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Report to the Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate

May 1990

FOREIGN ASSISTANCE

AID's Population Program

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National Security and
International Affairs Division

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May 1, 1990

The Honorable Patrick J. Leahy
Chairman, Subcommittee on Foreign Operations
Committee on Appropriations
United States Senate

Dear Mr. Chairman:

In response to your request we reviewed several issues relating to the Agency for International Development's (AID) Population Program. This report focuses on program policy, goals, and strategy; program resources and management; and program accomplishments. The report contains two recommendations for AID.

As arranged with your Office, unless you publicly announce its contents earlier, we plan no further distribution of this report until your scheduled May 15, 1990, hearing on AID's population program. At that time, we will send copies to several congressional committees; the Administrator of AID, and other interested parties, and make copies available to others upon request.

This report was prepared under the direction of Harold J. Johnson, Director, Foreign Economic Assistance Issues. He can be reached at (202) 275-5790, if you or your staff have questions. Other major contributors are listed in appendix II.

Sincerely yours,

Frank C. Conahan
Assistant Comptroller General

or projects that attempt to examine the underlying reasons couples want large families or to specifically motivate people to have smaller families.

Program management is decentralized. About 50 percent of AID's population funds are administered by the Office of Population, but the Office does not control population funds administered by AID's regional bureaus and overseas missions. AID's information systems do not provide the comprehensive financial and management information needed to make sound programming and budget decisions.

AID reports that its efforts have resulted in the improved safety, effectiveness, and acceptability of contraceptive methods, and that over 200 million people are now using family planning services. AID also stated that it has taken the lead in development of innovative service delivery through operations research and private sector approaches.

Principal Findings

Changed AID Policy

Congress' policies and objectives for U.S. population assistance include the intention that the United States promote reductions in population growth rates and motivation of people to have smaller-size families. Until the early 1980s, AID promoted reductions in population growth rates, both through its projects and by initiating policy discussions with developing countries regarding the need to reduce population growth rates to achieve economic and social development.

AID's policy since the early 1980s suggests that if a developing country's economy cannot keep pace with its population growth rate, the country has three alternatives, or a combination thereof, for development, economic and social progress, and improved quality of life: (1) increase economic productivity, (2) obtain higher levels of external, donor assistance, and/or (3) reduce population growth rates. The distinction is, however, that under the current policy, AID no longer initiates discussions on these matters with developing countries that are not already committed to population planning programs.

While population growth rates have declined in some regions and countries, they have exceeded economic growth rates in much of Africa and Latin America, particularly during the 1980s. High population growth rates add to the socioeconomic difficulties of many countries at a time

and that this is the reason for its emphasis on delivering family planning services.

GAO does not dispute AID's stated concern about the relationship between population and economic growth, However, high-level AID officials stated to GAO that AID does not, as a matter of policy, initiate discussions of population growth rate reductions with foreign governments reluctant to address the issue. Also, AID has no projects or programs to understand or address the reasons couples desire large families, or directed toward motivating people to have fewer children.

AID acknowledged that its management of the population program is decentralized, but stated that this is the same management approach AID has adopted for all its programs. AID emphasized that program success is more likely when programs are controlled at the field level and tailored to the needs for each country. GAO agrees with AID that programs must be tailored to the needs of each country and managed at the field level to be successful. However, GAO also believes that the success of decentralized program implementation requires a centralized management information system that allows decisionmakers at the highest levels to have the financial and other information needed to appropriately allocate resources and set priorities.

AID disagreed with GAO's assessment of its program evaluation efforts, and stated that GAO had not recognized the complexity of these efforts, downplayed AID's use of evaluation findings, and did not take note of the evolution of AID's evaluation process. GAO believes that it gave full recognition to the evaluation efforts AID has made, and devoted an entire chapter to a discussion of AID's program accomplishments. However, GAO found that AID's evaluations generally address the question of whether it is doing things well rather than whether it is doing the right things. GAO believes that program impact evaluations would help answer the latter question.

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Abbreviations

AID	Agency for International Development
GAO	General Accounting Office
GDP	Gross domestic product
IUD	Intrauterine Device

reduced standards of living, domestic budget constraints for social expenditures, limited productivity and job creation, and almost unmanageable external debt and debt-servicing obligations. Many also continue to face high population growth rates.

Because developing countries are responsible for the success or failure of their population and family planning policies and programs, AID and other donors can only assist in the countries' development efforts. Within this framework, AID's family planning assistance has health and individual choice objectives. To achieve these objectives, AID's Office of Population has a program emphasis that gives priority to research and service delivery activities that assures access to, or availability of, a wide range of acceptable voluntary family planning services. The underlying premise behind this strategy is that developing countries have an unmet demand for services. AID-supported demographic surveys and demonstration projects undertaken in countries where contraceptive use is low have shown that there is a demand for family planning, that many couples want to space and limit births, and that many couples would use family planning methods if they had access to such services.

Since 1965, AID has provided about $3.5 billion in population and family planning assistance to developing countries. The United States has been the foremost source of international population assistance for family planning activities. AID reports accomplishments in each of the components of its family planning program: contraceptive development, data collection, operations research, policy development, service delivery, management support and training, communications, and commodity support.

AID reports that its program has improved maternal, infant and child health by giving couples increased opportunity to choose the number and spacing of their children. However, as shown in table 1.1, although there has been some reduction in total fertility levels in selected African countries (chosen for illustrative purposes), almost no change has occurred in Sub-Saharan Africa as a whole between 1965 and the late 1980s. In Latin America, East Asia, and the Near East and South Asia, there have been declines in fertility rates. However, population growth rates have exceeded economic growth rates in both Africa and Latin America.

In Washington, D.C., we met with officials from AID, the Department of State, the Population Institute, the Centre for Development and Population Activities, the Population Crisis Committee, the Population Reference Bureau, Population Reports International, the American Enterprise Institute, the Population Association of America, and with former AID personnel associated with AID's population program. In New York City, we met with officials of the United Nations Population Fund, and representatives of the Population Council, the Western Hemisphere Regional Office of the International Planned Parenthood Federation, the Alan Guttmacher Institute, and the Margaret Sanger Institute.

We reviewed legislation and numerous reports, studies and other publications by AID and other U.S. government agencies, international organizations, nongovernmental entities, and specialists in demographic/population/family planning matters. We did not perform work overseas. Our review work was performed between June and December 1989 in accordance with generally accepted government auditing standards.

Legislative Objective Is to Reduce Population Growth Rates

In 1967, Congress expressed its sense that voluntary family planning programs could make a substantial contribution to economic development, among other things, and authorized the President to provide assistance for programs relating to population growth in friendly foreign countries and areas. In 1973, Congress authorized the President to furnish assistance for population planning and health "to increase the opportunities and motivation for family planning [and] to reduce the rate of population growth...." Then, in 1978, Congress recognized, as part of its statement of development assistance policy, that controlling population growth is an element of a country's commitment to development and progress in moving toward the objective and purposes of the United States' bilateral assistance (22 U.S.C. 2151-1). Congress also expressed policies and objectives for population and health programs as follow:

"The Congress recognizes that poor health conditions and uncontrolled population growth can vitiate otherwise successful development efforts.

"Large families in developing countries are the result of complex social and economic factors which change relatively slowly among the poor majority least affected by economic progress, as well as the result of a lack of effective birth control. Therefore, effective family planning depends upon economic and social change as well as the delivery of services...While every country has the right to determine its own policies with respect to population growth, voluntary population planning programs can make a substantial contribution to economic development, higher living standards, and improved health and nutrition...." (22 U.S.C. 2151b.)

An intention in the congressional declarations of policy is that U.S. population assistance be directed toward limiting population growth rates. The legislation is also aimed at motivating people to have smaller-size families, while recognizing that each country can and should set its own policies. The law also prohibits the use of U.S. assistance to (1) perform abortions as a method of family planning or motivate/coerce people to practice abortions; (2) perform involuntary sterilizations as a family planning method or motivate/coerce people to undergo sterilization; and (3) conduct biomedical research that relates to methods or performance of abortion or involuntary sterilization as a means of family planning (22 U.S.C. 2151b(f)).

Changes in Administration Policy

In July 1969, President Nixon sent the first Presidential message on population growth to the Congress. The message emphasized a world population crisis caused by high rates of population growth in many

growth is, of itself, a neutral phenomenon....More people do not necessarily mean less growth...." The policy's emphasis appeared to subordinate the need for population and family planning programs to the need for proper economic restructuring and free-market economics. The policy was supported by certain groups in the United States who were promoting the idea that developing country population growth rates were irrelevant, since technological innovation and economic adjustments can accommodate high rates of population growth. It was also supported by those who viewed population programs and family planning as undesirable or immoral.

In a study undertaken at AID's request, the National Academy of Sciences issued an assessment of the relationship between population growth and economic development in developing countries[3] in 1986. Without coming to any definitive conclusions, the assessment nevertheless summarized that, "on balance, we reach the qualitative conclusion that slower population growth would be beneficial to economic development for most developing countries."

The Evolution of AID's Population and Family Planning Assistance

Since the early 1980s, AID officials responsible for the population program have been in the difficult position of attempting to adhere to the administration policy that population growth rates are neither good nor bad but neutral, while continuing to meet the legislative objective of motivating reductions in growth rates. AID has consequently adopted subtle policy changes in its approach to the linkage between positive economic development and reductions in population growth rates. A high-level AID official said that AID's 1982 population policy was written in broad terms to provide flexibility and thus revision was not necessary to bring it in line with what was termed "White House statements" made in Mexico City. AID officials stressed that AID's population and family planning projects and the implementation of its program have not changed. Despite this, we found that AID's policy no longer has a population focus directed toward promoting reductions in population growth rates. Instead, AID's program is focused on promoting family planning for reasons of health and individual rights without a direct link to economic development.

[3]Working Group on Population Growth and Economic Development, Committee on Population, Commission on Behavioral and Social Sciences and Education, National Research Council, Population Growth and Economic Development: Policy Questions, National Academy Press, Washington, D.C. 1986.

reduced population growth rates with governments that are not committed to such policies. However, AID officials said that the agency will not initiate discussions of population growth rate reductions.

The policy paper did note that "continued high rates of population growth significantly increase the cost and difficulty of achieving basic development objectives by imposing burdens on economies presently unable to provide sufficient goods and services for the growing population."

AID's June 1985 Blueprint for Development, which is its "primary statement of purpose [and] objectives," discussed "unmanageable population pressures" and outlined family planning goals for 2-and 5-year periods (1986-87 and 1986-90), but no mention was made of reducing population growth rates or motivating families to have fewer numbers of children.

In its fiscal years 1989 and 1990 congressional presentations, AID based its family planning rationale on (1) the right of a family to choose the number and spacing of children, (2) the fact that family planning contributes to maternal and child health, and (3) the belief that family planning leads to reductions in abortions. However, there was no mention in the rationale of the need to reduce population growth rates or the need to bring population and economic growth rates into balance.

According to a noted demographer who critiqued AID's February 1989 report entitled Development and the National Interest: U.S. Economic Assistance into the 21st Century, AID treated population growth as a non-issue and dismissed years of AID experience and effort in both the population and family planning fields. He wrote that "the inference that AID's new thinking would rather forget about population growth as a development issue is...supported by an entirely inadequate, and in key instances plainly erroneous, presentation of the consequences of population growth and of demographic facts."

Conclusion

AID's population assistance program continues to be based on the principles of voluntarism and informed choice. Its policy objective of enhancing the freedom of individuals in developing countries to choose voluntarily the number and spacing of their children has remained essentially intact over the life of the program, and the agency continues its principal activity of providing family planning services delivery.

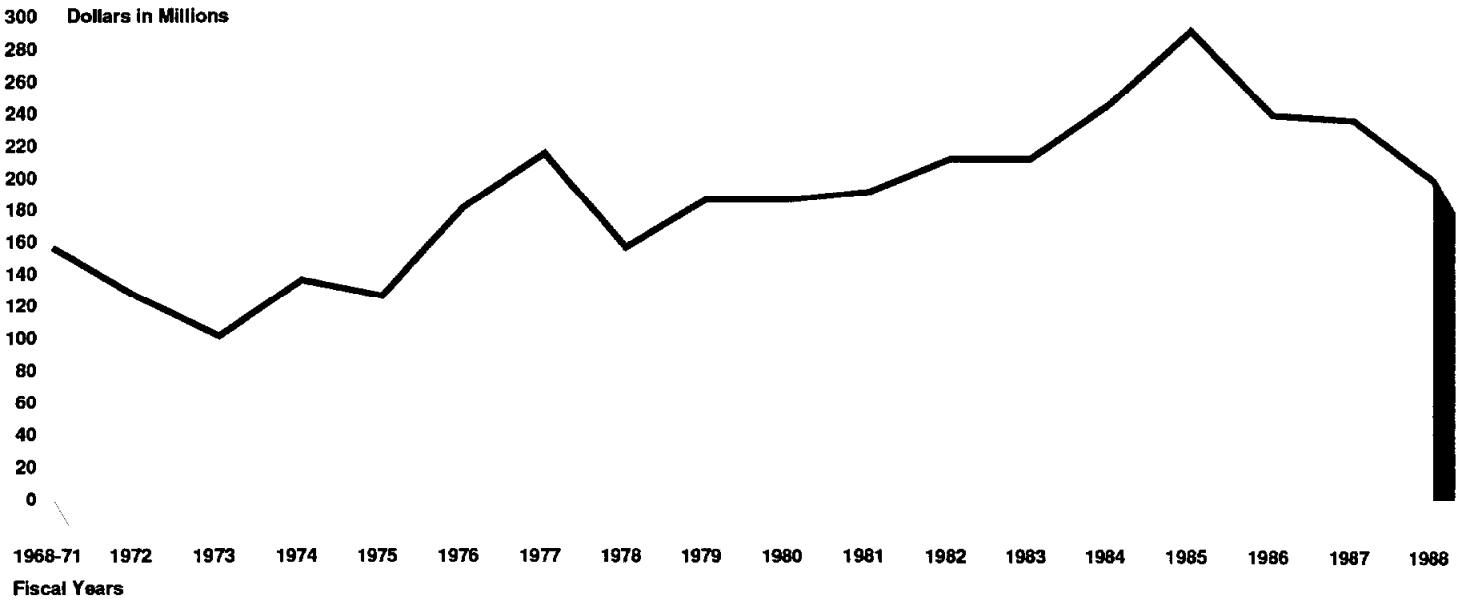
achieve population growth rate reductions. While the legislation states that AID should motivate people to have smaller-size families, AID has no projects specifically directed toward motivating families to have fewer children.

AID also commented that

- a principal AID policy objective has been lowering population growth and fertility in developing countries and
- through policy dialogue with leaders of developing countries, and through the provision of technical assistance and training, it raises the negative impact that high rates of population growth have on governments' economic aspirations, and recommends smaller families as one way to directly deflate these rates.

Despite AID's official comments on our draft report, AID officials, throughout our review, consistently stated that a reduction in population growth rates was not an AID objective. AID officials also informed us that AID, as a matter of policy, does not initiate discussions about reducing population growth rates with leaders of developing countries, and generally only discussed this issue when raised by leaders of the developing countries.

Figure 3.1: Congressional Allocation of Funds for Population Activities During Fiscal Years 1968-88



Fiscal years 1968-71 reflect cumulative congressional earmarking of development funds. Remaining years reflect congressional appropriations for population activities.

In addition to specific congressional allocation, population and family planning assistance has also been supported by other AID programs such as Economic Support Funds and the Sahel development funds,[1] and since 1988, the Development Fund for Africa.[2] During the last 10 years, about $215 million of Economic Support Funds and Sahel development funds were obligated for family planning activities. Development assistance funds for health and child survival have also supported the family planning program.

Historically, about half of all population funds has been allocated to support centrally administered projects of the Office of Population in the Bureau for Science and Technology. The other half has been allocated to support regionally administered projects or bilateral (government to government) projects, which are administered by AID's overseas

[1]AID development assistance funds directed toward human resource development, financial management, policy analysis, infant health and nutrition, family planning, and regional economic integration for countries in the Sahel.

[2]A special program for Sub-Saharan Africa directed toward renewing economic growth which is broad-based, market-oriented and sustainable.

Table 3.2 shows fiscal year 1988 expenditures by funding unit and regional area. It provides an indication of geographic distribution of centrally funded assistance, as well as the proportion of assistance provided through central projects versus mission/region projects.

Table 3.2: AID Expenditures for Family Planning During Fiscal Year 1988 by Region and AID Funding Unit

Dollars in thousands

	Funding Unit Mission/Region[a]	Central	Total
Africa	$21,349	$31,220	$52,569
Asia/Near East	80,748	20,050	100,798
Latin America	24,115	32,019	56,134
Worldwide	•	24,343	24,343
Contraceptives	[b]	13,205	13,205
Total	**$126,212**	**$120,837**	**$247,049**

[a]Includes funds from the population account, Economic Support Fund, Sahel Development Fund, and Development Fund for Africa.

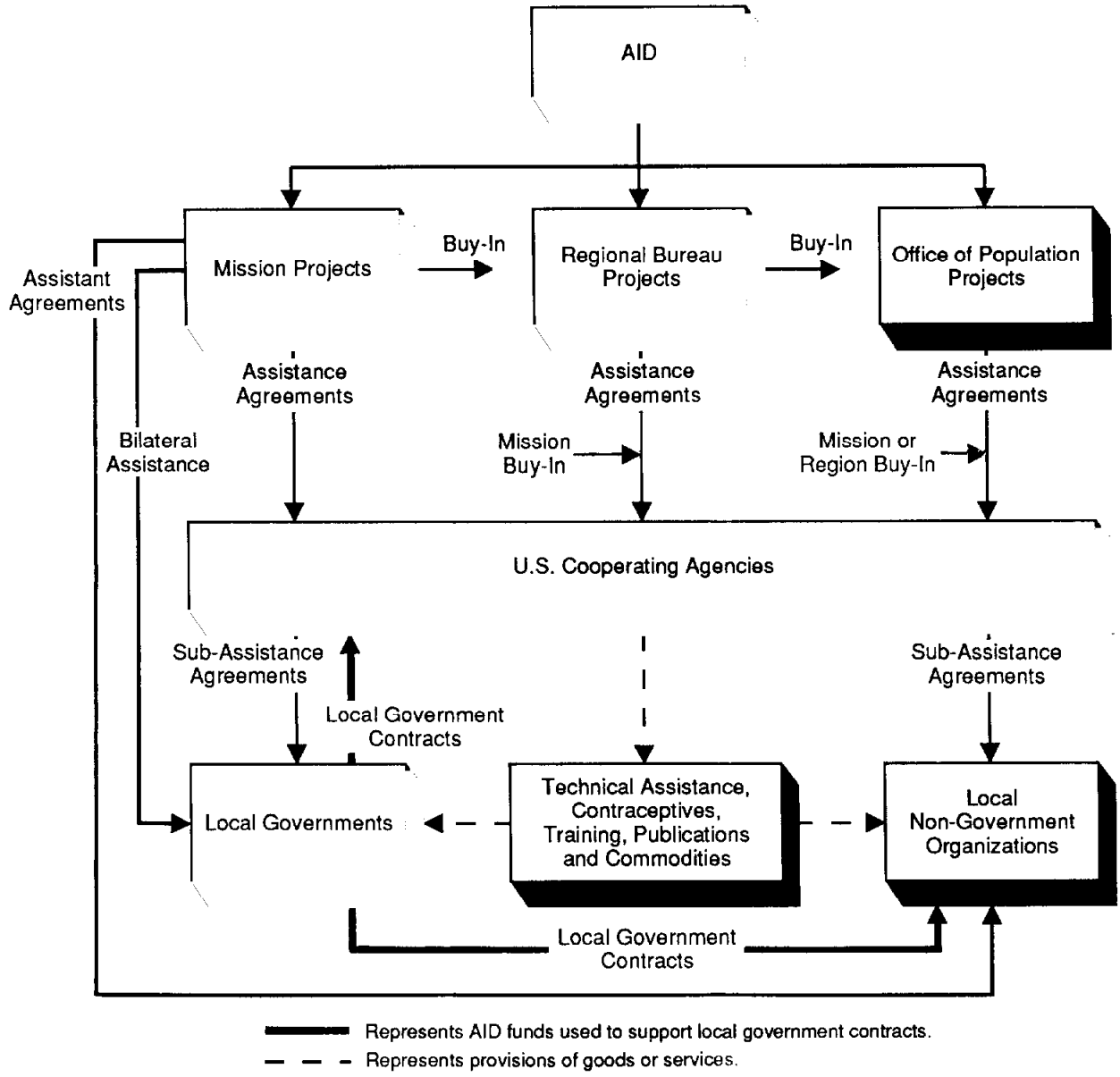
[b]Not shown is $28 million in expenditures for contraceptives; these expenditures are included in regional categories above.

Family Planning Program Organization

AID's family planning program is highly decentralized. It is implemented by overseas missions, regional offices and bureaus, and by the Office of Population. In fiscal year 1988, 43 AID organizational units administered family planning projects worldwide. Principal responsibility for planning, formulating, and managing the program is divided among the three geographical bureaus and the overseas missions. The Office of Population, within the Bureau for Science and Technology, specializes in population and family planning. Although the Office does not have responsibility for planning and managing AID's population programs, it administers a number of population projects designed to strengthen and complement mission programs.

The Bureau for Program and Policy Coordination is responsible for overall program and policy formulation, planning, coordination, resource allocation and evaluation activities. The Bureau develops economic assistance policies, provides guidance on program planning, economic analysis, sector assistance, and project analysis and design. However, the Office of Population and the geographic bureaus and overseas missions are responsible for actual implementation of the population assistance program.

Figure 3.2: Flow of AID's Population Assistance Funds



Note: Assistance agreements include contracts, grants, cooperative and other types of assistance agreement instruments.

need for improved control over the shipment of commodities, strengthening and broadening existing quality assurance measures, proper disposal of deteriorated contraceptives, and tightened control over sales proceeds were also emphasized.

The Inspector General recommended that the Director of the Office of Population:

- formulate a strategic plan with specific goals, objectives, and clearly defined roles, responsibilities and performance criteria to clarify managerial control over the program and assign sufficient staff to effectively implement the plan;
- take the lead role in developing effective procedures to control (1) requirements estimates; (2) contraceptive procurement regarding sizes, varieties, and colors; (3) sales proceeds; (4) domestic and international transportation, warehousing, and distribution of commodities; (5) registration of products for use in other countries
- prepare an action memorandum for the AID Administrator, recommending the development and implementation of an improved funding mechanism for contraceptive commodities that is consistent with centralized procurement activity;
- develop and implement a quality control program that establishes performance standards and criteria for storing, warehousing, shipping and handling commodities, as well as testing contraceptives throughout the distribution system;
- establish and implement procedures for recording and reporting contraceptive disposal and losses, as well as instructions for filing refund claims; and
- develop specific plans for transferring responsibility for estimating commodity requirements to recipient countries.

Office of Population officials said that AID is taking corrective actions and that the recommendations should be resolved shortly.

AID Has Placed Little Emphasis on Overall Program Evaluation

Evaluation is a critical element of program management and oversight. Evaluations serve as the mechanism for measuring accomplishments and their impact, and for providing management with the information needed to adjust or redirect program efforts. Missions, regions, and the Office of Population perform numerous mid-term, final, and other management evaluations of their projects. In addition, AID has funded 78 external evaluations of its family planning projects, at a cost of about $3.6 million since 1984. However, evaluations are not well coordinated,

Population recently issued guidelines for evaluations, but the guidelines do not set the criteria to be used.

Most evaluations performed have been narrow in scope. Of the 78 external evaluations performed between 1984 and 1988, 69 focused on subproject activities, such as (1) a training program for Senegalese midwives, (2) a social marketing program in Bangladesh, (3) advance training for nurses in Zaire, and (4) general training in Latin America and the Caribbean. Although the evaluations provided meaningful and necessary information and recommendations, they were not coordinated with other evaluation efforts and thus did not address the impact of U.S. assistance on recipient countries.

AID Lacks Centralized Management Information

AID has several automated information systems which are intended to meet agencywide accounting and reporting needs. However, we found that these systems do not provide the comprehensive financial and management information necessary for making sound programming and budgeting decisions. Also, AID's project and procurement data systems operate independently of each other. According to AID officials, the data required for management decisions exists, but is difficult to pull together since several systems must be accessed.

AID's project reporting systems, which provide data used in preparing the agency's annual budget presentation, have only limited information. For example, these systems identify which countries receive assistance through bilateral family planning projects, but do not identify the countries receiving assistance through central and regional projects. Such projects accounted for over half of the $2.4 billion in funds obligated for population assistance during fiscal years 1979 through 1988. However, based on an analysis of fiscal year 1988 expenditures, we identified 70 percent, or about $83 million, of centrally funded projects with specific countries.

Bilateral population projects provide assistance funds for multiple family planning-related activities such as training and education, government service delivery, private-sector activities, or provision of technical assistance, contraceptives, or other commodities for local programs. AID's reporting systems do not contain information about the nature of activities being funded. For example, the AID Administrator encouraged the incorporation of private-sector entities into population project design because he believed that private-sector institutions often operated more cost effectively than government entities and were often more

The Executive Director of the United Nations Population Fund told us that AID cooperation and coordination, through discussions, meetings, and exchange of data at both the international and individual country level, has always been, and continues to be excellent. AID officials said that program coordination among donors in host countries is conducted by the AID missions. Budget restraints limit the participation of Office of Population personnel in donor meetings abroad. While we noted that AID participates in various coordination activities, we did not evaluate the effectiveness of these efforts.

Internal Controls for Accountability and Control

AID conducts a control assessment process annually to provide AID management with reasonable assurance that (1) program objectives were achieved, (2) obligations and costs complied with applicable law, (3) assets were safeguarded against waste, loss, unauthorized use and misappropriation, and (4) programs were efficiently and effectively carried out in accordance with applicable law and management policy. AID submits the results of the assessment to the Congress and the President. Although the Office of Population conducted such assessments, its files contained little documentation that its assessment process has consistently complied with AID guidance.

AID's Internal Controls Process

The Federal Managers' Financial Integrity Act of 1982 (31 U.S.C. 3512) requires government agencies to establish and maintain adequate systems of internal controls, which are to be consistent with internal accounting and administrative control standards prescribed by the Comptroller General. AID established an Internal Control Oversight Committee in 1982, to coordinate implementation of the legislation and to direct and monitor internal control policies. AID's Science and Technology Bureau, which includes the Office of Population, is one of the 38 component organizations that report on assessment results. The Bureau's internal control reporting is based on data collected from each of the unit offices, including the Office of Population. These offices submit their assessments to the Bureau, where they are reviewed and incorporated into an overall bureau assessment certification.

Office of Population Internal Controls

The Office of Population's assessment process requires each of its divisions to assess their projects using a standard AID risk assessment form. Division responses are then consolidated into an Office report, which is sent to the Science and Technology Bureau. However, the Office has little documentation to show that the assessments were consistently and

Recommendations

To improve program oversight, we recommend that the Administrator of AID develop a centralized management information system to obtain comprehensive financial and management information of all AID population projects and activities, which will also enable the Administrator to improve on making decisions about resource allocations and program priorities.

To improve program evaluation, we recommend that the Administrator of AID direct that an overall program impact evaluation be performed, along with country specific impact evaluations in those countries with large programs.

Agency Comments and Our Evaluation

In commenting on this report, AID said we were overly critical of its decentralized method of operation. AID is a highly decentralized agency, and our discussion of AID's organizational structure and approach for providing population assistance simply presents the framework in which the program operates. Our discussion dealt with the shortcomings in this decentralized structure, which lacks a mechanism for centralized oversight, evaluation, and information. We do not dispute the need for field involvement to tailor programs to the needs of each particular country, nor the need for their involvement in monitoring, controlling, and evaluating in-country activities. We do have reservations about a system with no focal point responsible for ensuring that various decentralized units are effectively and efficiently using program resources and achieving program goals.

In its comments on its management information systems, AID points out that it is developing new classification/special issues codes for its project system. AID also said that its population project database system includes information on mission and regional activities.

We reported that AID was developing a new coding system, which is intended to provide management with a better profile of project activities. However, as noted in the report, the system only captures about half of AID's population assistance activities. Additionally, the new coding system does not address our concerns with the project systems' inability to attribute regional and centrally funded project assistance to the recipient countries.

Our work indicated that the database reflects information collected from reports submitted by cooperating agencies under contract with the Office of Population. The Office of Population has asked these agencies

Accomplishments in Family Planning

AID's family planning assistance has been heavily focused on activities related to (1) research and policy development, which have received about 29 percent of AID's Office of Population budget since 1965 and (2) the delivery of family planning services, such as training, communications, and recurrent budget support for services and commodities, which have accounted for about 71 percent of the budget since 1965. The Office of Population reports accomplishments in contraceptive development, data collection, policy development, service delivery, management support and training, communications, and commodity support.

Contraceptive Development

AID reports that its contraceptive development program has supported over three thousand studies and projects to develop, assess, and introduce contraceptive technology and methods. AID has helped fund the development of female sterilization techniques and the introduction of the Copper-T-380A IUD. Third-phase clinical trials are underway to demonstrate the effectiveness and safety of a 3-month injectable contraceptive. In 1990, AID hopes to introduce a new contraceptive method—Norplant, which is a subdermal implant, if U.S. Food and Drug Administration approval is given.

Through funding projects related to the development, evaluation, and introduction and promulgation of new and improved sterilization technologies, AID reports that its support for sterilization as a family planning method helped popularize the method over the last 20 years. AID believes that the increase in voluntary sterilization may have had more impact on reducing unwanted fertility in the developing world than any other single factor. AID is also giving greater emphasis to traditional family planning methods, such as breastfeeding and natural family planning.

Data Collection

AID assistance has supported data collection efforts by funding censuses and demographic surveys, which serve to identify population problems, monitor population trends, and evaluate family planning programs. AID stated that, since 1965, it has provided a wide range of technical assistance and training activities for censuses in over 85 countries. AID also supported some social science research on population issues in the developing world, including implementation of one of the largest social science surveys ever undertaken. According to AID, much of what is known today about population dynamics in the developing world is the result of AID-sponsored data collection efforts. AID has helped officials in developing countries to recognize the importance of censuses and

Security Institute in Peru used the results of a study, which assessed the effects of expanding family planning services, to increase its budget expenditures for these services.

Policy development efforts have also focused on getting more public and private resources committed to population and family planning programs. AID reports that the number of developing countries providing direct support for family planning services has increased from 75 in 1976 to 102 in 1989. AID believes that its policy reform efforts have encouraged private companies to invest their own resources in contraceptive services, resulting in more diversified service delivery as well as overall increased investment in family planning.

Service Delivery

AID believes that its assistance has contributed to major changes in the availability and use of family planning services. When AID started providing population assistance in the mid-1960s, 15 million people were using family planning services in the developing countries (excluding China). Today, according to AID, over 200 million people are using these services and AID expects this number to double within the next 20 years. During the last two decades, the overall contraceptive prevalence rate for developing countries has risen from 15 percent to about 40 percent. A major factor accounting for this growth, according to AID and United Nations Population Fund officials, has been the increasing availability of family planning services due largely to AID's expansion of these services.

AID has promoted public sector as well as nongovernmental organizations' service-delivery efforts. It has initiated and expanded services in countries and areas that may not have otherwise been reached. AID reports that these organizations played an important role in launching family planning services and demonstrating the safety and acceptability of family planning. Some are major providers of family planning services, while others support the expansion of public and private services targeted at low income, special minority, and other critical groups.

AID's Office of Population supports 318 family planning service delivery subprojects in 49 countries. About 70 percent of the subprojects are with the private sector, including 7 percent with profit-making businesses. The Office has eight service delivery project initiatives, of which two are for-profit, private sector projects: (1) the contraceptive social marketing project and (2) the Enterprise project.

Management Support and Training

AID's efforts focused on management are intended to provide population/family planning leaders and managers with a better understanding of (1) specific management problems hindering effective service delivery, (2) steps that can be taken to overcome these problems, and (3) procedures to plan and monitor human and material resources more effectively. Adoption of effective management systems may be a key determinant in the success or failure of family planning programs in many countries. AID-sponsored efforts should, over time, strengthen the ability of developing country organizations and institutions to plan and manage more effective and self-sustainable programs.

AID reports that it has undertaken efforts to improve host country management, such as

- sponsoring the training of over 1,500 senior and mid-level program administrators from more than 25 countries in basic management skills, financial planning for sustainability, operational planning, management information systems, organizational development, and supervision of health personnel;
- providing technical assistance to managers in 34 public and private sector family planning organizations, and fellowships to 29 senior-level managers attending U.S. graduate programs in public health and management;
- supporting nearly 100 other individuals to attend short-term health management training at various U.S. and third country institutions; and
- helping nearly 200 program administrators attend study and observation tours of family planning programs in Asia, the Near East, Latin America, and the United States.

AID reports that its educational programs have supported the training of almost 200,000 health care professionals, including physicians, nurses, general practitioners, anesthesiologists, and medical and nursing students, from nearly 7,000 institutions in 122 countries. These programs have included training in administration, general reproductive health, voluntary surgical contraception, IUD insertion, infertility, and curriculum development for reproductive health education. AID has also provided equipment for medical schools and clinics, and the technical support for training in equipment repair and maintenance. It has assisted in establishing regional training centers in Kenya, Morocco, Nigeria, Thailand, Egypt, and the Philippines. AID-funded projects have produced three major training and service procedure manuals that are in use in many developing country organizations.

broadcast companies in its host countries have donated millions of hours in radio and television air time.

In the Philippines, market research on a youth-oriented communication campaign which uses music video reports that 92 percent of the survey respondents remembered the video. Further, 70 percent interpreted the message of the video correctly, 51 percent stated that they were influenced by the message, 44 percent said that they talked with parents and friends about the message, and 25 percent stated that they subsequently sought contraceptive information. AID has also sponsored interpersonal communication activities, including counseling and client-staff communications.

Commodity Support

Commodity support is a major part of AID's family planning program. AID reports that worldwide demand for contraceptives in AID-sponsored programs is now growing at an annual rate of 10 percent. AID used warehouse stocks to meet a large part of this growth during 1989, but maintains that increased demand in the future can only be satisfied by increasing AID-financed contraceptive production and/or by major growth of contraceptive support from other international donors.

Since 1981, AID has used a consolidated procurement system that aggregates worldwide requirements of selected contraceptive commodities. The system aggregates AID central and bilateral funding for contraceptive purchases. Five production contracts offer oral contraceptives, IUDs, condoms, and vaginal tablets, packaged under more than 20 different product brands. From 1986 to 1989, obligations for contraceptive commodities have increased from about $30.4 million to about $58.6 million. In 1988, AID sent contraceptive shipments valued at $39.8 million to family planning programs in 70 countries and completed new procurements for $41 million in future contraceptive production. AID maintains that its commodities meet or exceed the U.S. Food and Drug Administration's quality standards. The 1988 contraceptive shipments included over 530 million condoms, 60 million monthly cycles of oral contraceptives, 5.5 million IUDs, and 11 million vaginal tablets. In 1988, in terms of dollars spent, over 90 percent of the commodities went to 20 countries and almost 56 percent went to 5 countries.

Foreign Assistance: AID's Population Program

Response of the Agency for International Development

April 3, 1990

OVERVIEW

The following constitutes A.I.D.'s response to the draft report from the General Accounting Office entitled: "Foreign Assistance: AID's Population Program". On the whole, the GAO has documented A.I.D.'s considerable committment to and progress in the field of population. Yet, A.I.D. is concerned about several points made in the report, and believes that in certain areas, A.I.D.'s population program is not fully understood.

See pp. 19-20.

The GAO states that A.I.D. is not concerned about the relationship between population and economic growth and does not advocate smaller families, as mandated by Congress. When appropriate during policy discussions with developing country leadership, A.I.D. does raise the negative impact high rates of population growth have on governments' economic aspirations and does recommend smaller families as one way to directly deflate these rates. A.I.D. is also concerned about responding to the demand for family planning, not only in terms of creating that demand, but in meeting it. For this reason, the emphasis of A.I.D.'s program is on delivering family planning services.

See pp. 32-33.

The GAO's report criticizes A.I.D. for not having a centralized population overseer, believing that this has created some management problems. The population program is managed in the same manner as other A.I.D. programs. In fact, decentralization is part of a conscious effort to make programs as effective as possible. Experience shows that success in population programs -- as well as other sectors -- is more likely when control is vested at the field level and programs are tailored to the needs of each particular country.

See pp. 32-33.

Lastly, the GAO criticized the program's evaluation process. Since the GAO team was unable to travel, it was unable to take a complete look at all evaluations done by the Agency at the country level. In addition, the report did not recognize the strides A.I.D. has made in evaluation, the considerable efforts made in data collection and monitoring of programs, and the use the program makes of this information.

The health consequences of population assistance and family planning took on a more prominent role in the mid-1980s because new research evidence documented several important relationships between patterns of childbearing and the health of mothers and children. The most important of these is the link between proper birth spacing (intervals of two or more years) and reduced infant and child mortality. Former A.I.D. Administrator M. Peter McPherson focused on the health rationale for population assistance in an address in 1985. Child spacing also receives attention as part of A.I.D.'s child survival program begun in the late 1980s.

A.I.D.'s population assistance is also concerned with enhancing the freedom of individuals in developing countries to choose voluntarily the number and spacing of their children. This human rights objective has appeared in all major international declarations on population and family planning and has consistently been an important policy objective for A.I.D. as well. Family planning is a key enabling factor for improving the status of women. Women who have access to information and services and can control their fertility are better able to take advantage of educational and employment opportunities.

Other research relevant to A.I.D.'s policy basis for family planning assistance include the effects of rapid population growth on the environment and the effects of voluntary family planning in decreasing the incidence of abortion.

Changes in Developing Country Policies

Partly as a consequence of A.I.D.'s assistance, an international consensus has been formed on the importance of reducing population growth. As the table below shows, 68 developing countries now support lower population growth compared to only nine when A.I.D.'s population assistance was initiated.

- Under the policy A.I.D. does not provide funding for foreign non-governmental organizations that perform or promote abortion as a method of family planning in foreign countries with funds from any source.

- This policy does not apply to U.S. non-governmental organizations or to foreign governments for constitutional and sovereignty reasons. US. organizations receiving A.I.D. grants, however, may not subgrant A.I.D. funds to foriegn non-governmental organizations that are ineligible for direct assistance from A.I.D.

In Sum

A.I.D.'s population assistance program emphasizes:

- the encouragement of population growth rates that are environmentally sound and consistent with sustained economic development;

- the critical health benefits of family planning for mothers and young children; and

- the right of individuals to choose voluntarily the number and spacing of their children.

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Projected Number of Family Planning Users by Region
(millions)

Region	1985	2000	2010
Africa	15	40	81
Latin America	35	57	71
Asia	106	210	308
TOTAL	156	307	460

Source: United Nations, Levels and Trends of Contraceptive Use, 1989; New York.

NOTE: Estimates take into account a near doubling of women of reproductive age over this period and assume an increase in the contraceptive prevalence rate from 35 to 59 percent, corresponding to the U.N.'s medium-variant projection series where the total fertility rate declines from 4.8 to 3.1.

Estimates exclude China; totals for Africa include countries of North Africa.

Service Approach Results

Experience with family planning assistance over the past two decades has shown that investments in family planning services and the corresponding increase in availability of services have a dramatic impact on both contraceptive use and family size, i.e., it works! Since 1965 the total fertility rate* in the developing countries has declined from 6.0 to 3.85.[5] A recent authoritative, macro-level study[6] estimated that in the absence of donor assisted family planning programs, the average number of births would have been 5.4. The declines have been steepest in those regions of the world where family planning services have been made more widely available. For example:

- From 1960-65 to 1980-85 in East Asia (including China) where contraceptive prevalence has risen from 13% to 74%, the average number of births has dropped from 6.1 to 2.4.

*Total fertility rate is defined as the average number of children a woman will have assuming that current age-specific birth rates will remain constant throughout her childbearing years.

Flexible and Consistent Approach

While A.I.D. has maintained a consistent emphasis on the provision of quality family planning services, the program has remained flexible, as specific program elements vary considerably from place to place and time to time. In the central Office of Population program, A.I.D. built in the "R and D" for family planning programs -- the operations research program -- which has the means to identify alternative delivery possibilities, that are then tried out in carefully controlled settings, before being adopted on a large scale.

A.I.D. has developed alternative sources of services to increase users' options, most significantly, through the private sector. Community-based distribution, social marketing of contraceptives and work-place programs are noteworthy innovative approaches now widely adapted in country programs. Finally A.I.D.'s biomedical research has increased the range of available contraceptive choices, such as copper-bearing IUDs and the mini-pill.

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This decentralized approach, which puts considerable emphasis on the field is considered to be one of A.I.D.'s strengths by the donor community. For instance, the United Nations Population Fund is moving toward a country level, service delivery orientation, which was ratified in November 1989 in the Amsterdam Declaration -- "A Better Life for Future Generations".

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2) Regular project evaluations of central projects - such as social marketing, training, contraceptive logistics, etc. The Office of Population established the POPTECH project specifically to provide objective information for project assessment. Project evaluations are required periodically to meet mimimum Agency standards. However, the Office has exceeded minimal requirements by carrying out evaluations of program areas which are addressed by more than one project, such as contraceptive social marketing, and by experimenting with alternative methodologies such as telephone interviews and mailback questionnnaires to achieve maximum field input.

Collecting Basic Data

A.I.D supports the collection of data through the Demographic and Health Surveys (DHS) and predecessor projects which yield nationally representative data on contraceptive prevalence, fertility, infant and child mortality and a rich variety of other data for policy and programmatic evaluation. Since the initiation of the World Fertility Survey (WFS) in 1972, some 134 national level surveys have been completed in 61 different countries. At the end of the current round of DHS in 1994, fifteen additional surveys will be completed in an additional five countries.

We know of no other social science effort that even approaches the comprehensiveness of A.I.D.'s demographic surveys. Most of what we know about population dynamics in the developing world is the direct result of A.I.D.-sponsored surveys.

What is not so widely known is that family planning service projects, even at the subproject level, quantify their targets and their achievements. These data are generally used for routine project monitoring, but may also be used for project and program evaluation.

Utililization of Findings

Evaluations do influence program directions and decisions. In the Office of Population, for example, evaluations are typically conducted just prior to the design (or plan) for a follow-on project. An important area of consideration for the evaluators is not only an assessment of what has been done so far, but what, if anything, should be done next. Recent examples of evaluations which influenced program direction include:

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- A.I.D. recognized the need to systemize evaluation efforts and to increase their rigor. This led to the creation of the internal Office of Population Evaluation Working Group in 1988 which examines methodological questions, reviews scopes of work, and coordinates evaluation plans.

- The Office of Population and regional bureaus wholeheartedly embraced the proposed population impact evaluation series by the Agency's Center for Development Information and Evaluation (CDIE), and worked with CDIE to identify key issues, and appropriate countries and team members.

- The Office of Population supported the creation of a task force by its cooperating agencies to establish performance standards which can be used across projects.

- On a regional bureau and mission level, there are several evaluation, monitoring and assessment processes including:

  -- Bureau policies and strategies as well as country specific strategies that are developed and updated every few years;

  -- Sector analyses that are undertaken in many countries before program are developed;

  -- Identifying priority countries for population programs (as well as for other sectors); and

  -- A broad range of programmatic alternatives for countries wishing to undertake population activities.

The GAO's emphasis on evaluation has provided further impetus to A.I.D.'s evolving efforts. The Office of Population has proposed adding a formal evaluation function to one of its five functional divisions. This change will strengthen A.I.D.'s evaluation capability.

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See pp. 32-33.

MANAGEMENT INFORMATION SYSTEMS

A.I.D.'s Activity Classification/Special Issues Codes

Last year A.I.D. began developing a new classification system to comprehensively describe the types of A.I.D. programs and projects, called the Activity Classification/Special Interest Codes (AC/SI). It relies on reporting by all A.I.D. project managers to track both the primary objectives and special A.I.D. concerns for all projects using a percentage format that can be translated into actual obligation levels.

Activity Classification Codes (ACs) are comprehensive in that the primary objective of a project and all its components are completely described using these codes (100% of the project must be accounted for by one or more AC). There are presently 60 ACs. The following three ACs are used to capture A.I.D.'s work in family planning:

- Family Planning Program Development
- Family Planning Service Delivery
- Family Planning Contraceptives

Special Issues Codes (SIs) allow for further description and classification of A.I.D. activities by addressing themes that are of general concern to the Agency as a whole (e.g., policy reform, training, research, work with the private sector, and development communication). Using SIs, A.I.D. can determine the percentage (or obligation amounts) of family planning work that involve such activities as biomedical research, training for the private sector, or working with local PVOs. At present there are 80 Special Interest codes.

Project level information is collected for all accounts (e.g., DA, DFA, and ESF). Project information can be analyzed by country or region; however, centrally-funded activities are not broken out by region or country in this system. Formal updates for the past, present and upcoming fiscal years are made for the Congressional Presentation and the Annual Budget Submission.

As the system evolves and as project managers become more adept at reporting, the AC/SI system is expected to become an integral part of the planning and budgeting process within A.I.D.

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ACCOMPLISHMENTS

In addition to those major program accomplishments featured in the GAO report, A.I.D. would like to highlight its innovative programs in population communication, surgical contraception, programs in the private sector, and provision of contraceptives.

Communication Program for Family Planning

A population communication project implemented by Johns Hopkins University capitalizes on - and leverages - the commercial private sector to reach millions of couples with strong family planning messages for a fraction of the cost of the actual mass media time used. The young people's music project in Latin America, for example, yielded $1 billion worth of radio and TV time for an investment of $300,000. In the Philippines a similar project yielded $1.2 million in corporate contributions. A replicate project is now underway in Africa. Other campaigns, such as a $320,000 effort in Turkey which yielded $1 million in TV time, have been launched on all continents.

Voluntary Surgical Contraception

A.I.D. is widely recognized for its leading role in greatly furthering the availability of voluntary sterilization in developing countries. Because of its safety and intended permanence, voluntary sterilization is the most popular form of contraception worldwide, as it is in the United States.

Two sterilization procedures which minimize surgical complications -- no-scalpel vasectomy and minilaparotomy under local anesthesia -- have been supported by A.I.D. and widely adopted in developing countries. These innovative technological advances have contributed to the noteworthy fact that sterilization-related mortality rates in international programs supported by the Association for Voluntary Surgical Contraception (AVSC) from 1973-1986 were essentially the same as those in the United States despite the more basic clinical conditions found in most developing countries. During this period, AVSC performed over 2 million sterilization procedures.

In developing countries where A.I.D. funds family planning service delivery programs, it has been estimated that over 1,000 pregnancy-related maternal deaths are prevented for every 100,000 female sterilizations provided. Thus, A.I.D.'s efforts in this program alone have prevented 20,000 maternal deaths.

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Enterprise has shown that private sector family planning is sustainable; that is, projects can continue without donor support. Over 80 percent of Enterprise projects will continue with their own funds.

Contraceptives

A.I.D. has been a major provider of contraceptive commodities. Between 1967 and 1989, A.I.D. purchased and delivered $567.7 million worth of contraceptives. Specifically, A.I.D. provided:

- 6.9 billion condoms;
- 1.6 billion cycles of oral contraceptives;
- 49.7 million IUDs; and
- 16.5 million vaginal foaming tablets.

These contraceptives provided 312 million couple years of protection, and were distributed to 75 countries.

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FOOTNOTES

1. A.I.D. Policy Paper: Population Assistance, September 1982.

2. McPherson, M. Peter, "International Family Planning: The Reasons for the Program", Presentation to the American Enterprise Institute, November 25, 1985.

3. Demographic and Health Surveys (DHS); "Population Reports", no. 8, 1985.

4. World Demographic Estimates and Projections 1950-2025, United Nations 1988, New York.

5. Center for International Research, U.S. Bureau of the Census

6. Bongaarts, John, Parker Mauldin, and James Phillips; "The Demographic Impact of Family Planning Programs", The Population Council, February 1990.

7. Sources for data on fertility rates are: for 1965, UN Population Division, World Population Prospects, 1988; for 1989, Population Reference Bureau, "1989 World Population Data Sheet" and recent DHS survey reports. For contraceptive prevalence rates: World Fertility Surveys, and DHS.

8. Norris, Jerry, Sallie Craig Huber, and John Cleland, USAID/Dhaka Family Planning Assessment, February 1990, Debriefing notes.

9. Philipps, James F., Ruth Simmons, Michael Koenig and J. Chakraborty; "Determinants of Reproductive Change in a Traditional Society: Evidence from Matlab, Bangladesh" in Studies in Family Planning, Vol. 19, No. 6., Nov/Dec 1988.

10. Estimates are derived from:
    - Gillespie, Duff G., Harry E. Cross, John G. Crowley, and Scott R. Radloff, "Financing the Delivery of Contraceptives: The Challenge of the Next Twenty Years" in The Demographic and Programmatic Consequences of Contraceptive Innovation, Sheldon Segal, Ami Tsui, and Susan Rogers, eds.; Plenum Publishing Corp. New York, 1989.
    - Also from calculations used by John Stover of The Futures Group in "Moving into the Twenty-First Century: Principles for the Nineties", draft strategy paper, Family Planning Services Division, Office of Population, A.I.D. April 1989

11. Population Crisis Committee, "1990 Report on Progress Toward Population Stabilization", Briefing Paper No. 23.

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FOOTNOTES, Cont.

12. See Report of the International Forum on Population in the Twenty-First Century, Amsterdam, The Netherlands, November 6-9, 1989.

13. Center for International Research, U.S. Bureau of the Census

14. Dr. Ronald Roskens, Response to Questions Submitted by the Senate Foreign Relations Committee, February 27, 1990.

CONCLUSION

A.I.D. has consistently been by far the largest donor in population. Even now, while other donors have increased their contributions, A.I.D. accounts for almost half of all donor assistance in population. Moreover, A.I.D. has been pivotal in developing and diffusing programmatic and technological innovations. Indeed, no family planning program in the developing world exists today that has not directly or indirectly benefited from A.I.D.'s effort. A.I.D. more than any other bilateral donor has been the leader in the population field.

Because so much remains to be done, past accomplishments are too easily forgotten. The pace of recent fertility decline has been unprecedented in history. Since 1965, the fertility of the developing world has dropped by 35 percent, a remarkable change in just 25 years. This precipitous drop would not have happened so rapidly without couples having access to modern family planning. By comparison, it took more than twice that time for fertility in the United States to drop to the same level, but of course, without modern family planning.[13]

A.I.D. is proud of the role it has played in this historical drama. The recently confirmed Administrator stated in his confirmation hearing:

> I want to increase the impact of the [population] program. The international community has quite ambitious targets for family planning, and A.I.D. ought to remain an active leader in achieving that degree of impact ... I would certainly argue personally for a robust voluntary family planning program, and hope to have the resources to support it.[14]

Congress has given A.I.D.'s population program strong bipartisan support over last 25 years. Congressional support has been well placed and essential for maintaining a robust program. A.I.D. looks forward to a continuation of this support in the future.

Expanding Service Delivery through the Private for Profit and Commercial Sectors

A.I.D. is unique among donor agencies in its ability to work with the private and commercial sectors. A.I.D has pioneered the development of innovative approaches to the commercial distribution of contraceptives through contraceptive social marketing; the application of business principles to the management of family planning service delivery programs; and the involvement of commercial enterprises in the support or delivery of family planning services to their employees.

Contraceptive Social Marketing: Contraceptive Social Marketing (CSM) uses the marketing process and the existing commercial infrastructure to increase the availability, knowledge and correct use of contraceptives among couples in the middle and lower socio-economic strata. CSM programs are designed to complement other family planning service delivery aproaches, such as clinics and community-based systems. A.I.D.'s support for India's pioneering social marketing effort in 1968 was the first A.I.D.-sponsored intiative to take advantage of commercial marketing techniques. Since its inception, other sectors such as Agriculture and Nutrition have designed initiatives which market nutritious weaning foods and agricultural inputs along the CSM model.

In any consideration of the CSM Program's accomplishments it should be noted that the current project has contributed 737,315 couple years of protection since 1985. Additionally, evidence from consumer intercepts in four early programs indicates that low income groups are being reached. (In Indonesia 88%, in Mexico 95%, in the Dominican Republic 84% and in Barbados 67% of CSM product users were from lower income groups.) The project has also successfully attracted new users. As of 1988 in Indonesia, 30% of Dualima condom users had never before used contraception. In Mexico, that percentage was 32% of PROTEKTOR users, and in Barbados it was 47% of Panther users.

The Enterprise Program: The Enterprise Program, designed to work with the private sector in LDCs, has demonstrated to employers that family planning programs can cut company costs on such benefits as maternal health and child care, reduce absenteeism and improve labor and community relations.

Enterprise has helped shift financial responsibility for family planning from the public to the private sector. In Mexico, 24 percent of acceptors in the IUSA project are transfers from the public sector; in Zimbabwe, 60 percent of private sector acceptors formerly used public services.

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Population Projects Database

The Office of Population uses a management information system to track expenditures by centrally-funded projects in each country which they are active. As subprojects are approved, both descriptive information and funding data are provided by each project. The system also includes data gathered from the Congressional Presentation on mission and regional country activities in Population. It is therefore possible to develop a complete and comprehensive overview of all A.I.D.-funded population activities for each A.I.D.-assisted country.

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FUNDING LEVEL

As projections of population growth and demand for family planning demonstrate, the amount of money needed for family planning will continue to grow.

It is estimated that in 1985 $2.3 billion was required in the public sector alone to support population programs. Estimates are that this figure will rise to between $4.3 and $5.8 billion by the year 2000, and between $5.8 and 8.4 billion by the year 2010.[10] Other estimates [11] indicate that as much as $10.5 billion will be required by the public and private sectors to stabilize world population at 9.3 billion by the year 2000.

Recognizing these overwhelming needs, the participants of the November 1989 International Forum on Population in the Twenty-First Century[12] called on all governmental, inter-governmental and non-governmental organizations and the private sector to increase their financial commitments to meet escalating population assistance needs and the burgeoning demand for family planning services.

Facing the realities of budget constraints both now and in the near future, A.I.D. is placing increased emphasis on private sector support for population programs. New approaches are being explored to attract and leverage private sector funding in developing countries for population and family planning programs.

- Evaluation of the Family Planning Enterprise and the Technical Information of Population for the Private Sector (TIPPS) projects recommended a radical restructuring of Office of Population initiatives involving the for-profit sector. As a result, a new project is being developed to concentrate in three areas: innovative investments (including debt swaps and diversion of blocked funds for population activities), utilization of commercial channels for expanding access to family planning products and services, and employer-provided family planning services.

- The social marketing approach has been the object of intense evaluation. Two recent evaluations of contraceptive social marketing (CSM) efforts in bilateral programs in Ghana and Ecuador yielded important lessons on the need for training pharmacists and the pricing structure for CSM products. These lessons have been taken into consideration in the design of several new centrally-funded CSM programs. These two evaluations also served to reinforce the important lessons identified in a major program evaluation of contraceptive social marketing which the Office of Population commissioned in October 1987.

- In Kenya, where a 1979 WFS revealed an unprecedented rate of population growth of four percent annually (which would lead to doubling of the population every 18 years), the government reformulated its population program placing increased emphasis on changing family size desires and on expanding the provision of contraceptives. In 1988, a follow-up DHS measured the impact of these reforms in Kenya. Fertility dropped to its lowest point ever: 6.7, fully 1.6 children less than the fertility rate observed in 1979.

Evolution of Evaluation Effort

In carrying out its population program, A.I.D. has recognized the need to move beyond the project level and to examine the overall impact of its population program. To do this, A.I.D. has taken several steps, listed below, which were already been underway prior to the GAO study.

- A.I.D. recognized that it is not enough to ask "Are we doing well?", but "Are we doing the right thing?" This evolution is reflected in mission country strategies (e.g., in Egypt and Zaire).

- A.I.D. addressed common program elements across projects in the private sector, in the example described above and as planned for population communications efforts which span several projects.

See pp. 32-33.

EVALUATION

The Nature of Evaluation in Population

The GAO study faults A.I.D. for not putting enough emphasis on evaluation of its overall program impact. However, the study:

- o fails to recognize the complexity of A.I.D's evaluation effort;
- o overlooks the population program's emphasis on collecting the basic raw data to indicate project and country level performance -- i.e., fertility rates and contraceptive prevalence;
- o downplays the utilization of evaluation findings; and
- o makes no note of the significant evolution of A.I.D's evaluation effort.

Evaluation is a complex effort: The simplest and most critical stage of evaluation is to determine if A.I.D.'s projects, at the central or country-level, are achieving what they are designed to achieve. Evaluations take place on two levels:

1) Periodic country program evaluations - most of which are carried out by A.I.D. country missions. These evaluations address questions concerning the design of A.I.D.'s bilateral projects, the method of implementation as well as an assessment of the overall effectiveness and impact of the project under review in the context of the country. Good evaluations take into account A.I.D.'s role and that of other donors, and attempt to address the question of what A.I.D. should be doing, as well as what it is doing.

   In addition, most A.I.D. missions review projects semi-annually, and strategize annually in the Action Plan process. These result in any needed adjustments in project implementation.

   The number of external evaluations cited in the GAO report greatly understates country level evaluations since the statistics presented in the report reflect only those conducted through the Office of Population's central evaluation project (POPTECH). The POPTECH project in turn reflects only a small fraction of those evaluations carried out by missions and regional bureaus.

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See pp. 32-33.

FUNDING AND MANAGEMENT

A.I.D.'s Organizational Approach

A.I.D.'s population program is organized basically along the same lines as A.I.D. itself. It has a strong field presence with a cadre of development professionals based overseas. They have the responsibility for developing country programs within broad policy guidelines from A.I.D. Washington headquarters. This structure is roughly modeled on the regional breakdown of the State Department. Recent tendencies have been to emphasize the importance of the field missions by further delegating program authority.

A.I.D. has a proven track record of field accomplishments. The seeming lack of programmatic uniformity noted in the GAO report is not due to a lack of managerial direction, but rather, represents a conscious response to the differing needs of the countries A.I.D. works in, and a flexible structure that is designed to work closely with each host country on an individual basis. To succeed, family planning programs, like other development efforts, must be tailored to the cultural dictates, economic realities, and specific desires of the people who use the services. These circumstances vary widely among countries and regions.

A.I.D.'s Organizational Structure

The population program, like other sectors and programs in A.I.D., works from two organizational approaches designed to complement each other. The Office of Population provides a strong central focus for overall program and technical issues, while regional bureaus and missions concentrate on implementing field programs. Efforts are coordinated through a number of mechanisms, including regular meetings of the Population Sector Council and coordination groups for each region; formal regional bureau and mission clearance for each family planning subproject and each traveller; and mutual participation in program design, strategy, and evaluation.

Through its twin approach of field focus complemented by a central office, A.I.D. has been responsive to the needs of family planning users while directing a coherent, innovative and comprehensive population program. In fact, while the locus for the program is on a field level, the central office does exercise a great deal of technical influence over the program, and, in effect, manages almost two-thirds of the population account when mission and regional buy-ins are considered along with the Office of Population's allocation of the population account, which in 1990 is approximately 52%.

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- In Latin America for the same period, where private agencies have assumed primary responsibility for family planning service delivery, contraceptive prevalence has risen from 14% to 56%, and the average number of births has dropped from 5.9 to 4.1.

Trends at the National Level

Data from surveys[7] have shown a similar increase in contraceptive prevalence and decline in fertility at the country level. The following examples illustrate these trends in countries that have received considerable A.I.D. population assistance:

- Mexico has moved from a prevalence rate of about 13% in 1973 to over 53% in 1987, and the total fertility rate has dropped from 6.7 in 1965 to 3.8 in 1989.

- Zimbabwe has moved from a contraceptive prevalence rate of about 10% in the late 1970s to 43% in 1988, and from a fertility rate of 6.6 in 1965 to 5.7 in 1989.

- Indonesia moved from a prevalence rate of under 20% in the late 1970s to about 50% and fertility dropped from 5.5 in 1965 to 3.4 in 1989.

Repeatedly, strong family planning programs have demonstrated that delivery of safe, acceptable services results in fertility declines even in areas and countries where economic development is limited. A recent review[8] of the Bangladesh population program demonstrates the impact of population assistance in a conservative, poor country where other socio-economic gains have been limited. Approximately half of all U.S. assistance to Bangladesh is for population, and A.I.D. has been the lead donor in that sector. With such assistance and a strong government commitment to family planning, the average number of births in Bangladesh has declined from 7.2 to about 5 in 1989 and contraceptive prevalence has risen from 7.2% in 1972 when A.I.D. began assistance, to 32.8% in 1989.

Local Area Studies

Several controlled, small area studies provide more detail on the relationship between fertility and family planning. A multi-year health and family planning study carried out in the Matlab region of Bangladesh confirmed that a strong family planning component associated with a few basic maternal and child health services can result in an increase in contraceptive use -- in this case from 7 percent to 45 percent between 1978 and 1985.[9] Over this same time period, the total fertility rate in the project area dropped to 26 percent below the rate observed in the control area. Infant and maternal mortality rates also declined.

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A.I.D.'S APPROACH: SERVICE DELIVERY

A.I.D.'s basic approach has always focused on the delivery of family planning services. An important assumption for A.I.D.'s population program has been that if high quality, voluntary services are made available, people will use them. In fact, the services themselves help create demand for family planning. Whatever the rationale for population programs, and whatever the specifics of a country program, A.I.D. recognizes that couples cannot contracept to control and lower their fertility if family planning information and services are not available. A.I.D has thus concentrated on this necessary condition for fertility decline.

Evidence of Demand

Surveys and other research[3] indicate that there is considerable existing demand for family planning services. The table below shows percentages of women who have indicated that they wish to delay or limit having more children.

	Percentage of Women Wishing to:			
Region	Delay Next Birth	Limit Total of Births	Total	% Using Contraception
Africa	36.4	24.6	53.8	11.1
Asia/Near East	19.7	47.5	60.5	--
Mid East/SA	19.4	43.9	55.1	28.4
SE Asia/Oceania	24.7	56.6	76.1	42.8
Near East	11.3	51.8	62.7	32.9
Latin America	15.0	65.0	80.0	56.0

Source: Johns Hopkins University "Fertility and Family Planning Surveys: An Update", Population Reports, no. 8, 1985; Demographic and Health Surveys.

While degrees of demand vary across and within regions, there is a consistent pattern of more women wanting to space or limit births than are already doing so.

Increasing Demand

Over the next two decades the demand for family planning in LDCs will increase even more and will surpass the ability of A.I.D. and other donors to meet it. This increase is inevitable because the absolute number of potential users (women of reproductive age) will increase by about 45% from 1985 to 2000 and by another 23% by 2010.[4] If one assumes only conservative increases in rates of contraceptive prevalence, then the numbers of people who must be provided with the means to regulate fertility is truly staggering. This is represented below:

Developing Countries Favoring
Lower Population Growth, by Year

Region	1965	1975	1988
Asia/Near East	8	18	20
Latin America	0	9	18
Africa	1	4	30
Total	9	31	68

Updated 3/90

Source: 1965, 1975 - Nortman, D., Population and Family Planning Programs: A compendium of data through 1983, 12th ed., The Population Council, New York, 1985; 1988 - World Population Monitoring: 1989, Population Division, United Nations, New York, 1989.

Congressional and Administration Policy

The implementation of A.I.D. assistance for population activities is governed by legislative requirements as well as A.I.D. policies. Most notably:

- Informed Choice: Annual appropriation acts provide that A.I.D.'s family planning program will offer or provide information about the availability of a broad range of methods and services. In 1981 the FAA was amended to ensure that information and services relating to natural family planning (NFP) methods be included among the population activities supported by A.I.D.

- Voluntary Sterilization: Foreign assistance legislation prohibits the use of U.S. funds "to pay for the performance of involuntary sterilizations as a method of family planning or to coerce or provide a financial incentive to any person to undergo sterilization." [Section 104(f) of FAA enacted in 1978]

- Kemp-Kasten: The Kemp-Kasten amendment enacted originally in 1985 prohibits the U.S. from supporting any organization or program which supports or participates in the management of a program of coercive abortion or involuntary sterilization.

- Abortion/Mexico City Policy: A.I.D. has not funded abortion related activities since the Helms amendment, now section 104(f) of the FAA, was passed in 1973. In August 1984, the U.S. Delegation to the International Conference on Population announced a new U.S. policy on international population assistance. This policy, known as the Mexico City Policy, is now implemented in A.I.D. population assistance program.

-4-

IMPLEMENTATION OF A.I.D.'S POPULATION POLICY OBJECTIVES

Support for voluntary family planning has remained a consistent element of A.I.D.'s population policy since the United States first provided population assistance in 1965. Economic, health and human rights concerns form the basis for A.I.D.'s population program. New information, host country policy environment, and congressional and administration concerns also influence A.I.D.'s program policy.

A.I.D.'s population policy was first formalized in a statement published in 1982. Its introductory paragraph characterizes the rationales for the population assistance program:

> Continued high rates of population growth significantly increase the cost and difficulty of achieving basic development objectives by imposing burdens on economies presently unable to provide sufficient goods and services for the growing population. Family planning assistance materially advances social and economic development; enhances individual freedom to choose voluntarily the number and spacing of children; and, provides critically important health benefits for mothers and young children.[1]

Program Basis

Unprecedented population growth rates have been considered a serious impediment to sustainable economic development. Since 1965, lowering population growth and fertility in developing countries has been a principal policy objective of A.I.D.'s population program. This objective also recognizes that each developing country defines the nature and extent of its population problem -- not as an isolated phenomenon -- but within the context of its overall productive capacity.

As a practical matter, A.I.D. has found it more effective to discuss population growth within the host country context rather than prescribing a universal cure. Custom tailored, micro-computer based demonstrations and projections using real data and the country's own development aspirations are often more compelling than a predetermined scenario.

Over the years, A.I.D.'s population program has emphatically addressed this economic linkage in policy dialogue with LDC leaders in countries around the globe. Considerable technical assistance and training have been provided to LDC officials with regard to the impact of population growth on development and the positive effects of smaller family size.

Comments From the Agency for International Development

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

ASSISTANT
ADMINISTRATOR

03 APR 1990

Frank C. Conahan
Assistant Comptroller General
National Security and International
Affairs Division
General Accounting Office
441 G St., N.W.
Washington, D.C. 20548

Dear Mr. Conahan:

We are attaching a copy of A.I.D.'s comments on your draft report entitled: Foreign Assistance: A.I.D.'s Population Program. We greatly appreciated the opportunity to meet with Messrs. De Forge and Brogan of your staff last week. If you have any questions about this report, please contact Dr. Sarah Clark in A.I.D's Office of Population (875-4608).

Sincerely,

Bradshaw Langmaid
Acting Assistant Administrator
for Science and Technology

cc: GC/CP, S.Tisa
LEG/GL, K. Latta
IG/PPO, R. Parrish

AID has also developed management training materials that target typical problems faced by family planning managers in developing countries and has distributed English, French, and Spanish versions of basic reference books on family planning to organizations in 24 countries. AID also created a computerized bibliography of data relevant to family planning management, general management, and training.

In Indonesia, AID assisted the government in making its population program self-sustainable by involving the private sector. Elsewhere in Asia, AID believes its assistance to improve management has contributed to the decentralization of programs from central bureaus to regional and local areas, thus improving the delivery of family planning services to rural populations, which had frequently been neglected in the past. In Latin American countries such as Ecuador and Brazil, AID has begun assisting private family planning organizations in improving income generation and better managing cash flows.

Communications

AID's efforts in communication have focused on the development of new strategies and techniques for application to family planning programs. Evaluations undertaken in Africa, Asia, and Latin America report that communication and informational efforts are highly effective in creating awareness of the concept of family planning, changing knowledge and attitudes towards family planning, and fostering behavioral change in target audiences.

Since the mid-1970s, AID has supported the publication, in five languages, of Population Reports, which is a family planning journal with a reported circulation of about 150,000 readers per issue. AID also sponsored Popline, the world's largest computerized population and family planning database. Over 150 communications subprojects are reported to have focused on delivering family planning messages in Africa, Latin America, and Asia and the Near East. AID has also funded the production of print materials, including leaflets, booklets, posters, newsletters, and brochures. It has sponsored the development of other materials, such as family planning logos, billboards, T-shirts, calendars, and key chains, to inform and motivate the public acceptance of family planning.

AID sponsored the production of professional entertainment music videos in Nigeria, Mexico, and the Philippines to promote messages of sexual responsibility and informed choice. According to AID, the videos became commercial hits and also encouraged increased support for family planning from the corporate commercial sectors. AID reports that

The worldwide contraceptive social marketing project is designed to use existing commercial networks and methods to sell contraceptives to low-income consumers, thus recovering some project costs while increasing contraceptive prevalence. Targeting both urban and rural populations, the project's advertising has ranged from the use of standard mass media to spreading messages on riverboat sails, in popular songs, or at sporting events. Products offered include condoms, pills, IUDs, and injectables, purchased through AID and directly from commercial manufacturers. Product distribution is being made by both commercial sales outlets and village medical practitioners and doctors. AID has funded contraceptive social marketing since 1972. Currently, AID funds commercial sales programs in 22 countries. AID maintains that the project has brought profit-making businesses into contraceptive product promotion and distribution. Program cost-recovery has not been achieved, but AID states that two subprojects are commercially independent.

The commercial market for contraceptive pills has grown by 65 percent in the Dominican Republic since the project began there in 1986. The organization implementing the project has reportedly generated an estimated $100,000 in sales revenue, which is helping to finance its rural community based distribution efforts. AID states that its efforts in Indonesia have contributed to an increase of 55 percent in contraceptive sales. The Indonesian private sector is supplying all products at no cost to AID.

The Enterprise project is designed to work with the private sectors in developing countries and to integrate family planning services into existing profit-making commercial channels and employee benefit plans. The project design attempts to develop new ways to use the profit-making sector for service provision and make private voluntary organizations efficient and businesslike, while increasing contraceptive prevalence. However, an AID evaluation shows that the overall impact of the project is not likely to be significant, major increases in contraceptive use will probably not be achieved, and the project has worked in only a narrow part of the private sector, such as large companies in the mining and plantation sectors. The project has no overall strategic plan at either the global or country level but it has made gains in specific subsectors: the workplace, nongovernmental organizations, and the for-profit health care marketplace.

surveys to development efforts; some of the poorest countries now commit government resources to support censuses and surveys.

The results of AID-sponsored surveys currently provide the basis to calculate total fertility rates and levels of unmet demand for contraceptives in developing countries. AID believes that the demographic surveys it supported have also provided the information that encouraged some governments, previously reluctant to undertake population programs, to adopt population/family planning policy reforms. For example, survey results in the Dominican Republic revealed that there was widespread acceptance of female sterilization. According to AID, this led the Dominican government to add voluntary sterilization to its existing family planning services. This is now the overwhelming method of choice among Dominican couples and is used by one-third of all married women of reproductive age. The total fertility rate in the Dominican Republic has declined from 7.2 children in 1965 to 3.8 children in 1989.

Policy Development

AID assistance in population policy development emphasizes providing important and up-to-date information on population and family planning to high-level officials in developing countries. For example, AID reports that it has sponsored microcomputer-based presentations in 55 countries, including 28 countries in Sub-Saharan Africa, that outline the implications of different rates of population growth under varying circumstances. While AID will not initiate policy recommendations unless requested to do so by the host government, AID believes that these briefings, which have been presented to cabinet and ministerial level officials and 15 heads of state, have influenced some governments to begin addressing population problems and family planning needs. In 1975, only 31 developing countries had policies directed toward reducing population growth rates; by 1988, 66 countries had such policies. In Africa, until the mid-1980s, only Mauritius, Ghana, and Kenya had adopted population policies favoring lower population growth rates. By 1988, Liberia, Nigeria, Senegal, and Zambia had also adopted such policies.

AID believes that policy dialogue efforts, including analytic studies, conference support, and study tours, have resulted in the implementation by a few countries of policies that improve access to family planning services. AID has supported cost-benefit analyses for governments in five countries and for three national social security institutes. For example, the Indonesian government used the findings of an analysis of public-sector expenditures to justify maintenance of spending for family planning in the face of a declining national budget. The National Social

to include similar information for its activities performed under contract with other AID units such as regional bureaus and overseas missions, but we are unaware of any requirement that they do so. Also, missions and regions provide assistance to local government and nongovernment organizations, and to agencies which may not be under contract with the Office of Population—information from these entities is not reflected in the population database.

In its comments on our discussion of AID's evaluations, AID said that we overlooked the population program's emphasis on collecting basic raw data to indicate project and country level performance, downplayed AID's use of evaluation findings, and ignored the evolution of AID's evaluation effort.

We highlight AID data collection efforts as an AID accomplishment in the following chapter. However, since this information has not been used to systematically assess and monitor population program activities, does not involve analyses, and cannot be directly correlated to AID's program efforts, we did not include it in our discussion of AID's evaluation efforts. We discussed AID's evaluation efforts, and noted that project evaluations (e.g., whether a project designed to train health workers in contraceptive methods accomplished its purpose) were undertaken by AID. Our concern was directed towards AID's failure to perform program impact evaluations that would provide an understanding of the overall impact of U.S. assistance at the country level. We also noted that many of the problems affecting program evaluations may have been due to the absence of guidelines that specify common criteria or standards of evaluation. We noted that AID has recently started to improve its evaluation efforts and is planning to undertake impact evaluations.

Lastly, AID said that, since we did not visit its overseas missions, we were unable to take a complete look at all evaluations done by AID at the country level. We did review evaluations performed by AID's overseas missions, which were available in Washington. While our review disclosed some problems with inconsistent criteria used in particular evaluations, our primary concern was that AID has performed very few country impact evaluations and no overall program impact evaluation.

accurately performed, and discussions with division heads revealed that they had little knowledge of either the process or required documentation.

The Office's internal control files contained good documentation for 1985, and the 1986 report contained a one-paragraph certification of general compliance in accordance with AID requirements, but without back-up documentation. There was no documentation for 1987. The 1988 and 1989 reports were divided into five internal control categories: (1) organization and management, (2) project design, (3) project implementation and monitoring, (4) project evaluation, and (5) contract monitoring. Although several controls were reported to have been tested or verified, there were no supporting records or documentation in Office files. After we brought these deficiencies to the attention of AID officials during our review, the Office took action to improve its documentation for the October 1989 report. The 1989 report noted five unsatisfactory controls, including inadequate staffing and equipment, and unsatisfactory supervision of project sites, inadequate guidance provided to overseas missions, and inadequate documentation. Office officials attributed unsatisfactory supervision of project sites to a lack of travel funds, and said that the unsatisfactory ratings for supervision, guidance, and documentation were a result of unresolved Inspector General findings in the contraceptive procurement program.

Conclusions

We believe that, despite the significant funding allocated for population assistance, AID's management has not exercised strong program oversight and evaluation. Currently, at least 43 units in AID provide varying levels of assistance to 94 developing countries, but no one unit is held accountable for program efficiency and effectiveness. AID's information systems do not provide the comprehensive financial and management information necessary for making sound programming and budgeting decisions. No single office has the authority for setting program priority and coordinating project activities and evaluations.

Evaluations have been uncoordinated and provide information of only limited use. AID has not established criteria or set standards for evaluation units to measure program accomplishments. The Office of Population has issued an evaluation guideline that lacks established criteria. Little has been done to evaluate program impact or country specific impact.

acceptable to family planning users. However, AID's system does not permit AID management to readily identify and monitor the level of resources the implementing units are devoting to private-sector initiatives. AID is developing a new "special issues" coding structure for projects, which is intended to provide management with a better profile of project activities.

The Office of Population has developed a management information system intended to fill the gap where the agency's systems fall short. This system attributes central office expenditures by country, and categorizes central office expenditures, such as those made for policy development, service delivery, or research. However, the system's data is self-reported by contractors and grantees and is not tied to AID's project and financial management systems, or reconciled to those systems. Because this system does not contain bilateral and regional project information, it provides management information for only about half of AID's populations assistance activities.

Program Coordination With Other Donors

AID participates in a variety of activities that in some way involve coordinating its population program with those of other donors. For example, the Office of Population holds an annual meeting in Washington principally for cooperating agencies, but also attended by other interested participants. The April 1989 meeting was attended by representatives of 43 cooperating agencies (including agency subgroups), such as the Columbia University Center for Population and Family Health, U.S. Bureau of the Census, East-West Population Institute, Pathfinder Fund, Population Council, and Population Reference Bureau. Other participants included representatives of the Alan Guttmacher Institute, Commission of the European Communities, Japan International Cooperating Agency, Overseas Development Administration (United Kingdom), Permanent Mission of Sweden to the United Nations, United Nations Population Fund, and World Bank.

We attended the meeting and found it to be well-organized and highly instructive, and an excellent forum for coordination and an exchange of information. The 3-day session included general presentations on AID's program and the perspectives and programs of other donors and experts in population/family planning. There were also sessions for technical working groups on research, contraceptive development, demographic and health developments, country-specific strategies, and other relevant topics.

limited in scope, and evaluate success primarily by individual project objectives (e.g., the delivery of services or commodities). AID has not placed enough emphasis on evaluating program outputs, such as the overall impact of its family planning program or the impact of project activities within recipient countries. As a result, AID does not know whether population resources are effectively and efficiently achieving program goals.

AID has delegated authority for program implementation to 43 geographical bureaus, overseas missions, and the Office of Population. Although AID's Bureau for Program and Policy Coordination has responsibility for agencywide program oversight, there is no single program office or officer with overall program oversight authority. This system of management has left a void in responsibility for program implementation, evaluation, and oversight.

We found few countrywide reviews or impact evaluations. AID's Center for Development Information and Evaluation in the Bureau for Program and Policy Coordination has not conducted any impact evaluations. Furthermore, only 9 of 78 external evaluations performed between fiscal years 1984 and 1988 focused on country-specific programs. During our review, the Center renewed its efforts in the area of impact evaluations, and is designing a 2-year evaluation that will assess the impact population assistance has had on six countries.

In September 1988, officials from the Office of Population formed a working group to discuss AID evaluations of centrally funded and bilateral population projects. The group found that AID's approach had been unsystematic, and as a result, "the quality of AID evaluations had been uneven, and despite the considerable costs...have had relatively little influence on project design and management."

We believe some of these problems may result from AID's decentralized evaluation system, where no common criteria or standards have been established. For example, although AID's family planning assistance is intended to provide access to family planning, and decrease infant and maternal mortality, there is no requirement to include these elements as measurement criteria in AID evaluations. Also, although a number of standards, such as (1) couple years of protection, (2) number of acceptors, and (3) contraceptive prevalence rates, provide information necessary to adjust and redirect the assistance to better achieve program goals, they are not consistently used in evaluations. The Office of

In fiscal year 1988, centrally administered funds of the Office of Population provided family planning assistance to developing country organizations through 47 contracts, grants, and cooperative agreements[5] with 28 cooperating agencies. Including buy-ins[6] from missions and regions, these agencies provided 94 developing countries with $30.5 million in technical assistance, $13.2 million in contraceptives, and $50.5 in other direct and indirect assistance. In addition, about $43.8 million was used to fund the activities of local organizations.

Local government and nongovernmental organizations play an important role in program implementation. AID believes that family planning programs operated through private-sector institutions are often more cost-effective than host-government operated programs, and may be more acceptable to family planning users. In fiscal year 1984, almost half of the population assistance funds supported the work of nongovernmental organizations. AID does not have more recent agencywide data on allocations. Of the $43.8 million central office funds used to support local population activities, roughly 26 percent supported government institutions and 74 percent supported nongovernmental organizations.

Inspector General's Audit of AID Contraceptive Procurement

In September 1989, AID's Inspector General issued an audit report on AID contraceptive procurement that emphasized the need to strengthen and correct problems in AID's management of this area. AID obligated almost $350 million for contraceptives during fiscal years 1979 through 1988, and $58.6 million for fiscal year 1989.

The audit called attention to the absence of key management elements such as (1) clear policy guidelines defining appropriate levels of financial assistance, the number of countries AID can and should assist, and the diversity of products AID should provide; (2) an operational implementation plan to direct and control day-to-day implementation tasks and to integrate and coordinate central procurement activities with those of overseas missions and host countries; and (3) a comprehensive statement of long-term and interim objectives that all players understand and are committed to. The audit cited cases where technical assistance was not designed to create self-sufficient in-country expertise. The

[5]An assistance instrument used by AID to support or stimulate the recipient's own program or project and which involves AID on a partnership basis.

[6]A transfer of funds within the Agency (e.g., from an overseas mission or another office to the Office of Population) for a centrally funded project.

Mission-administered projects are implemented under bilateral agreements that identify the type of activities AID will fund and the level of population funding it will provide to a particular country. Regional and centrally administered projects are activity oriented. Centrally funded projects are designed to complement mission projects as well as provide assistance to countries without bilateral agreements. The funds flow from these units to support the population activities of host-government and nongovernmental organizations. Funds also flow to a number of cooperating agencies,[4] which, in turn, provide developing countries with services and contraceptives or other commodities such as sterilization kits and technical assistance. Figure 3.2 shows the flow of AID's population funds.

[4]This general term refers to institutions such as universities, hospitals, and private profit and nonprofit enterprises, and U.S. government agencies.

missions. During fiscal years 1979 through 1988, about $1.3 billion was used to support Office of Population projects[3] and $1.1 billion was used to support mission and regionally administered projects.

Countries for which the Bureau for Asia and the Near East is responsible have received the highest level of family planning assistance during the last 10 years. Of the $1.1 billion obligated for mission and regional projects from 1979 through 1988, about $808.4 million was for assistance to countries in Asia and the Near East. Latin American and the Caribbean countries received $166.8 million and African countries received $177.7 million. The high level of Asia/Near East funding is attributable, in part, to the use of about $194 million in Economic Support Funds for family planning activities in the Near East. AID officials said that regional differences may also stem, in part, from host-government receptivity. Asian governments have been the most committed to population and family planning programs. Except for Costa Rica and Colombia, most Latin American governments have not been strong supporters of population and family planning activities, and many African governments were reluctant to undertake such programs.

Table 3.1 shows a ranking of the top ten countries receiving bilateral population assistance between fiscal years 1979 and 1988; eight of these countries are in Asia/Near East, with one in Latin America and one in Africa.

Table 3.1: Ranking of the Top Ten Countries Receiving Bilateral Population Assistance, Fiscal Years 1979-88

Dollars in thousands

Country	10-year obligations
Bangladesh	$228,808
Egypt	131,400
Indonesia	110,640
Pakistan	91,550
India	76,100
Philippines	47,051
Kenya	32,513
Morocco	31,525
Thailand	25,248
El Salvador	24,120

Note: Bilateral assistance does not include central or regional funds.

[3]Includes about $239 million in assistance to the United Nations Population Fund. AID has not provided assistance to the Fund since 1985.

Funding and Management

AID has provided population and family planning assistance to developing countries for 25 years (1965-89), during which time Congress allocated about $3.5 billion for this purpose. AID has delegated significant authority to its geographic bureaus and missions to implement foreign assistance programs, including the population program. Forty-three AID units are implementing family planning projects, yet there is no central point of control and accountability. Although half of population funds are administered centrally by the Office of Population, the program's priority essentially rests with the country missions. Decentralized operations have resulted in fragmented implementation and evaluation. Little agencywide data about the program is readily available for management in its deliberations on resource allocations.

Funding Levels

AID's assistance for population and family planning activities began in 1965, and obligations totaled $10.5 million for fiscal years 1965 through 1967. For fiscal year 1968, Congress first earmarked development funds for population assistance; specific appropriations for population assistance began for fiscal year 1972. For fiscal years 1968 through 1988, Congress allocated about $3.5 billion for population activities, as shown in figure 3.1.

Congress has recognized, as part of its statement of development assistance policy, that controlling population growth is an element of a country's commitment to development and progress in moving toward the objective and purposes of the United States' bilateral assistance. Congress also expressed policies and objectives for population and health programs. A fundamental goal implicit in the congressional declarations of policy is that U.S. population assistance helps developing countries limit their population growth rates to levels that will facilitate economic development. For most developing countries, this means reduced fertility and population growth rates. The legislation states that AID should motivate people to have smaller-size families, while recognizing that each country can and should set its own proprieties.

AID has no projects specifically directed toward motivating people to have fewer children. Until the 1980s, AID promoted demographic change through reductions in fertility rates and linked economic and social progress with reductions in population growth rates. However, this objective was changed to a policy of "encouraging population growth consistent with the growth of economic resources and productivity." While this new policy statement could be interpreted to continue to call for linkages between population growth and economic development, the implementation of the policy has been such that AID no longer takes the initiative with developing countries in pressing for bringing population and economic growth rates into balance.

Agency Comments and Our Evaluation

In commenting on this report, AID said that we had stated that it was not concerned about the relationship between population and economic growth and does not advocate smaller families, as mandated by the Congress. AID disagreed, and said that it is concerned about population growth and does, when appropriate, advocate smaller families.

We have clarified our discussion about the change in AID policy that occurred in the 1980s. We did not mean to imply that AID is unconcerned about the relationship between population growth and economic development. Instead, we pointed out that an intention in Congress' declaration of policy is that U.S. population assistance be directed toward limiting population growth rates and that, until the early 1980s, AID's policy objective promoted reductions in population growth rates and linked economic and social progress to reductions in population growth rates. AID's policy change has resulted in a program which emphasizes the delivery of family planning services, but without any specific linkage with the economic and social changes which may be necessary to

AID's Policy From 1967 to 1982

AID issued its Policy Determination: Population and Family Planning Programs in November 1967. The policy stated:

"Rapid population growth seriously hampers man's efforts to improve the quality of life....Many governments lack a full appreciation of the enormous impact of fast-growing populations on the life of their people, on their food supply, and on their entire development effort."

"Family planning seeks to influence human behavior. Motivation is therefore an important part of any approach to the population problem. This requires understanding of cultural, social, psychological and economic forces....To accomplish behavioral changes and provide contraceptive methods, a substantial, effective and well-organized family planning program is necessary...."

In a 1973 circular to its overseas missions, AID emphasized that increased attention was being focused on "desired family size," since there was "...growing concern in both developed and developing countries that even when unwanted pregnancies are largely eliminated [through family planning practices], residual 'desired family size' may still be too large to permit reaching low birth rate targets."

In 1980, AID outlined its program objectives as (1) reducing population growth rates that seriously impede economic and social development and (2) providing families with effective options in choosing the number and spacing of their children. AID issued its Rationale for AID Support of Population Programs in January 1982, which stated that "[rapid population growth] will impact on the quality of life in all nations for generations to come. Failure to act now to slow population growth will make the task in the future more difficult."

AID's Policy From 1982 to the Present

In September 1982, AID began to modify its long-standing objective when it issued its Population Assistance Policy Paper. AID dropped its objective to reduce population growth rates in favor of one which "encourag[es] population growth consistent with the growth of economic resources and productivity." While the meaning of the new policy has not been clearly defined, the policy suggests that if a developing country's economy cannot keep pace with its population growth rate, the country has three alternatives, or a combination thereof, for development, economic and social progress, and improved quality of life: (1) increase economic productivity, (2) obtain higher levels of external, donor assistance, and/or (3) reduce population growth rates. The policy statement as written would seem to allow AID to initiate discussions of

developing countries. President Ford's message to the first World Population Conference, held in August 1974 in Bucharest, Romania, also noted that rapid population growth was one of the greatest challenges man would face for the remainder of the century.

The 1974 National Security Council's National Security Study Memorandum 200[2] cautioned that rapid population growth rates could negatively affect the environment and world food availability and production, and endorsed a policy to combat rapid population growth. It stated that "rapid population growth creates a severe drag on rates of economic development [and] seriously affects a vast range of other aspects of the quality of life important to social and economic progress in [developing countries]." The memorandum noted that "the universal objective of increasing the world's standard of living dictates that economic growth outpace population growth" and that "[the United States should encourage] an all-out effort to lower growth rates." The memorandum served as administration policy on population through the Ford and Carter Administrations. In 1980, under the Carter Administration, the National Security Council reported that "current demographic projections convey a clear message that the future consequences of complacency and delay in reaching replacement fertility levels will be billions of individuals added to an overpopulated and overstrained future world."

The 1974 international conference on population, held in Bucharest, was the scene of debate between the United States and the industrialized countries on the one hand, and developing countries on the other. The industrialized countries maintained that overpopulation was a principal cause of developing countries' poverty and that reductions in population growth rates were a prerequisite for development. The developing countries generally maintained that unequal distribution of wealth was the cause of their poverty, overpopulation was a symptom of this poverty, and development would come with a North-South redistribution of wealth.

In 1984, a second conference was held in Mexico City. Developing countries had, by this time, come to recognize that slower population growth rates would benefit their development. Consequently, the U.S. delegation to the Mexico conference was surrounded by controversy when it announced a revised U.S. population policy and held that, "...population

[2]NSSM 200, Implications of Worldwide Population Growth for U.S. Security and Overseas Interests, Dec. 10, 1974, declassified on July 3, 1989.

Policy, Goals, and Strategy

AID's population assistance program is based on the principles of voluntarism and informed choice. AID's stated policy objective is to "(1) enhance the freedom of individuals in [developing countries] to choose voluntarily the number and spacing of their children, and (2) encourage population growth consistent with the growth of economic resources and productivity." Its program goal is to ensure that 80 percent of couples in developing countries have access to family planning services through a strategy of providing widespread availability of acceptable voluntary family planning services.

We reported[1] in 1976 that AID's overall economic development strategy was based on the premises that (1) population growth is outpacing the economic and governmental capabilities of developing countries and (2) fertility can and must be reduced. AID maintained that slowing population growth was critical to improving the quality of life in developing countries, and that efforts to contain population growth were part of AID's legislative mandate.

During the 1980s, as population and family planning assistance became increasingly controversial and politicized, AID's program objectives underwent subtle changes. In the early years of the program, AID emphasized family planning and motivation for smaller-size families as an urgent development need, based on the premise that population growth rates must be reduced in order for developing countries to achieve economic and social progress. During the Reagan Administration, the linkage between reduced population growth rates and economic and social progress was obscured. Administration officials deemed population growth rates to be a "neutral phenomenon" (neither good nor bad) and linked economic and social progress to market-oriented economic reforms by developing countries. AID stopped actively promoting population growth rate reductions and, according to AID officials, it no longer initiates discussions of population growth rate reductions, except in those countries whose governments themselves promote population growth rate reductions. However, AID's policy change had little impact on its principal program activity—delivering family planning services—which have been consistently provided since inception of the program.

[1] Challenge of World Population Explosion: To Slow Growth Rates While Improving Quality of Life (GAO/ID-76-68), Nov. 9, 1976.

Table 1.1: Total Fertility Rates[a] for Selected Regions and Countries

Country	1965	1977	Late 1980s
Kenya	8.0	7.8	8.1[b]
Nigeria	6.9	6.9	6.6
Zimbabwe	8.0	6.6	6.5[b]
Sub-Saharan Africa	6.6	6.6	6.6
Brazil	5.7	4.9	3.4
Costa Rica	6.4	3.6	3.5
Mexico	6.7	5.7	3.8
Latin America	5.8	4.9	3.6[b]
Indonesia	5.5	4.9	3.5
Philippines	6.8	5.0	4.6
Thailand	6.3	4.5	2.7
East Asia[c]	5.8	4.6	3.5
Egypt	6.8	4.8	5.3
Jordan	8.0	7.0	6.2
Pakistan	7.0	6.7	6.5
Near East and South Asia	6.4	5.5	4.9
United States[d]	2.9	1.8	1.9

[a]See p. 9 for the definition of fertility rates.

[b]AID reports that recent demographic and health surveys indicate that fertility rates for Kenya, Zimbabwe, and Latin America should be 6.7, 5.7, and 3.7, respectively.

[c]Excludes China.

[d]Fertility rates for the United States are included for comparative purposes.

Source: World Bank and Population Reference Bureau statistics.

Objectives, Scope, and Methodology

At the request of the Chairman of the Senate Appropriations Subcommittee on Foreign Operations, we reviewed AID's population program. Specifically, we focused on the following questions:

- What are AID's current population policy, goals and strategy, and how have these changed over the past 10 years?
- Is AID organized effectively to manage the program and allocate resources appropriately, and how does it coordinate with other donors?
- What are AID's accomplishments in population and family planning assistance?

We also examined the extent to which AID's Office of Population complied with requirements of the Federal Managers' Financial Integrity Act's internal control assessment process.

Introduction

According to AID, the fundamental challenge of population growth rates, which outstrip developing countries' abilities to support these growth rates, has not changed since AID began population and family planning assistance in 1965. However, over time, AID has moved away from a population program focus, which emphasizes reductions in fertility rates[1] and subsequent reductions in population growth rates, to a family planning program focus, which emphasizes the provision of contraceptives and services to help couples meet their personal objectives. Despite the increase in the use of family planning services, great disparities in population growth rates remain among the developing regions of the world. In East Asia, contraceptives are used by over 65 percent of married women of reproductive age. By contrast, contraceptive use in Africa is under 10 percent, and the annual rate of population increase is 3.1 percent. At this rate, the population of Africa will double in about 24 years.

The consequences of rapid population growth are now more widely understood than even a decade ago. The damaging effect of rapid population growth on the health of mothers and children is particularly clear—maternal and infant mortality rise measurably with large numbers of births and with births too closely spaced, or when children are born at a too early or late age of the mother. Also, rapid population growth exacerbates economic and environmental problems, thereby making more difficult the challenge of reducing hunger in the developing world, providing basic services, expanding productive employment, increasing incomes, and managing the natural resource base.

In the 1980s, as economic conditions deteriorated in most developing countries, International Monetary Fund programs, World Bank structural adjustment lending,[2] and U.S. assistance under AID's Economic Support Fund[3] program were provided to assist developing countries in their efforts to stabilize and restructure their economies. However, many developing countries continue to experience severe problems of

[1]The total fertility rate is the average number of children that will be born to a woman throughout her childbearing years (approximately from age 15 to age 49), given her society's child-bearing cultural pattern and desired family size. Depending upon mortality levels, a fertility rate of 2.1 to 2.5 is considered "replacement level" or the rate at which population growth willstabilize.

[2]Structural adjustment lending is directed toward reducing the current account deficit to a sustainable level, and maintaining or restoring growth through improvements in trade policy, mobilization of domestic and foreign resources, efficiency in the use of domestic resources, and institutional reform.

[3]The Economic Support Fund is economic aid to promote economic or political stability in areas where the United States has special security or other interests. It may be provided in project form aimed at specific activities or as cash transfers which provide untied dollars (i.e., for balance-of-payments support), or under Commodity Import Programs which finance a portion of specific commodities and equipment.

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when they face severe economic problems. Despite this, AID has no projects directed toward motivating couples to have fewer children, thus leading to reduced population growth rates.

Diffused Program Management

The program is implemented by 43 units within AID, and there is no single program office or officer with overall program management and oversight authority and responsibility. Because AID does not have a system to provide overall program management information above the project level, GAO found that AID management does not have sufficient information to make sound, fundamental decisions about resource allocations and program priorities. GAO found that the actual impact of AID population assistance, in meeting legislative objectives or the priority development needs of recipient countries, is not adequately evaluated. Furthermore, AID's evaluations have been unsystematic, uncoordinated, of uneven quality, and have had relatively little influence on project design and management.

Program Accomplishments

According to AID, its efforts have improved the safety, effectiveness, and acceptability of several contraceptive methods. AID reports that, through its efforts, some previously reluctant governments have adopted policy reforms and undertaken family planning programs. AID has provided training and technical assistance to thousands of program administrators and others, and equipment and technical support to medical schools and clinics.

Recommendations

GAO recommends that AID develop a management information system to obtain comprehensive financial and management information of all its population projects and activities, and conduct an overall program impact evaluation, along with country-specific impact evaluations in countries with large programs.

Agency Comments

AID provided extensive comments on GAO's report, much of which elaborated on its approach toward delivering, managing, and evaluating family planning services (see app. I). AID stated that it is concerned about the relationship between population and economic growth, and when appropriate, during policy discussions with developing countries, it does raise a concern about the negative impact high population growth rates have on governments' economic aspirations. AID stated that it does recommend smaller families as one way to reduce population growth rates,

Executive Summary

Purpose

Developing countries continue to face burgeoning population growth rates that threaten to outstrip and set back economic growth and development. To help countries around the world deal with this issue, the Agency for International Development (AID) has, over the past 25 years (1965-89), provided about $3.5 billion in assistance focused specifically on population and family planning concerns. The Chairman, Subcommittee on Foreign Operations, Senate Committee on Appropriations, requested that GAO review AID's population program. Specifically, GAO's objectives were to assess and provide information on (1) policy, goals, and strategy; (2) management and resource allocations; and (3) program accomplishments.

Background

Congress has expressed a policy of providing population and family planning assistance to developing countries to (1) reduce population growth rates, (2) improve health and nutrition, (3) motivate people to desire smaller-size families, and (4) contribute to economic development and higher living standards, all of which will satisfy the objectives and purposes of U.S. development assistance. To accomplish these goals, AID funds contraceptives and other family planning services, training in family planning and population matters, policy dialogue, information and education assistance, biomedical research on contraceptives, and demographic and operations research.

Results in Brief

AID's family planning program is based on the principles of voluntarism and informed choice with regard to the number and spacing of children. Congressional declaration of policy intends that U.S. population assistance (1) be directed toward reducing population growth rates and (2) motivate people to have smaller-size families. Until the 1980s, AID's program policy paralleled these Congressional goals, and AID was active in urging developing countries to reduce population growth rates. In the 1980s, AID continued many of the same population projects but no longer actively promoted smaller families and lower growth rates. Instead, AID's stated policy calls for a linkage between population growth and economic development. Even so, AID officials stated that in countries not already committed to managing population growth, AID no longer takes the initiative in urging such countries to bring population and economic growth rates into balance.

AID family planning projects may induce some couples to practice contraception and reduce their family size. However, AID has no programs