OXFAM
-- Save the Children/Canada
-- United Churches
-- UNFPA
-- USAID
-- Womankind
-- World Council of Churches

In 1993, Manuela Ramos received $350,000 from the Inter-American Development Bank for a rotating fund for women's credit programs, as well as $150,000 in institutional support.

Manuela Ramos' history of collaboration with USAID is limited. In 1994 it received a small amount of USAID support in two ways. Directly from USAID/Peru it received $25,000 for information-dissemination activities related to domestic violence. Indirectly, through the Population Council, it received $24,000 for an operations research study on domestic violence.

The organization's own sources of income-generation are limited. They consist of revenues from user fees at their women's health clinic; sale of such IEC materials as books, audiovisuals and brochures; sale of handicrafts in their Casa de la Mujer Artesana (Women Artisan Shop); and fees/honoraria for consulting services or presentations. All of these sources do not exceed an average of $7,000 per year. A new plan calls for renting out one of their properties; this should generate an additional $12,000 per year.

Controls. Manuela Ramos has statutes that govern its organization and operations. It has an organizational and operational manual, as well as written internal procedures. Every six months Manuela Ramos prepares a partial report of its activities, and every year it prepares an overall annual report, in which it describes it activities, income and expenditures.

Every two years an independent auditor is contracted to perform a thorough organizational audit. In addition, funders have routinely sent inspectors to assess internal controls. The Inter-American Development Bank has conducted one such inspection. For some donors, monthly financial reports are prepared. Every year a financial report is sent to the Ministerio de la Presidencia. All social and labor laws are respected in personnel management. All staff are evaluated every six months.

Organizational structure. The overall governing body is the Assembly of Associates, which is governed by written procedures. The associates, who number eight, do not have a fixed term and pay an annual contribution to the organization. The Assembly is open to new associates, who can join by being nominated by a standing associate and accepted unanimously by the group.

The Assembly of Associates elects the Coordinator (Director), who is the CEO of the organization. The Coordinator has a term of three years and is assisted by a deputy. The present Coordinator is Susana Galdos, while the deputy is Violeta Bermudez.

The next organizational level is comprised of the program coordinators for the four areas of Manuela Ramos' activities. These are:

- **Health**: 5 staff and 16 promoters
- **Law**: 6 staff and 43 promoters
- **Communications**: 4 staff and 5 communicators
- **Income-generation** (microenterprise, credit and marketing): 13 staff

In total, Manuela Ramos has a full-time staff of 50, with an additional 64 people who work as trainers/promoters in the various activities.

Staff represent the following disciplines: midwifery, nursing, medicine (physician), sociology, psychology, women and development, human sexuality and family studies, law (with specialty in human rights and constitutional law); journalism; communications; economics; banking (credit); accounting; and computer science.

Activities. Manuela Ramos has been carrying our projects in women's development for 16 years and has been carrying out projects with a national scope for 10 years. It began with training courses, then moved on to legal defense of women's rights, communications and income-generation. All of its work has always been conducted with a focus on gender.

The two major spheres of activity are:

a) Services carried out by community women trained by Manuela Ramos; and

b) Advocacy, lobbying and other types of communication to promote women's development.

The Executive Director of Manuela Ramos was one of two representatives of NGOs to be included in the formal Peruvian delegation to the series of official meetings preparatory to the September 1994 International Conference on Population and Development (Cairo). Although formal NGO participation was not part of the final delegation, Manuela Ramos continued to be represented via the NGO Forum at Cairo.

Among its activities:

-- A women's health clinic in a *pueblo joven* (Pamplona Alta, Southern Cone) that features 20 women's health promoters and has a reasonable degree of self-financing. It has an annual budget of $100,000.

-- Some $100,000 in credit (small loans) is extended to women annually. There is a very high repayment rate on these loans.

-- Microenterprise activities encompass credit, training and marketing. These activities have a yearly budget of some $158,000.

-- Examples of additional community-level work are educational activities in collaboration with schools, churches and various ministries. Manuela Ramos has wide acceptance by community groups.

-- Some examples of other development work are: radio shows, fotonovelas, research, its program to prevent domestic violence, its senior citizen's program and its regional program throughout Latin America.

-- Manuela Ramos has conducted qualitative research on abortion, the quality of reproductive health services, adolescent sexuality, the voices of women regarding international conferences, microenterprise, training and training of legal aids. Some $70,000-100,000 per year is spent on research of this nature

-- Examples of topics on which the group has conducted quantitative research at the local level are: health, sexual violence towards children, youth surveys, domestic violence, old age, legal issues and a profile of women microentrepreneurs.

-- Over 80 percent of the training conducted is with low-income groups. Its health clinic is in a low-income area, as are its two legal assistance services. Its communications materials are targeted at low-income women. So are its microenterprise activities.

-- Among activities to promote women's rights: lobbying, paralegal services, services within women's police stations, training of judges and police officers, implementation of laws and IEC.

-- Regarding management of community-level projects, Manuela Ramos always plays an advisory role to the community itself, facilitating its genuine participation. Examples are the health clinic at Ollantay, the health promoters in Villa El Salvador and Pamplona Alta, the radio programs, and the women artisans who made *arpilleras*.

-- In communications, Manuela Ramos is part of a women's collective that plans to buy a radio station in the very near future. Other communications media in its expertise are *fotonovelas*, calendars, brochures, books, *arpilleras* and audiovisuals.

-- In advocacy, Manuela Ramos has a grant from UNFPA to train politicians in gender issues.

Extension and linkages. The group has offices only in Lima, where it owns the three pieces of real estate that house its activities. It has linkages with many other groups throughout the country.

Among the networks in which Manuela Ramos is active:

- Consorcio de la Mujer (Women's Consortium)
- Foro Mujer (Women's Forum)
- Red Nacional de la Promocion de la Mujer (National Network for Women's Promotion), in which Manuela Ramos has been the guiding force.

Manuela Ramos has strong standing linkages with women's groups in the following departments: Amazonas, Ancash, Arequipa, Ayacucho, Cajamarca, Cusco, Huancavelica, Ica, Junin, La Libertad, Lambayeque, Loreto, Moquegua, Pasco, Piura, Puno, San Martin, Tacna, and Ucayali.

A list of publications follows.

Textos del Movimiento Manuela Ramos

Arte y Cultura

Obras de teatro sobre la mujer. Abril 1986.

Almanaque. Todos los años se edita un almanaque dedicado a un tema específico, incluyendo: violencia, sexualidad, salud, paz, derechos legales, historia del Movimiento Feminista, planificación familiar, violencia sexual.

Cantemos juntas. Folleto setiembre 1987, recopilación de canciones populares.

Postales y afiches sobre diversos temas, diseñados por los grupos de mujeres con los que trabaja la institución.

Educacion infantil

Estimulación temprana Folleto edición Municipalidad de Lima de junio 1984.

Ideas para educar a nuestros hijos. Separata junio 1986.

Por los derechos del niño. Separata octubre 1988.

Derechos legales

Alternativas contra la violencia hacia la mujer. 1994.

Información legal. Folleto abril 1983, sobre inscripción de partidas, reconocimiento de hijos, juicio de alimentos, separación y divorcio, maltrato físico, seguridad social para la mujer.

Defiéndete tu puedes. Folleto noviembre 1983.

Informativo legal. Folleto abril 1985.

Juicio de alimientos Folletos octubre 1985, octubre 1986, julio 1989.

No a la violación. Trípticos, julio 1986 y febrero 1989.

Legalidad y mujer. Separata mayo 1987

Primer encuentro nacional de programas legales para mujeres. Separata setiembre 1987.

Violencia contra la mujer y ley penal. Separata julio 1989.

25 de noviembre: Día de la "No violencia contra la mujer". Separata noviembre 1988.

Amor sí, golpes no Triptico noviembre 1989.

No más violencia contra la mujer Carpeta noviembre 1990. Materiales para medios de comunicación y ONGs

No más violencia contra la mujer. Carpeta noviembre 1990. Materiales para organizaciones populares de mujeres.

No más violencia contra la mujer. Carpeta noviembre 1991. Material dirigido a medios de comunicación masiva y ONGs.

Salud y sexualidad

Salud y sexualidad. Separata julio 1984.

Enfermedades sexualmente transmisibles. Separata editada por ORESALUD y el Movimiento Manuela Ramos, octubre 1984.

Hablemos de sexualidad. Folleto, julio 1986, junio 1990 y abril de 1991.

10 Guías para trabajar educación sexual con adolescentes.

Separatas de sexualidad.

Papanicolaou: un examen para todas las mujeres.

Métodos anticonceptivos. Octubre 1987

La mortalidad materna es evitable? Folleto mayo 1989.

Mujeres y salud encuentro nacional. Movimiento Manuela Ramos, el Centro Flora Tristán y el Centro de Estudios Sociales y Publicaciones, Julio 1988.

¡Impidamos! la mortalidad materna: Dar la vida es un derecho, seguir viviendo también. Editado por Movimiento feminista, en el que participa Manuela Ramos, 1ra. edición mayo 1987; 2da. edición mayo 1990.

Impidamos la mortalidad materna. 1ra edición mayo 1989; 2da. edición mayo 1990.

Morbimortalidad materna: "Reflexiones para la acción". Mayo 1990.

Nuestro derecho a decidir Julio 1990

Mortalidad materna: "Un problema que podemos vencer". Folleto agosto 1990.

Día de acción por la salud de la mujer. Folleto enero 1991.

Mujeres y salud, II encuentro nacional, Folleto marzo 1991.

Autoexamen de senos y papanicolaou: dos hábitos sencillos para vivir más y mejor. Folleto febrero 1992.

Infecciones vaginales y enfermedades transmitidas por contagio sexual. Folleto febrero 1992.

Infecciones vaginales y enfermedades transmitidas por contagio sexual. Folleto febrero 1992.

Cuidando nuestra vida y nuestra salud. Folleto febrero 1992.

Trabajo

Mujer y empresa: Es necesario darnos un empujoncito. Libro por Alicia Villanueva Chavez, 1995.

La mujer y el trabajo. Separata agosto 1984.

Arpilleras: cuadros que hablan. 1ra edición en alemán 1987; 2da. edición en castellano 1988.

Sabes cuánto cuesta tu producto?. Folleto diciembre 1987.

22 de Julio: Día del trabajo doméstico. Separata julio 1980.

Feminismo

Movimiento Manuela Ramos: Declaración de principios. Tríptico enero 1981.

Mujer e historia. Separata

Trabajando con mujeres. Folleto 1984.

Mujeres que trabajan con mujeres. Directorio junio 1987.

8 de Marzo, un día para todas las mujeres. Separata marzo 1988.

Diez años de trabajo con la mujer. Hoja informativa mayo 1988.

Diez prejuicios sobre el feminismo

La voz de las mujeres. Manuela Ramos/Flora Tristán. Libro 1994.

Publicacion trimestral

"Manuela" Boletín marzo 1982 a julio 1986; revista de noviembre 1987 a mayo 1990.

Fotonovela "Manuela" No. 9: violación , cómo tener un hijo así? noviembre 1990.

Fotonovela "Manuela" No. 10: Relaciones prematrimoniales, "Amor entre sombras". Marzo 1991.

Fotonovela "Manuela" No. 11: violencia familiar, "Los hijos de la tormenta".

Otros

La mujer, la gran ausente - Elecciones municipales 1983. Julio 1983

"Buscando salidas solidarias a la crisis" Folleto agosto 1990.

Que hacer en los tiempos del cólera. Tríptico - editado por la Comisión centralizadora de comedores autogestionarios del Cono Sur y el Movimiento Manuela Ramos, febrero 1991).

History and legal status. Centro de la Mujer Peruana "Flora Tristan" was founded in 1979 as an "asociacion civil sin fines de lucro," *i.e.*, a not-for-profit non-governmental organization. It is formally registered in the Public Registry of Lima, as well as the other registries mandated by national law.

Purpose. Flora Tristan's mission is to operate in and influence decision-making spheres and public opinion-making spheres in order to attain gender equity.

Activities are carried out at the national level. Within Lima, there is particular attention to the *pueblos jovenes* of San Juan de Lurigancho and Villa El Salvador, where Flora Tristan operates service projects in health and human (women's) rights. Other activities are carried out at the regional (Andean) level and at the regional (Latin American and Caribbean) level.

Financial information. The annual budget is in the neighborhood of $800,000-$1,000,000. Although somewhat distorted by the money Flora Tristan has received to manage activities for Beijing, the current budget breaks down roughly thus: 65 percent for activities, 15 percent for negotiation and 20 percent for administration.

The donors with which Flora Tristan has traditionally worked are:

- Bread for the World (Germany)
- Cooperacion Alemana
- Cooperacion Belga
- Cooperacion Holandesa
- Ford Foundation
- IDRC (Canada)
- Instituto de la Mujer (Spain)
- MacArthur Foundation
- MATCH (Canada)
- NOVIP
- SAREC (Sweden)
- Terra Nova (Italy)
- UNIFEM
- Womankind (UK)

Additionally, Flora Tristan has been designated as the coordinating entity for NGOs in Latin America and the Caribbean for the September 1995 International Conference on Women in Beijing. For this activity, it is receiving special funds from NOVIP, ICCO, SNB, the Dutch, CIDA of Canada, EEC, UNDP, UNFPA, UNIFEM, Instituto de la Mujer and USAID.

Specifically from USAID (G/WID), Flora Tristan is receiving $180,000 to coordinate the activities of NGOs in LAC, as well as channeling assistance of the magnitude of $120,00 for each collaborating country in the sub-region (Andean Region).

It has received assistance from USAID on three occasions: the assistance for Beijing mentioned above; a small grant (in concert with Manuela Ramos) to develop IEC materials related to domestic violence (1994); and support from USAID/Peru to send its reproductive health information specialist to a three-week training course in Quito (1995).

The sources of its own income are from the sale of books. This is quite modest

Controls. Flora Tristan has statutes by which it operates. It also has sets of formal procedures, which are now under review for updating. The new drafts will be submitted for approval by its Executive Board. A report on the organization is prepared every six months, and the two for each year are consolidated into an annual report. Annual workplans are prepared; these are adjusted at mid-year. The organization plans to move to a five-year planning cycle, in terms of setting objectives and indicators.

An external audit is conducted every six months. External evaluations are also conducted, at the request of either Flora Tristan itself or particular donors.

Organizational structure. Flora Tristan is governed by an Assembly and an Executive Board. The Assembly is made up of 21 persons. This body makes long-term decisions for the organization; it approves financial affairs and management. The Executive Board, made up of 5 persons, oversees the strategic performance of the organization.

The executive office of Flora Tristan is made up of three people. The current Executive Director is Giulia Tamayo. The program areas are divided into two: Negotiation and Public Pressure; and Proposals. The area of Negotiation and Public Pressure deals with raising consciousness about the role of women and promotion of women's rights. It features activities in lobbying, training, IEC and public awareness. The area of Proposals deals with research, development of indicators, and projects in health and legal rights. The organization has a total of 40 staff members.

Flora Tristan is planning to open an information unit that will sell its many publications. It also hopes to recruit a staff person for strategic planning and institutional development. Staff represent the following disciplines: law, sociology, demography, education, medicine, literature, anthropology, communications, social psychology and history.

Activities. Historically, Flora Tristan's activities have been under two headings: health and women's rights.

- **Health**: These have been ongoing since 1980 and include provision of women's health services, training in health, research on women's health, information dissemination and preventive campaigns. Health services began with activities to educate women about their physiology. Flora Tristan runs two women's health clinics, in the *pueblos jovenes* of San Juan de Lurigancho and Villa El Salvador. Both of these are done with Flora Tristan in the role of advisor to local women's organizations, who actually run the services, which are known as SISMU (Servicios Integrales de Salud para la Mujer). About 20 percent of the annual budget is dedicated to these services.

- **Women's rights**: Flora Tristan has organized legal assistance services in police stations, offers legal aid services in cases of domestic violence, training of public officials, information dissemination and research.

Further, Flora Tristan belongs to the Feminist Radio Collective, which is about to purchase a radio station. It has also worked with unions and women workers in the secondary sector.

Other relevant activities:

-- The organization is completing negotiations for funding to work on women's literacy in rural areas, which will include research on the negative impacts of illiteracy.

-- Flora Tristan does not work in the provision of credit or microenterprise.

-- The community-action programs, which it carries out with local women's groups, center on health services, women's rights, institution building and political lobbying.

-- Flora Tristan has conducted and published qualitative studies on many topics, such as: quality of health services; the knowledge of midwives; traditional medicine; women's double work day; the roots of the women's movement in Peru; the current women's movement; and the construction of feminine identity.

-- Regarding quantitative work, a decade ago it published a book on statistics on women in Peru. In the near future it plans to carry out an activity with INEI to analyze certain variables.

-- Flora Tristan has conducted much training and education of women in peri-urban areas, as well as political training for middle-class women. Work with peri-urban women, however, had to be curtailed during the time of terrorism.

-- Regarding management of community-level projects, SISMU is designed to be co-managed by Flora Tristan and community groups, such as the Vaso de Leche.

Extension and linkages. There is only one office for the organization, in Lima. Flora Tristan belongs to many networks within and outside the country, however. A principal one is the Red Rural (Rural Network), which links Flora Tristan to 112 institutions and 307 rural women promoters working in NGOs in the interior of the country. These promoters are multidisciplinary. To support this network, Flora Tristan publishes the newsletter *Chacarera*, which deals with health issues of interest to rural women, among other issues. Flora Tristan's role is to train them in gender issues.

Another network is CLADEM (Comite Latinoamericano para Derechos de la Mujer). All relevant Peruvian NGOs are linked via this network. A third relevant network is REDEM (Red entre Mujeres), which is an international network of agencies and NGOs.

Following is a list of publications on women's health that have been produced by Flora Tristan.

Textos del Centro de la Mujer Flora Tristan sobre la Salud de la Mujer

Por una sexualidad placentera y una maternidad voluntaria. Mayo 1994.

Todo lo que una mujer debe saber sobre "Infecciones Vaginales". Julio 1992.

Mujer informada, mujer preparada (Información sobre métodos anticonceptivos). April 1994.

Sexualidad y anticonceptivos. Febrero 1988.

Nuestros órganos sexuales.

Amando nuestro cuerpo.

Cómo prevenir el cáncer al cuello del útero "Campaña de: **PAPANICOLAOU**. Setiembre 1992.

Examen ginecológico. Febrero 1988.

Para que ese dolor te calme. Marzo 1993.

Sexualidad y salud. Junio 1993.

Chacarera. Revista de la red mujer rural No. 16. Setiembre 1994.

Chacarera Revista de la red mujer rural No. 17. Enero 1995.

El aborto. Manuela Ramos Flora Tristan. 1994.

History and legal status. Alternativa (Centro de Investigacion Social y Educational Popular) was founded in 1979 as an "asociacion civil sin fines de lucro, *i.e.*, a not-for-profit non-governmental organization. It is registered with the Ministry of the Presidency, the Ministry of Economy and Finance, Foreign Affairs, the Ministry of Labor and the Civil Defense.

Purpose. Its main purpose is to contribute to development in an integrated manner via programs in education, health and sanitation.

Financial information. The organization's annual budget is about $1.0 million. It is based principally on grants. In 1994 Alternativa worked with funding from 19 sources. These are:

- Diakonia
- Oxfam Canada
- Metalurgicos
- ICFID
- Prosalus
- Misereor
- Cebemo
- GTZ
- Intermon
- Freres des Hommes
- Catholic Relief Services
- Oxfam U.K.
- E.Z.E.
- C.I.DD.HH.
- CFCF
- CAFOD
- Trocaire
- Kellogg
- Inter-American Foundation

Its largest grant was from Intermon, for employment. In fact, all three of its grants above $100,000 are for employment. Its health grants totaled $130,000.

Alternative has no history of working with USAID. It has called on the Mission Director, however, and has been in contact with the ORD Office regarding some possible work with local governments. It has a sub-contract with GRADE to provide technical assistance under its agreement with USAID in municipal restructuring in Piura and Chiclayo. Alternativa's only non-donor source of income is through consultancies by staff. These revenues are minimal.

Controls. The group has a published document that contains both a manual of organization and functions, and internal procedures and guidelines for coordination within the institution. It also has a bound mimeo entitled "Organizational Profile." An annual report is prepared.

Yearly audits are conducted by project and for the institution as a whole. For the last three years, these audits have been conducted by Auditoria Mendez Campos.

Organizational structure Alternativa is governed by a group of seven associates, who meet minimally once a year at an annual assembly. These associates elect an Executive Council, which can be made up of associates or non-associates. The Executive Council elects a director, who acts as CEO for a term of one year. The current director is Pina Huaman, who is a sociologist.

The organization has a planning section, a consultative committee, a department of administration and accounting and an information systems section. It has six technical departments: law, employment, urban affairs, health, food and regionalization. Plans are made on an annual basis and on a five-year basis.

The full-time staff numbers 62 and represents the disciplines of sociology, medicine and public health, law, nutrition and environmental sanitation.

Activities. Alternativa directs its activities to the Northern Cone of Lima, an area of some 1.5 million inhabitants. Its programs center on education and technical assistance at the community level. About one-half of its budget is dedicated to education, and one-half to technical assistance and provision of credit.

Among its activities:

-- It works in health education for women, including reproductive health. It has trained health promoters and Ministry of Health personnel.

-- It employs a gender perspective in all its work areas, including self-esteem, rights, and gender equity.

-- It has a program with micro-producers. This includes provision of credit, technical training and management. Some $200,000 annually is dedicated to this.

-- It trains and gives loans to *comedores populares, vaso de leche* clubs, mothers' clubs and microenterprises in cleaning.

-- It has conducted focus groups to explore such topics as attitudes towards health, the cholera epidemic and nutrition. It has done a typology of social organizations and of local governments and has done research on decision-making. All of this has been done in an effort to improve training and increase community participation.

-- It has conducted feasibility studies on investment possibilities, surveys on women's health in the Northern Cone and a survey on health of the school child and adolescent, the latter in collaboration with the Ministry of Health.

-- It does training in city management, microenterprise, leadership and municipal management.

Extension and linkages. Alternative has one office, located in San Martin de Porres, in Lima. It has linkages with the following networks: Asociacion Nacional de Centros, COPEME, Red Nacional de Promocion de la Mujer, Comision Habitat Lima y Provincias, Convenio Coincide de Cusco, and with organizations in Cajamarca and other areas of the country. It works with university interns and has an exchange program with a university in Canada.

A list of publications follows.

Textos de Alternativa

Cuál es la mejor compra de energía?, cuadernillo de trabajo No. 1. Julio 1993.

Cuál es la mejor compra de proteínas?, cuadernillo de trabajo No. 2. Julio 1993.

Gobernar Lima y Callao, noviembre 1992.

Manual de prevención de cáncer de cuello uterino. Noviembre 1991.

Programa de gestión en salud. Diciembre 1992.

Manual de prevención contra el cólera.

Programa de educación en salud, "El juego para la salud infantil". Febrero 1991.

Canasta mínima de alimentos. Diciembre 1993.

La participación social en salud de los trabajadores ambulantes. Abril 1994.

Nutrición y alimentación del escolar.

La ley No. 25307 su viabilidad política y económica.

Construyendo la ciudadanía. Boletín informativo No. 3.

Construyendo la ciudadanía. Boletín informativo No. 4.

Escuela piloto de educación en derecho y gestión ciudadana. La ley No. 25307 y la ordenanza municipal No. 051. Noviembre 1993.

Cono Norte, problemas y posibilidades. Diciembre 1990.

History and legal status. Fomento de la Vida (FOVIDA) was founded in 1984, as an "asociacion civil sin fines de lucro." It is registered in the public registry of the Ministry of the Presidency and the Ministry of Economy and Finance.

Purpose. It purpose is to contribute to the improvement of the quality of life of the population by promoting a total sense of health and food security.

Financial information. The annual budget for 1995 is about $1.5 million. During the period 1992-94, the budget was $3.7 million. FOVIDA has never worked with USAID. It has the following nine donors in its portfolio:

-- NOVIB (Netherlands)
-- Misereor (Germany)
-- Intermon (Spain)
-- CEBEMO (Netherlands)
-- CCFD (France)
-- EZE (Germany)
-- FOS (Belgium)
-- Dreikonigsaktion (Austria)
-- Broederlisk Delen (Austria)

FOVIDA generates some of its own revenue by marketing food to *comedores populares*. This amounts to about $150,000 annually.

Controls. FOVIDA has a manual of functions, which is under revision, and a set of administrative procedures. Reports are prepared every three months and annually. This is done by project and for the budget as a whole. Planning is done on a three-year cycle; the present cycle is 1995-97.

Annual audits are conducted by project and for the institution as a whole. An external evaluation of the institution was conducted in 1994.

Organizational structure. FOVIDA is governed by an Assembly of Associates, which has 10 members and an Executive Council that is made up of the Executive Director and two other people. The senior management for operations is made up on an administrative manager, a director for the social development program and a director for the economic development program. The current Executive Director is Roelfien Julia Haak de Sulmomt.

The staff is composed of 56 people who work in the main office and 12 people who work in the warehouse. Staff represent the disciplines of sociology, medicine, social work, economics and nursing.

Activities. The major programs, which center on 400 *comedores populares* and some 24,000 beneficiaries, are:

- Social development, which encompasses health and food/nutrition;
- Economic development, which works with small entrepreneurs; and
- Women, which works in leadership and development.

Among its activities:

-- FOVIDA conducts surveillance of nutrition status and reproductive risk, the latter through prenatal care and education on danger signals in pregnancy. Its provides iron supplements and food supplements to pregnant women of low weight. All of this is done in peri-urban areas and represents about 15 percent of the budget. No family planning services are delivered.

-- It works to develop women leaders by providing training in business management and citizen rights. It helps to strengthen community-based women's groups. Some 15 percent of the budget is devoted to these activities.

-- It provides credit to retail merchants in markets. The funds come from an insured account deposited in the Banco Wiese. It also provides credit to families in *pueblos jovenes* for activities related to basic sanitation. Through a revolving fund, it provides credit working capital or investments for food marketing businesses in the cooperatives of the *comedores populares*. About 23 percent of its budget is devoted to these activities, which involve more women beneficiaries than men beneficiaries.

-- It conducts training in business management and gives marketing advice to retail food sellers in the markets and to the cooperatives of the *comedores populares*. Some 23 percent of its budget is devoted to this.

-- It supports agricultural production (potato seed) in the Chillon Valley, in the districts of Canta y Carabayllo. Activities include quality control, technical assistance and provision of credit to small producers. About 8 percent of the yearly budget is dedicated to this.

-- FOVIDA has promoted campaigns on women's reproductive rights and violence against women, in collaboration with the health services and local governments.

-- It has conducted qualitative research on social and cultural factors in the *comedores populares* that influence the viability of business projects; the participation of the *comedores* in decision-making in food assistance programs; models of business management within the *comedores*; and the "other" business mentality in markets. Some 5 percent of the annual budget is dedicated to such activities.

-- It has conducted nutritional surveillance of children under 5 by measuring weight for height, weight for age and height for age. FOVIDA has also assessed the nutrition status of pregnant women by weight for height and gestational age. It has also measured the presence of residual chlorine in water deposits in the home. Some 2 percent of the annual budget is devoted to this.

-- FOVIDA runs a school for leaders, where it promotes the processes that encourage democratic leadership among women in organizations dedicated to basic needs. This involves training, advisory services, promotion of local fora and dissemination campaigns that seek to increase women's access to educational resources and political participation. Some 6 percent of the annual budget is dedicated to this.

-- Women's rights have been promoted through television and radio campaigns against domestic violence and various fora on democracy, citizenship and food security. Some 5 percent of the annual budget is dedicated to this.

-- Re gender, FOVIDA has tried to incorporate indicators in development projects that help change women's status and has tried to re-direct resources to women.

-- Dissemination activities include training materials and communication projects.

Extension and linkages. The organization is located only in Lima. Currently it works in the Northern Cone, the Southern Cone and Canta. It is hoping to begin activities in Chimbote in the near future. FOVIDA, however, has linkages with organizations at the national levels and in the provinces.

A list of publications follows.

Textos de FOVIDA

Mujer y sexualidad, Marzo 1993.

Por ellos. Protejamos a nuestros niños contra la diarrea y desnutrición con lactancia materna. 1987

10 preguntas y 10 respuestas sobre la TBC.

Por qué es mejor la lactancia materna? Segunda edición.

Guía para el llenado de la hoja resumen de pesaje comunal. Junio 1990.

La balanza, guía para aprender a pesar.

Encuesta distrital de salud, nutrición y alimentación. San Juan de Miraflores, Lima - Perú 1993.

Aportes de la vigilancia del crecimiento a la planificación del desarrollo. (Un modelo en construcción) Experiencia Puente Piedra. Diciembre 1991.

Encuesta distrital de salud, nutrición y alimentación. SISVAN y la planificación distrital. Villa María del Triunfo, Lima - Perú 1992.

Sistema de vigilancia nutricional comunal. SISVAN comunal, área salud FOVIDA. Agosto 1991.

Qué debemos hacer. . . para que nuestro comedor popular sea mejor. Programa municipal de apoyo a los comedores populares, Lima una ciudad para todos.

Porcentajes, boletín estadistico de coyuntura socioeconómica, No. 6. Marzo 1994.

Porcentajes, boletín estadistico de coyuntura socioeconómica, No. 7-8. Junio-Julio 1994.

Porcentajes, boletín estadistico de coyuntura socioeconómica, No. 9-10. Noviembre 1994.

Encuesta distrital de salud y nutrición 1993, EDSAN - Puente Piedra. UVN Unidad de vigilancia nutricional Puente Piedra.No. 2, marzo 1994.

Encuesta distrital de salud y nutrición 1993, EDSAN - SJM. UVN Unidad de vigilancia nutricional San Juan de Miraflores. Diciembre 1993.

Encuesta distrital de salud y nutrición 1993, EDSAN - VES. UVN Unidad de vigilancia nutricional Villa El Salvador. Noviembre - diciembre 1993.

Encuesta distrital de salud y nutrición 1993, EDSAN - VMT. UVN Unidad de vigilancia nutricional Villa Maria del Triunfo. Diciembre 1993.

Porcentajes, boletín estadistico de coyuntura socioeconómica, No. 9-10. Noviembre 1994.

Salud y desarrollo, Escuela para dirigentes populares. Area mujer, organización y desarrollo, folleto No. 6, diciembre 1994

Democracia y Poder, Escuela para dirigentes populares. Area mujer, organización y desarrollo, folleto No. 4, setiembre 1993.

Escuela para dirigentes populares . Area mujer - organización y desarrollo, febrero 1994.

Annex 4

Approval Memo and Cable from the Global Bureau on the Use of Populations Funds for Innovative Activities

U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

ACTION MEMORANDUM

December 9, 1994

FOR: DAA/G/PHN, Duff Gillespie
PPC/OSA/PHN, Nils Daulaire

FROM: G/PHN/POP, Irene Koek, Chair, Ad Hoc Committee for Use of Population Funds

SUBJECT: Use of Population Funds:
Peru Reproductive Health in the Community Project (ReproSalud) (527-0355)

Problem: Your approval is required to use population funds for non-family planning or reproductive health activities. Up to 16% of life of project funding (estimated to be $25 million could be used for these purposes through this activity.

Background: As outlined in the use of population funds guidance to missions, USAID/Peru has requested USAID/W approval for the use of Population Account funds for a set of activities that are not directly family planning, reproductive health or demographic research and policy analysis. (See Lima 9997 and Lima 10100, attached). These innovative income-generating activities will support the communities involved in their efforts to implement family planning and reproductive health activities as part of the new USAID/Peru five-year bilateral project--Reproductive Health in the Community (ReproSalud) (527-0355)--and would involve no more than 16 percent of the Life of Project (LOP) funds. In FY 1995 the Mission expects to obligate $1 million into ReproSalud, therefore no more than $160,000 of FY 1995 population funds would be used for those activities. Total FY 1996 obligation is expected to be $6.5 million, therefore in FY 1996 population funds used for other, non-family planning activities in Peru could total $1.04 million.

The Reprosalud project complements and strengthens the existing HPN protfolio of USAID/Peru, and will work in regions with approximatley one-third of the total population. In nearly half of the regions this project will be active, ReproSalud will be enhanced by the public sector activities of the G bureau supported Peru Family Planning Implementation Plan. ReproSalud will work in the same six largely rural regions and shantytowns of East Lima as a new bilateral primary health care project, and will also complement the activities of two major bilateral family planning projects that support NGO clinical services and commercial distribution of contraceptives that services

predominantly urban and periurban clientele.

Discussion

On Friday, December 2, 1994 the Ad Hoc committee on use of population funds met to discuss the Peru proposal. Members of the committee at this meeting included: Michele Moloney, G/PHN/OPPS; Mary Ellen Stanton, G/PHN/HN; Anna Quandt, PPC/SP; Tom Morris, G/PHN/POP; Barbara Feringa, G/PHN/POP; Carol Dabbs, LAC/DR/RSD; and myself. Tom Morris, Barbara Feringa and Carol Dabbs have all been involved in the development of this project, and were able to give the committee a good overview of the problems the project is trying to address and the broader project objectives and describe the "innovative" activities planned, and how they fit into the broader context.

In addition to high unwanted fertility and maternal mortality, the reproductive health status of women in Peru is among the worst in all of Latin America, with threats stemming from inadequate contraception, problems relating to pregnancy and delivery, reproductive tract infections, and STDs/HIV. The project is based on the premise--supported by DHS data--that the vast majority of Peruvian women want to space and/or limit their births, but that the services as they are presently offered are unacceptable or inaccessible to many women. As a result, there is tremendous underutilization of existing services. Situation analyses and other studies have shown that quality of family planning services in Peru is a problem, as is cultural relevance to the community of existing service delivery. ReproSalud is designed to address these problems by building services and improving the status of women at a community level. Because ReproSalud activities link the community to clinical services and give the community a stake as well as a role in the delivery of services, it is expected that services will better meet the needs of women in the community, and be more culturally relevant and ultimately, be better utilized.

The ReproSalud project will work with women's groups and other local community organizations to: (1) identify local needs in reproductive health; (2) design programs of community-based family planning to meet those needs, including other reproductive health interventions and/or income generating activities; (3) implement those programs including providing financial and technical assitance, ensuring high quality service provision, training community women to manage the programs, while providing income for women; (4) seek mechanisms to convey issues raised at the community level regarding reproductive health care to a broader-based dialogue on and advocacy for women's health and rights; and (5) monitor and evaluate the results.

Innovative Activities of ReproSalud

The current design of ReproSalud anticipates that approximately

16 percent of the total budget ($25 million over five years) will go towards an innovative income-generation component that will contribute to the demand for and use of family planning services in the near term. The component currently is comprised of three mechanisms that will encourage communities and community-based organizations to invest in reproductive health while simultaneously providing women with access to resources that assist in meeting their practical needs. These activities will not be undertaken in all project settings; rather, communities will be chosen selectively and strategically according to the likelihood for positive impact on reproductive health.

Although still in the preliminary design phase, the mechanisms are likely to take the form of:

1) **seed money**, which will provide small amounts of capital to organizations or small business concerns with strong interests in investing in health care in their community. An example would be providing support for the expansion of an NGO's ongoing handicrafts business or soup kitchen, whose profits are reinvested in reproductive health services for poor women.

2) **a credit program** which will provide women with access to credit to undertake income generation activities that either directly or indirectly support reproductive health in their communities, such as providing loans for a women's cooperative to raise and sell chickens; proceeds would be reinvested into the cooperative's family planning services. As currently designed, credit will be provided through organizations similar to village banks; special attention will be paid to employing loan criteria that do not act as gender barriers.

3) **matching grants** are intended to provide an incentive for communities to invest the proceeds of their income generation activities into reproductive health. The matching grants component functions by equalling the communities' reinvestments, serving simultaneously as an incentive to be profitable and to reinvest in reproductive health to the maximum extent possible.

Rationale for Approach of ReproSalud

Contributes to use of family planning in the near term: Much of the ReproSalud innovative activities are aimed at expanding the availability and utilization of family planning and reproductive health services. The three mechanisms described above will result in investment in increased services, and will likely improve the quality and therefore utilization of those services.

Addresses the problems directly: ReproSalud directly addresses many of the problems of underutilization of services, including

low quality and inappropriate or inaccessible services by taking a broader reproductive health approach in services offered, and by involving members of the community directly in the design and support of services.

Increases community involvement: Increasing linkages to the community and giving the community a stake in the delivery of family planning and reproductive health services is likely to have a positive impact on the low utilization of services. In the Inquisivi Province of Bolivia, the "Warmi" subproject of the Mothercare Project utilized a participatory, community-based rural development model similar to that proposed for ReproSalud. Women in the project identified the need for income generation and savings to order to pay for transport for the treatment of obstetric complications; meeting these needs assisted the project in significantly increasing family planning acceptance and immediate breastfeeding, and reducing perinatal mortality.

Mobilizes community resources: The public sector for health care delivery in Peru is currently in the process of budget cuts and decentralization. This has resulted in a call by the Ministry of Health, USAID/Peru and other donors for increased cost sharing by clients. The emphasis of ReproSalud on the mobilization of community resources for investment in reproductive health will increase the likelihood that family planning is included in the reformed, more decentralized health system.

Broader implications: ReproSalud offers tremendous opportunity to garner information about how to meet the needs of communities with disempowered groups and how to make intersectoral approaches work. The community approach of ReproSalud may one that can be used in other Latin American countries, and in other regions.

In acknowledgement of this, the design of the project has a heavy emphasis on monitoring and evaluation. USAID/Peru has offered to work with the G/PHN's Latin America operations research project, to conduct quasi-experimental and experimental designs that could assess impacts in a more controlled fashion. The next DHS in 1996 will conduct regional over-sampling in project areas to test the hypothesis that ReproSalud will address the strong latent demand for quality family planning services and therefore further maximizes the potential to have an impact on contraceptive prevalence in Peru.

Recommendation:

The committee unanimously agreed that the Peru proposal is an appropriate use of population funds, and meets the criteria outlined in the guidance cable. We strongly recommend that you approve the use of population funds for this activity, and sign the attached cable to USAID/Peru.

Approved: _____
Duff G. Gillespie, DAA, G/PHN

Approved: _____
Nils Daulaire, Senior Advisor, PHN, PPC

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UNCLAS ADM AID SECSTATE 333577

ACTION: AID-1
INFO: DCM-1 AMB-1 TOTAL-4 ADM-1

DISTRIBUTION: AIDA
CHARGE: AID

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USAID/LIMA

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TO AMEMBASSY LIMA PRIORITY 9666
BT
UNCLAS STATE 333577

DUE DATE: 12/21
ACTION COPY
ACTION TAKEN: responded by cable
DATE: 12/30/94
FUNDS

ADM AID

E.O. 12356: N/A
TAGS:
SUBJECT: POPULATION: USE OF POPULATION FUNDS

REF: (A) LIMA 9997; (B) LIMA 10100, (C) STATE 128823

1. PER MISSION REQUEST, G/PHN AND PPC/OSA HAVE AGREED TO THE USE OF POPULATION FUNDS FOR NON-FAMILY PLANNING OR REPRODUCTIVE HEALTH ACTIVITIES AS DESCRIBED IN REFS A AND B. WE UNDERSTAND THAT THIS WILL NOT EXCEED 16 PERCENT OF LOP FUNDING FOR REPROSALUD.

2. IT IS CLEAR THAT THE ACTIVITIES DESCRIBED ARE LIKELY TO CONTRIBUTE TO THE USE OF FAMILY PLANNING AND REPRODUCTIVE HEALTH SERVICES IN THE NEAR TERM AND WILL HAVE A POSITIVE IMPACT ON OBJECTIVES OUTLINED BY USAID PERU. HOWEVER, THE IMPACT OF AND ALLOCATION LEVEL FOR THESE ACTIVITIES SHOULD BE EXAMINED IN THE MID-TERM EVALUATION, WHICH SHOULD ALSO LOOK AT THE REPLICABILITY OF THESE ACTIVITIES, COST EFFECTIVENESS, AND THE APPROPRIATENESS AND VIABILITY OF EXPANDING TO A NATIONAL SCALE FOR COUNTRY-WIDE IMPACT.

3. MISSION SHOULD USE APPROPRIATE AC/SI CODING (PNNP) FOR THESE ACTIVITIES. WOULD APPRECIATE CONFIRMATION OF FINAL OBLIGATION LEVELS FOR FY 1995, AND CONFIRMATION OF PROPORTION OF FY 1995 FUNDING ATTRIBUTABLE TO THESE ACTIVITIES.

4. WE REGRET THE DELAY IN RESPONDING TO MISSIONIS REQUEST FOR APPROVAL, AND APPRECIATE USAID/PERUIS CAREFUL ASSESSMENT OF THE IMPACT OF THESE ACTIVITIES.

5. THANKS AND REGARDS.

UNCLAS ADM AID SECSTATE 333577

ACTION POP /10
INFO

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UNCLAS ADM AID SECSTATE 333577

Annex 5

Environmental Threshold Decision

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

LAC-IEE-95-17

ENVIRONMENTAL THRESHOLD DECISION

Project Location	:	Peru
Project Title	:	Reproductive Health in the Community (ReproSalud)
Project Number	:	527-0355
Funding	:	$25 million
Life of Project	:	5 years
IEE Prepared by	:	Edilberto Alarcon, MEO
Recommended Threshold Decision	:	Categorical Exclusion
Bureau Threshold Decision	:	Categorical Exclusion/ Conditional Negative Determination

Comments

Categorical Exclusion issued under 22 CFR 216.2(c)(viii) for component one, dialog and advocacy.

Categorical Exclusion issued under 22 CFR 216.2(c)(i) for component three, training and technical assistance.

A conditional negative determination issued for component two, support to innovative activities in microenterprise and credit, since these activities could have an effect on the environment. Mission Environmental Officer (MEO) shall monitor design and implementation of project activities to ensure that there will not be significant environmental impacts. If there is a potential for significant environmental impact, MEO shall design mitigation measures, or if mitigation is incapable of ensuring minimal environmental impact, MEO shall submit an amended IEE for the specific case to LAC Chief Environmental Officer, recommending a positive threshold decision, and an Environmental Assessment (EA) shall be conducted.

Categorical Exclusion xiii is not applicable since Mission will have knowledge of and control over the activities, as stated in the IEE.

REQUEST FOR A CATEGORICAL EXCLUSION (cont'd.) **LAC-IEE-95-17**

Project shall not use nor procure pesticides without submitting an amended IEE to the LAC Chief Environmental Officer for the determination of the need for an EA.

Date 4/26/95

Jeffrey J. Brokaw
Chief Environmental Officer
Bureau for Latin America
and the Caribbean

Copy to : George Wachtenheim, USAID/Peru Mission Director

Copy to : Edilberto Alarcon, MEO USAID/Peru

Copy to : Bruce Kernan, REA/SA USAID/Ecuador

Copy to : Harry Wing, Chief ORD USAID/Peru

Copy to : Gordon Bertolin, LAC/SPM

Copy to : John Schneider, LAC/SAM

Copy to : IEE File

Annex 6

Origin Waiver for Motorcycles

Action Memorandum

for the Mission Director

To: George Wachtenheim, Mission Director

From: Susan Brems, HPN Deputy Office Chief

Through: Paul Cole, HPN Office Chief

Subject: Origin Waiver for Motorcycles

Date: April 24, 1995

The Mission Director is hereby requested to waive the U.S. origin (Code 000) requirement under Section 636(i) of the FAA for motorcycle procurement for the ReproSalud Project and to authorize Code 935 origin procurement of small motorcycles for use in the project. The Mission Director is granted this authority under Delegation of Authority No. 752. The ReproSalud procurement plan calls for 40 motorcycles for an approximate total value of $168,000.

Background:

The ReproSalud Project seeks to improve reproductive health in Peru, especially in rural and periurban areas. The project will employ a bottom-up strategy to work with women's groups and other local community organizations to improve reproductive health and generate resources to support those activities and increase community incomes. The project will be implemented in some of the most inaccessible areas of Peru. Communities that have very weak transportation infrastructure can nonetheless benefit from project activities, since lightweight motorcycles will be used to reach these populations.

Conditions in the project priority areas are such that only small, lightweight motorcycles can successfully reach many populations. In the technical opinion of the HPN Office, large U.S.-origin motorcycles are not suitable for use in the rural highlands, which are characterized by unpaved roads and a difficult climate. The RCO has determined that no motorcycle smaller than 250cc is manufactured in the United States, thus meeting circumstances stipulated in HB 1, Sup. B, 4C2d(1)(a), which states that a waiver is appropriate because of the "inability of U.S. manufacturers to provide a particular type of needed vehicle: e.g., light-weight motorcycles..." Moreover, no service facilities nor suppliers of spare parts for U.S.-manufactured motorcycles are available in Peru.

There are Japanese models, however, that are built for off-road use. Small, off-road motorcycles of Brazilian (code 935) and Korean (code 935) origin are also available, but these are not well adapted to rural highland Peruvian conditions, and it is more difficult to obtain parts and maintenance for them. Thus, the special circumstances stipulated in HB 1, Sup. B 4C2d(1)(b) exist to justify code 935 (Japanese) origin.

Certification:

By signing below, you certify that special circumstances exist to waive the requirements of FAA Section 636(i) and that exclusion of procurement from free world countries other than those countries included in Code 941 would seriously impede attainment of U.S. foreign policy objectives and objectives of the U.S. foreign assistance program, as will be represented and carried out under the ReproSalud Project.

Authority:

You are authorized to approve the requested waiver by Delegation of Authority No. 752, Section III-B, dated September 14, 1992.

Recommendation:

In view of the above, we recommend that you waive the origin requirement, thus enabling the procurement of forty 935 (Japanese) origin small motorcycles for the ReproSalud Project, representing a total value of approximately $168,000.

APPROVED

George Wachtenheim
Mission Director
Date 9/18/95

DISAPPROVED

George Wachtenheim
Mission Director
Date:_____

Clearances: PDP:JBoyer
EXO:LFoley
RCO:AEisenberg in draft
CONT:JSanford
RLA:PRamsey (see attached e-mail)
DD:DBoyd

To: Scott Taylor@PDP@LIMA
Cc:
Bcc:
From: Patricia Ramsey@DIR.LEGAL@LAPAZ
Subject: re: ReproSalud Authorization
Date: Monday, July 3, 1995 13:58:54 EDT
Attach:
Certify: N
Forwarded by:

Dear Scott: I don't have my June 12 email any longer, but I seem to remember expressly clearing the waiver for the small size motorcycles. It was very straightforward as I recall. So, yes, put me down as clearing. Ciao, Pat

AGENCY FOR INTERNATIONAL DEVELOPMENT
USAID / ECUADOR

U.S. ADDRESS: AMEMBASSY, Quito (USAID) UNIT 5330, APO AA 34039-3420
FAX NUMBER: 593-2-500-502 PHONE NUMBER: 593-2-521-100

TELEFAX CONTROL No.

TO: Jennifer Vernooy
USAID/Lima

FAX No.: 5114/337-034
DATE: 04/19/95
No. of PAGES 2 (includes cover sheet)

FROM: Ana Leticia Ordoñez

OFFICE: Regional Contracting Office

SUBJECT: Action Memorandum - Source Waiver for Motorcycles

Enclosed is the second page of subject action memo, cleared by Mr. Allen Eisenberg, RCO/Quito.

Regards.

Authority:

You are authorized to approve the requested waiver by Delegation of Authority No. 752, Section III-B, dated September 14, 1992.

Recommendation:

In view of the above, we recommend that you waive the origin requirements to permit 93% (Japanese) origin procurement for 40 small motorcycles for the Reprosalud project with a value of approximately $168,000.

APPROVED

George Wachtenheim
Mission Director

Date:_____

DISAPPROVED

George Wachtenheim
Mission Director

Date:_____

Clearances: PDP:JBoyer_____
EXO:LFoley_____
RCO:AEisenberg_____
CONT:PWexel_____
RLA:PRamsey_____
ADD:JSanford_____

Annex 7

Assistance Checklist

5C(2) - ASSISTANCE CHECKLIST

Listed below are statutory criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to receive assistance. This section is divided into three parts. Part A includes criteria applicable to both Development Assistance and Economic Support Fund resources. Part B includes criteria applicable only to Development Assistance resources. Part C includes criteria applicable only to Economic Support Funds.

CROSS REFERENCE: IS COUNTRY CHECKLIST UP TO DATE?

A. CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUNDS

1. **Host Country Development Efforts** (FAA Sec. 601(a)): Information and conclusions on whether assistance will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture, and commerce; and (f) strengthen free labor unions.

Project will improve reproductive health in rural and peri-urban areas via community-based programs that address needs identified by local women.

2. **U.S. Private Trade and Investment** (FAA Sec. 601(b)): Information and conclusions on how assistance will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

The Project components will be implemented through Cooperative Agreement with an indigenous organization.

3. **Congressional Notification**

a. **General requirement** (FY 1995 Appropriations Act Sec. 515; FAA Sec. 634A): If money is to be

Congress has been notified.

obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified (unless the Appropriations Act notification requirement has been waived because of substantial risk to human health or welfare)?

b. **Special notification requirement** (FY 1995 Appropriations Act Sec. 520): Are all activities proposed for obligation subject to prior congressional notification? YES

c. **Notice of account transfer** (FY 1995 Appropriations Act Sec. 509): If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures? N/A

c. **Cash transfers and nonproject sector assistance** (FY 1995 Appropriations Act Sec. 536(b)(3)): If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted? N/A

4. **Engineering and Financial Plans** (FAA Sec. 611(a)): Prior to an obligation in excess of $500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? YES

5. **Legislative Action** (FAA Sec. 611(a)(2)): If legislative action is required within recipient country with respect to an obligation in excess of $500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit N/A

orderly accomplishment of the purpose of the assistance?

6. **Water Resources** (FAA Sec. 611(b)): If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? N/A

7. **Cash Transfer/Nonproject Sector Assistance Requirements** (FY 1995 Appropriations Act Sec. 536). If assistance is in the form of a cash transfer or nonproject sector assistance: N/A

a. **Separate account:** Are all such cash payments to be maintained by the country in a separate account and not commingled with any other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)? N/A

b. **Local currencies:** If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies: N/A

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account? N/A

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) N/A

or for the administrative requirements of the United States Government?	
(3) Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?	N/A
(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?	N/A
8. **Capital Assistance** (FAA Sec. 611(e)): If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed $1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?	N/A
9. **Multiple Country Objectives** (FAA Sec. 601(a)): Information and conclusions on whether projects will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.	See Section A.1.
10. **U.S. Private Trade** (FAA Sec. 601(b)): Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).	See Section A.2.
11. **Local Currencies**	
a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe	Such contribution will be made in an amount

steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.	mutually agreed upon by the parties.
b. **U.S.-Owned Currency** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?	NO
12. **Trade Restrictions**	
a. **Surplus Commodities** (FY 1995 Appropriations Act Sec. 513(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?	N/A
b. **Textiles (Lautenberg Amendment)** (FY 1995 Appropriations Act Sec. 513(c)): Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?	N/A
13. **Tropical Forests** (FY 1991 Appropriations Act Sec. 533(c)(3)(as referenced in section 532(d) of the FY 1993 Appropriations Act): Will funds be used for any program, project or activity which would (a) result in any significant loss of tropical forests, or (b) involve	NO

industrial timber extraction in primary tropical forest areas?	
14. **PVO Assistance**	
a. **Auditing and registration** (FY 1995 Appropriations Act Sec. 560): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.?	YES
b. **Funding sources** (FY 1995 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?	YES
15. **Project Agreement Documentation** (State Authorization Sec. 139 (as interpreted by conference report)): Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision).	N/A
16. **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and	YES (to the extent possible)

semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

17. **Abortions** (FAA Sec. 104(f); FY 1995 Appropriations Act, Title II, under heading "Population, DA," and Sec. 518):

a. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? (Note that the term "motivate" does not include the provision, consistent with local law, of information or counseling about all pregnancy options including abortion.) NO

b. Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations? NO

c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization? NO

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services? (As a legal matter, DA only.) YES

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning? (As a legal NO

matter, DA only.)

f. Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?	NO
g. Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization?	NO
18. **Cooperatives** (FAA Sec. 111): Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life?	N/A
19. **U.S.-Owned Foreign Currencies**	
a. **Use of currencies** (FAA Secs. 612(b), 636(h); FY 1995 Appropriations Act Secs. 503, 505): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services.	N/A
b. **Release of currencies** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?	NO
20. **Procurement**	
a. **Small business** (FAA Sec. 602(a)): Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed?	YES (To the extent possible)
b. **U.S. procurement** (FAA Sec. 604(a): Will all procurement be from the U.S., the recipient country, or developing countries except as otherwise determined in accordance with the criteria of this section?	YES

c. **Marine insurance** (FAA Sec. 604(d)): If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company?	YES
d. **Insurance** (FY 1995 Appropriations Act Sec. 531): Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate?	YES
e. **Non-U.S. agricultural procurement** (FAA Sec. 604(e)): If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)	N/A
f. **Construction or engineering services** (FAA Sec. 604(g)): Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)	N/A
g. **Cargo preference shipping** (FAA Sec. 603)): Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent	NO

such vessels are available at fair and reasonable rates?	
h. **Technical assistance** (FAA Sec. 621(a)): If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?	YES
i. **U.S. air carriers** (International Air Transportation Fair Competitive Practices Act, 1974): If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?	YES
j. **Consulting services** (FY 1995 Appropriations Act Sec. 559): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?	YES
k. **Metric conversion** (Omnibus Trade and Competitiveness Act of 1988, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest	YES (To the extent possible)

documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

l. **Competitive Selection Procedures** (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? YES

m. **Notice Requirement** (FY 1995 Appropriations Act Sec. 568): Will project agreements or contracts contain notice consistent with FAA section 604(a) and with the sense of Congress that to the greatest extent practicable equipment and products purchased with appropriated funds should be American-made? YES

21. **Construction**

a. **Capital project** (FAA Sec. 601(d)): If capital (e.g., construction) project, will U.S. engineering and professional services be used? N/A

b. **Construction contract** (FAA Sec. 611(c)): If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A

c. **Large projects, Congressional approval** (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed $100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress? N/A

22. **U.S. Audit Rights** (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? YES

23. **Communist Assistance** (FAA Sec. 620(h). Do arrangements exist to insure YES

that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries?

24. **Narcotics**

a. **Cash reimbursements** (FAA Sec. 483): Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? N/A

b. **Assistance to narcotics traffickers** (FAA Sec. 487): Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance? YES

25. **Expropriation and Land Reform** (FAA Sec. 620(g)): Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? YES

26. **Police and Prisons** (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? YES

27. **CIA Activities** (FAA Sec. 662): Will assistance preclude use of financing for CIA activities? YES

28. **Motor Vehicles** (FAA Sec. 636(i)): Will assistance preclude use of financing for purchase, sale, long-term lease, exchange or guaranty of the sale YES

of motor vehicles manufactured outside U.S., unless a waiver is obtained?

29. **Export of Nuclear Resources** (FY 1995 Appropriations Act Sec. 506): Will assistance preclude use of financing to finance--except for purposes of nuclear safety--the export of nuclear equipment, fuel, or technology? YES

30. **Publicity or Propaganda** (FY 1995 Appropriations Act Sec. 554): Will assistance be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? NO

31. **Exchange for Prohibited Act** (FY 1995 Appropriations Act Sec. 533): Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law? NO

32. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement? NO

33. **Impact on U.S. Jobs** (FY 1995 Appropriations Act, Sec. 545):

a. Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a manner that would likely reduce the number of U.S. employees of that business? NO

b. Will assistance be provided for the purpose of establishing or NO

developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U.S.?

c. Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, or will assistance be for the informal sector, micro or small-scale enterprise, or smallholder agriculture? — NO

B. CRITERIA APPLICABLE TO DEVELOPMENT ASSISTANCE ONLY

1. **Agricultural Exports (Bumpers Amendment)** (FY 1995 Appropriations Act Sec. 513(b), as interpreted by conference report for original enactment): If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities: (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U.S. producers? — N/A

2. **Tied Aid Credits** (FY 1995 Appropriations Act, Title II, under heading "Economic Support Fund"): Will DA funds be used for tied aid credits? — N/A

3. **Appropriate Technology** (FAA Sec. 107): Is special emphasis placed on use — N/A

of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

4. **Indigenous Needs and Resources** (FAA Sec. 281(b)): Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government. N/A

5. **Economic Development** (FAA Sec. 101(a)): Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth? N/A

6. **Special Development Emphases** (FAA Secs. 102(b), 113, 281(a)): Describe extent to which activity will: (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries. N/A

7. **Recipient Country Contribution** (FAA Secs. 110, 124(d)): Will the recipient country provide at least 25 percent of the costs of the program, N/A

project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

8. **Benefit to Poor Majority** (FAA Sec. 128(b)): If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority? N/A

9. **Contract Awards** (FAA Sec. 601(e)): Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? N/A

10. **Disadvantaged Enterprises** (FY 1995 Appropriations Act Sec. 555): What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)? N/A

11. **Biological Diversity** (FAA Sec. 119(g): Will the assistance: (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar N/A

protected areas or introduce exotic plants or animals into such areas? (Note new special authority for biodiversity activities contained in section 547(b) of the FY 1995 Appropriations Act.)

12. **Tropical Forests** (FAA Sec. 118; FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): N/A

a. **A.I.D. Regulation 16:** Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? N/A

b. **Conservation:** Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (1) stress the importance of conserving and sustainably managing forest resources; (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (4) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (6) conserve forested watersheds and rehabilitate those which have been deforested; (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected N/A

tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (10) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; (11) utilize the resources and abilities of all relevant U.S. government agencies; (12) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and (13) take full account of the environmental impacts of the proposed activities on biological diversity?

c. **Forest degradation:** Will assistance be used for: (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas; (3) activities which would result in the conversion of forest lands to the rearing of livestock; (4) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (5) the colonization of forest lands; or (6) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable

N/A

development?

d. **Sustainable forestry:** If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry? N/A

e. **Environmental impact statements:** Will funds be made available in accordance with provisions of FAA Section 117(c) and applicable A.I.D. regulations requiring an environmental impact statement for activities significantly affecting the environment? N/A

13. **Energy** (FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): If assistance relates to energy, will such assistance focus on: (a) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (b) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases? N/A

14. **Debt-for-Nature Exchange** (FAA Sec. 463): If project will finance a debt-for-nature exchange, describe how the exchange will support protection of: (a) the world's oceans and atmosphere, (b) animal and plant species, and (c) parks and reserves; or describe how the exchange will promote: (d) natural resource management, (e) local conservation programs, (f) conservation training programs, (g) public commitment to conservation, (h) land and ecosystem management, and (i) regenerative approaches in farming, forestry, fishing, and watershed management. N/A

15. **Deobligation/Reobligation** (FY 1995 Appropriations Act Sec. 510): If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as N/A

originally obligated, and have the House and Senate Appropriations Committees been properly notified?	
16. **Loans**	
a. **Repayment capacity** (FAA Sec. 122(b)): Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest.	N/A
b. **Long-range plans** (FAA Sec. 122(b)): Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities?	N/A
c. **Interest rate** (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter?	N/A
d. **Exports to United States** (FAA Sec. 620(d)): If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest?	N/A
17. **Development Objectives** (FAA Secs. 102(a), 111, 113, 281(a)): Extent to which activity will: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better	YES. This project will adopt a bottom-up approach, working at the community level in support of family planning and other reproductive health, microenterprise and small-business activities, which will generate income, mainly among women's group.

life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

18. **Agriculture, Rural Development and Nutrition,** and **Agricultural Research** (FAA Secs. 103 and 103A):

a. **Rural poor and small farmers:** If assistance is being made available for agriculture, rural development or nutrition, describe extent to which activity is specifically designed to increase productivity and income of rural poor; or if assistance is being made available for agricultural research, has account been taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made. N/A

b. **Nutrition:** Describe extent to which assistance is used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people. N/A

c. **Food security:** Describe extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national N/A

food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.	
19. **Population and Health** (FAA Secs. 104(b) and (c)): If assistance is being made available for population or health activities, describe extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach.	The project will work directly with communities and local NGOs to enhance existing, integrated delivery systems, focusing on the poor, with particular attention to the needs of women and young children.
20. **Education and Human Resources Development** (FAA Sec. 105): If assistance is being made available for education, public administration, or human resource development, describe (a) extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, and strengthens management capability of institutions enabling the poor to participate in development; and (b) extent to which assistance provides advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.	N/A
21. **Energy, Private Voluntary Organizations, and Selected Development Activities** (FAA Sec. 106): If assistance is being made available for energy, private voluntary organizations, and selected development problems, describe extent to which activity is:	
a. concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of research on and development and use of small-scale, decentralized, renewable	N/A

energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment;

b. concerned with technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations; N/A

c. research into, and evaluation of, economic development processes and techniques; N/A

d. reconstruction after natural or manmade disaster and programs of disaster preparedness; N/A

e. for special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U.S. assistance; N/A

f. for urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development. N/A

22. **Capital Projects** (Jobs Through Export Act of 1992, Secs. 303 and 306(d)): If assistance is being provided for a capital project, is the project developmentally sound and will the project measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level? N/A

C. CRITERIA APPLICABLE TO ECONOMIC SUPPORT FUNDS ONLY N/A

1. **Economic and Political Stability** (FAA Sec. 531(a)): Will this assistance promote economic and political stability?

To the maximum extent feasible, is this assistance consistent with the policy

directions, purposes, and programs of Part I of the FAA?

2. **Military Purposes** (FAA Sec. 531(e)): Will this assistance be used for military or paramilitary purposes?

3. **Commodity Grants/Separate Accounts** (FAA Sec. 609): If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? (For FY 1995, this provision is superseded by the separate account requirements of FY 1995 Appropriations Act Sec. 536(a), see Sec. 536(a)(5).)

4. **Generation and Use of Local Currencies** (FAA Sec. 531(d)): Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1995, this provision is superseded by the separate account requirements of FY 1995 Appropriations Act Sec. 536(a), see Sec. 536(a)(5).)

5. **Capital Projects** (Jobs Through Exports Act of 1992, Sec. 306): If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i.e., one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided. (Please note the definition of "capital project" contained in section 595 of the FY 1993 Appropriations Act. Note, as well, that although a comparable provision does not appear in the FY 94 Appropriations Act, the FY 93 provision applies to, among other things, 2-year ESF funds which could be obligated in FY 94.)