Project description: This programme provided for the procurement, merchandising and distribution of contraceptives (mostly condoms and oral contraceptives) within the five Indian states of Rajasthan, Madhya Pradesh, Chhattisgarh (served by Population Services International - PSI), West Bengal and Himachal Pradesh (served by Parivar Seva Sanstha - PSS). The FC contribution was principally used to finance product procurement and distribution, together with educational and promotional measures; the counterpart contribution from the Indian side comprised the provision of subsidised contraceptives.

Objective: The programme objective was to increase the use of modern reversible methods of contraception for family planning and HIV/AIDS prevention within the target group. The areas of focus were the rural areas and city slums of the five states addressed by the programme. The programme was thus aimed at making a contribution towards: (1) a reduction in the rate of fertility; (2) a reduction in the rate of infection with HIV/AIDS; and (3) an improvement in reproductive health (infant mortality, child mortality, maternal mortality).

Target group: Low-income couples of reproductive age (approx. 20 million couples) and groups at high risk of HIV/AIDS. The poorest strata of the population cannot be reached via social marketing programmes due to their inability to pay, and thus remain reliant on the free provision of contraceptives by state health care facilities.

Overall rating: 2
High relevance, effectiveness and a relatively good level of sustainability, combined with somewhat weaker results in respect of overarching developmental objectives, resulted in an overall rating of still good.

Of note: The programme has functioned as a door-opener for modern methods of contraception in rather thinly populated rural areas. It provided widespread access to contraceptives for the first time in these regions. It should also be noted that there is a high degree of readiness to continue funding approaches initiated by the programme out of national resources.
EVALUATION SUMMARY

**Overall rating:** In view of the high relevance, effectiveness and relatively good level of sustainability, combined with somewhat weaker results in respect of the overarching developmental objective, the programme was rated still as good (Rating: 2).

**Relevance:** The programme pursued priority objectives in development policy by improving access to modern methods of contraception. It also ran appropriate advertising campaigns, thus providing more women with the opportunity to limit the number of unwanted pregnancies, and thereby stemming the rise in population growth. This objective accorded with India’s priorities at the time of the programme appraisal and still does so today. There remains a large, unmet demand for contraception, especially in rural areas. The second objective, a reduction in the prevalence of HIV/AIDS, also continues to have major developmental significance. Although the national average prevalence rate for HIV/AIDS is not alarmingly high (currently standing at 0.3%), the problem is concentrated very markedly on individual population groups or regions: the national prevalence rate for AIDS is thus only meaningful to a certain degree.

The concept followed by the programme is deemed appropriate. The focus on the distribution and use of condoms, which are used only partly for family planning purposes, has its limitations. The programme is focused in this way due to the fact that condoms can be distributed via kiosks located over a wide area; in contrast, other forms of contraceptives need to be distributed via (authorised) pharmacies and are associated with an increased level of ‘customer support’.

In other respects, the programme made a contribution - even if indirectly and only to a limited degree - to the Millennium Development Goals of a 'reduction in child mortality' and an 'improvement in maternal health'. Hence it accorded, at the time of the programme appraisal, with the main goals of German development cooperation. Today, development cooperation is no longer active in the health sector in India. Coordination between individual donors is managed via the relevant state entities, which allocate different districts to donors and/or social marketing organisations. Coordination between the respective state entities has still not been established across the board. Overall we have assessed programme relevance as good (Sub-Rating: 2).

**Effectiveness:** The programme objective for the programme was (1) to increase the use of modern contraceptives for the purposes of family planning and (2) to prevent HIV/AIDS in groups at high risk of infection within the five states covered by the programme or, more specifically, selected districts within those states. The main focus within the chosen programme regions were families with lower and average incomes in rural areas and city slums.
The programme plan provided for the sale of 141 million condoms and 7 million cycles of oral contraceptives. Actual sales amounted to 162 million condoms, 12 million cycles of oral contraceptives plus an additional 4,380 injectable contraceptives (3 month injectable); in other words, the targeted provisions were exceeded by just short of 15% and 71% respectively. Findings gathered during unrepresentative visits to clinics and sales outlets during ex post evaluation suggested that PSI and PSS activities have contributed to ensuring an improved and ongoing provision of contraceptives, particularly in rural areas (villages with more than 2,000 inhabitants).

The programme objectives and their achievement were to be measured against indicator (1) by looking at the use of modern reversible methods of contraception amongst married women (an increase of at least 5%). The second indicator (2) was the rate of use of condoms amongst high-risk groups (lorry drivers, prostitutes), whereby no target value was set.

According to baseline and end-line surveys undertaken by PSI, the use of modern contraceptives for family planning purposes by couples of reproductive age in the programme districts increased on average from 24.2% (2005) to 29.6% (2008). Sterilisation as a modern, but irreversible method of contraception remains the most frequently used family planning method (within the states covered by the programme, it represents an average of 78% of all modern methods).

Studies carried out directly following the end of the programme on the use of contraceptives by high-risk groups show a marked increase in the use of condoms during commercial sexual contact (from 75% in 2005 to 89% in 2008). This means that the programme objective can be said to have been met to a considerable degree. Overall, we have assessed programme effectiveness as good (Sub-Rating: 2).

**Efficiency:** The programme surpassed its numerical targets. 21 million more condoms and 5 million more oral contraceptives than planned were distributed. With total costs of EUR 14.44 million for 2.2 million couple years of protection (CYP) sold, the programme attained a very favourable degree of efficiency by regional standards, achieving a level of EUR 6.6/ CYP against an average comparative value for Asia of EUR 8/ CYP. Condoms were purchased from a centrally run state manufacturing unit at a fixed sales price.

With regard to the subsidy policy, the following should be noted: contraceptive prices fixed by the state have not been adjusted in recent years. Faced with an average rate of inflation of 8% p.a. since 2005, the proportion of subsidy has continually increased. Despite conflicting assertions, one can presume that – at least in semi-urban areas – the current subsidised price to the end client, at least in the case of cheaper social marketing condoms, lies below an average reasonable price level (measured against the Chapman Index, that is, annual cost to end clients for contraceptives should not exceed 1% of the annual family income). In rural areas, on the other hand, the average family income is between 35% and
50% of semi-urban incomes, with the result that one can assume a generally appropriate level of subsidy in these areas.

Recently an increase in the price to the end client for state-subsidised social marketing products has been authorised, albeit with the sales price to the social marketing organisations set by the state remaining constant. This will lead to a further increase in the subsidy per contraceptive, provided that the fixed purchase price set by the state is not increased. Furthermore, competition between social marketing providers is forcing them to increase the efficiency of their marketing structures. This was particularly noticeable, for instance, in the recent reorganisation of the PSS marketing structures (slimming down of the distribution structures), which had a positive effect on overall efficiency. The fact that the FC measures were spread out over a large distribution area (total population of 224 million in 2001 and 265 million in 2011) had a negative impact. This means that non-governmental organisations have to run comprehensive marketing systems despite rather low sales figures in each region.

Social marketing organisations give priority to merchandising their own brands on which they can achieve higher margins. As they are obliged to market the state brand (NIROD) in parallel with their own brand charging comparable prices to the end client for both products the social marketing brand stands in direct competition to the state condom brand. With the choice of products offered by social marketing organisations and commercial operators, supplemented by the state-provided, free distribution of condoms, all the key segments in the market are already covered. The additional merchandising of the state brand, which is perceived as rather 'old-fashioned' by buyers and is reportedly often sold on to end clients at below the mandatory state price, has a negative impact on the efficient use of available subsidies. Overall, programme efficiency has been assessed as satisfactory (Sub-Rating: 3).

**Overarching developmental impact:** The overall objective, defined as a contribution to (1) a reduction in the rate of fertility, (2) a reduction in the rate of HIV/AIDS infection and (3) an improvement in reproductive health (infant, child and maternal mortality), was to be measured against the indicators of fertility rate, maternal, infant and child mortality rates, and the rate of prevalence of HIV/AIDS. No overall target values were pre-determined, which also reflects current best practice.

The rate of fertility has declined nationally from an average of 3.3 children per woman in 2001 to 2.6 in 2008. This positive trend can be discerned in each of the five federal states, although the reduction in Rajasthan is less marked (down by approx. 15% to 3.3 children), whereas in West Bengal the figures are above average (down by approx. 21% to 1.9 children).

National data for infant, child and maternal mortality have developed in a very positive direction, from 68/95/301 (2001) to 34/66/230 (2008). Regional trends vary a great deal. The
situation is better in West Bengal, whereas in Rajasthan and Madhya Pradesh it is very much worse than the national average.

The rate of prevalence of HIV/AIDS has fallen nationally from 0.4% in 2001 to 0.3% in 2011. One can presume that this reflects the considerable efforts made at a national level, as well as those of many initiatives run by private donors (e.g. Gates Foundation; USD 400 million over 8 years); nonetheless, this reduction is also a function of an over-estimation of prevalence in 2001. Moreover, the HIV mortality rate, for which no trend information is available, may have had a role to play in this.

When assessing progress made toward the achievement of overall objectives, one must bear in mind that the FC amount was limited in comparison to other funds available and other measures implemented (e.g. total funds provided by the National AIDS Control Programmes from 2007-12: INR 115 billion, that is, approx. EUR 400 million nationally per year; National Rural Health Mission, NRHM: additional funds from the federal states). One can assume in principle that a contribution has been made – even if a limited one – relative to the results chain and the underlying considerations about plausibility. This applies in particular to rural areas, in which approx. 70% of the population live. In the three rural areas that were serviced for the first time by PSI (villages with more than 2000 inhabitants), its market share is still about 70% today – without any visible signs of crowding out commercial products. Because of the low population density in rural areas, the minimal willingness that exists in those areas to use modern, reversible methods of family planning, together with the lack of distribution channels and the markedly limited ability to pay for such products, the market share of commercial products is rather low at approx. 30 %. In the meantime, more than half of the demand in urban areas is being met by commercial operators. Taken altogether, we have assessed overarching developmental impact as satisfactory (Sub-Rating: 3).

Sustainability: Social marketing programmes continue to run in a revised form in all federal states supported by national contributions - their cost recovery is basically assured. Finance from the National AIDS Control Organisation (NACO) focuses more on the ‘availability’ of condoms to reduce HIV infection and less on awareness and educational campaigns. It is, however, also targeted at districts with high fertility rates. The financing commitment to the various social marketing organisations in each federal state runs for only one year in each case and funds are allocated on a rather last-minute basis. This places restrictions on the ability to plan communication and marketing strategies over the longer-term. Targeted support for a variety of family planning methods continues to be focused on activities organised by NRHM. Both these sources of funding emphasise the national willingness and ability to continue to finance these programmes and to subsidise such products. One needs to look critically, however, at the currently very high proportion of subsidy relating to contraceptives, now standing at 85% to 90% of total costs, which represents a risk to sustainability.
A moderate increase in the price of subsidised contraceptives would hardly threaten the sustainability of contraceptive sales. Sales figures for both subsidised and commercial products have significantly increased over the last few years.

Beyond this, it is reasonable to assume that the discrepancy between urban areas and particularly remote rural areas, which to date have hardly been accessed and where changes in patterns of behaviour only happen very slowly, will grow. The average age of marriage has increased nationally; however, directly after marrying many families do not permit the use of contraceptives, despite many years of state effort to change this. We have assessed the sustainability of this programme overall as still good (Sub-Rating: 2).
Notes on the methods used to evaluate project success (project rating)

Projects (and programmes) are evaluated on a six-point scale, the criteria being relevance, effectiveness, efficiency and overarching developmental impact. The ratings are also used to arrive at a final assessment of a project’s overall developmental efficacy. The scale is as follows:

1. Very good result that clearly exceeds expectations
2. Good result, fully in line with expectations and without any significant shortcomings
3. Satisfactory result – project falls short of expectations but the positive results dominate
4. Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
5. Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
6. The project has no impact or the situation has actually deteriorated

Ratings 1-3 denote a positive or successful assessment while ratings 4-6 denote a not positive or unsuccessful assessment.

**Sustainability is evaluated according to the following four-point scale:**

Sustainability level 1 (very good sustainability): The developmental efficacy of the project (positive to date) is very likely to continue undiminished or even increase.

Sustainability level 2 (good sustainability): The developmental efficacy of the project (positive to date) is very likely to decline only minimally but remain positive overall. (This is what can normally be expected).

Sustainability level 3 (satisfactory sustainability): The developmental efficacy of the project (positive to date) is very likely to decline significantly but remain positive overall. This rating is also assigned if the sustainability of a project is considered inadequate up to the time of the ex post evaluation but is very likely to evolve positively so that the project will ultimately achieve positive developmental efficacy.

Sustainability level 4 (inadequate sustainability): The developmental efficacy of the project is inadequate up to the time of the ex post evaluation and is very unlikely to improve. This rating is also assigned if the sustainability that has been positively evaluated to date is very likely to deteriorate severely and no longer meet the level 3 criteria.

The overall rating on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Ratings 1-3 of the overall rating denote a "successful" project while ratings 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally “successful” only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") and the sustainability are rated at least “satisfactory” (rating 3).