



### Contraceptive Security

## The Private Sector Contribution to Contraceptive Security

A NEED FOR ESSENTIAL  
REPRODUCTIVE HEALTH  
PRODUCTS AND SERVICES

Over the next few decades the demand for reproductive health products and services is expected to increase dramatically. Growing populations will need large supplies of contraceptives and other essential reproductive health products and services. But the projected funding for donated contraceptive supplies falls significantly short of the anticipated need. This looming gap is a concern for national governments, international and donor organizations, non-governmental organizations, and foundations around the world — including the Commercial Market Strategies (CMS) project.

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# NEW DIRECTIONS

IN REPRODUCTIVE HEALTH

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February, 2002



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COVER: Men gather around a *Protector* condom promoter in Uganda. Promoters answer questions, distribute information about condoms, family planning, and HIV/AIDS, and give out product samples. Unless the contraceptive security issue is addressed, programs like this could face product shortages and stockouts. (PHOTO: Elizabeth Gardiner)

## From the Director

We are pleased to present our fifth issue of *New Directions*, the Commercial Market Strategies (CMS) newsletter. CMS is a USAID-funded project that aims to increase access to and demand for reproductive health and family planning in developing countries through the private sector.

With decreased donor funding in many developing countries and an ever-increasing demand for reproductive health care products and services, it is more important than ever to work with the private and commercial sectors to fill the gap between what is needed and what donors can provide. On December 4th 2001, John Snow Incorporated's DELIVER project and CMS hosted a dynamic conference on contraceptive security. Representatives from the private and commercial sectors as well as from the donor community were on-hand and the discussion was lively. In this issue of *New Directions*, we highlight the role of the private sector in ensuring contraceptive security.

Additionally, in the following pages you'll read about a creative campaign in Morocco to promote the consumption of fortified foods and a new CMS technical paper that provides an overview of the Green Star Network — a social franchise in Pakistan. You'll also find two articles about the Summa Foundation and a recent example of savvy public relations work from our *Goli Ke Hamjoli* project in North India. I know you will enjoy reading these articles.

Finally, as we begin a new year, I want to take a moment to thank all of you who contacted us in the hours and days after the tragic events of September 11. We received hundreds of letters, telephone calls, and e-mails from friends and colleagues around the world. It meant so much to us at the time and we thank you from the bottom of our hearts.

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## The New Maama Kit

### A SUCCESSFUL PUBLIC-PRIVATE PARTNERSHIP

On October 31st 2001, CMS launched the *New Maama Kit*: an all-inclusive kit with eight essential items required for a clean and safe birth.

*New Maama* is the latest of seven CMS/Uganda products that are socially marketed throughout the country. The kit contains a plastic sheet, gloves, cotton wool, cord ties, razor blades, Vitamin A, tetracycline eye ointment, and a bar of Lifebuoy Plus® antibacterial soap.

Lifebuoy Plus® soap is manufactured by Unilever, who donated 2,500 bars for the pilot phase of the project and also under-wrote some of the promotional expenses for launching the kit. *New Maama* is available for purchase in pharmacies, clinics, and health units in a pilot area of four districts in Southwestern Uganda. The kit costs 3,000 Ugandan shillings (about US \$1.50).

The name *New Maama Kit* was taken from *Maama Kit*, a popular predecessor kit distributed by the Ugandan Ministry of Health that sold successfully for two years in seven other districts — but at a much higher price. So hopes are high that the *New Maama Kit* will be even more popular.

CMS/Uganda also worked with CARE/Uganda, who have been implementing programs in the pilot area for several years. The Ministry of Health's Nutrition and Early Childhood Development Project (NECDP) provided child health cards for the kit — included to help mothers track the health and development of their infants. In return, the CMS project will be distributing the NECDP newspaper, *Child Matters*, at *New Maama Kit* promotional drama performances and public events.

"The kit is a compilation of efforts," explains CMS/Uganda Social Marketing Director, Elizabeth Gardiner, "The Ministry of Health, Unilever and our office collaborated in a manner that is beneficial to all parties. We are using our expertise in social marketing, the Ministry of Health leverages off of our work and Unilever positions its products as healthy."

The *New Maama Kit* in Uganda is a good example of a successful CMS partnership between the public health sector and the private/commercial sector. For more information about the *New Maama Kit* please contact Elizabeth Gardiner at [egardiner@cmsproject.co.ug](mailto:egardiner@cmsproject.co.ug) (in Kampala, Uganda) or Rudolph Chandler at [rchandler@cmsproject.com](mailto:rchandler@cmsproject.com) (in Washington, DC).



1 Traditional birth attendants wear New Maama Kit headscarves at a launch in Kabale, Uganda. These attendants, as well as community reproductive health workers, are trained in the proper use of the New Maama clean delivery kit.

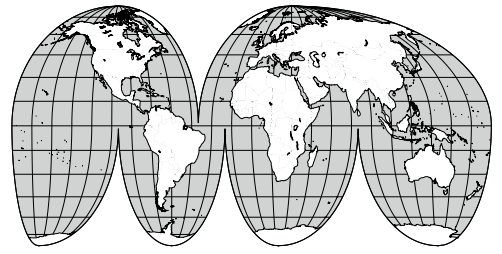
Below: the New Maama Kit logo.

2 The New Maama Kit launch included the performance of a drama entitled "The Mothers Gift," acted out in the local languages of the different districts in Uganda. The performance is about a family that is expecting a child. The role of the father is dramatized as a character who is initially unconcerned with the details of the safe delivery of his own child. But, when he is introduced to the New Maama Kit, he becomes interested and involved.

3 Left to right: Karen Bulsara and Judith Bamaturaki, product manager and coordinator (respectively) of the New Maama Kit.

PHOTOS: Elizabeth Gardiner





## Spotlight – Contraceptive Security

*Contraceptive security exists when every person is able to choose, obtain, and use quality contraceptives and other essential reproductive health products whenever s/he needs them.*<sup>1</sup>

### The Private Sector Contribution to Contraceptive Security *(continued)*

Reproductive health commodities security — often referred to as contraceptive security — is high on the agenda of the development community.

The May 2001 conference in Istanbul, Turkey — *Meeting the Reproductive Health Challenge: Securing Contraceptives and Condoms for HIV/AIDS Prevention*<sup>2</sup>— catalyzed international dialogue, partnerships, and a commitment to addressing contraceptive security. International donors, NGOs, technical assistance agencies, and various government representatives participated in the conference. Dr Duff Gillespie, Deputy Assistant Administrator for USAID and Director of the Office of Population, Health, and Nutrition, spoke on “The Role and Development of the Private Commercial Sector.” His speech highlighted the importance of the commercial sector in supplying contraceptives and he recommended specific strategies for donors and governments to stimulate commercial sector participation in meeting projected demand.

#### EXPANDING THE PRIVATE SECTOR

As Dr Gillespie pointed out in his speech, commercial manufacturers are already major players in supplying contraceptives. The commercial sector supplies contraceptives to government programs, social marketing programs, donors (who in turn supply government or social marketing programs), and private sector distributors.

When faced with contraceptive shortfalls, programs relying on government procured or donated products are constrained by the limitations of those funding sources. On the other hand, commercial channels are more flexible and can respond to increases in demand. But contraceptive markets face distortions and constraints that challenge and often discourage the commercial sector. Chief among these are free or highly-subsidized public sector or social marketing products that compete with the private sector. Often, these subsidized programs attract clients who can afford to pay for their contraceptives. This competition shrinks the potential market of the commercial sector, thereby limiting its ability to supply the maximum number of clients. Dr Karen Foreit’s study for CMS (see *Contraceptive Security Studies*, page 9) examines markets for oral contraceptives and determines that many developing countries have (1) consumers who can afford to pay for contraceptives but currently use public sector programs, and (2) affordable commercial products in the marketplace. Foreit concludes that introducing small user fees in the public sector could significantly increase the commercial provision of oral contraceptives by encouraging wealthier public-sector clients to switch to commercial outlets.



The cover of “Country Perspectives on the Future of Contraceptive Supplies,” a paper in the Interim Working Group’s package of materials prepared for the May 2001 conference in Istanbul, Turkey. This particular paper outlines the findings of a survey of family planning programs in 13 countries. The survey found that all respondents anticipated that their contraceptive requirements would increase in the next three to five years — and most indicated that they expect external donors and government budgets to fill this gap and meet future supply needs.

#### Notes

- 1 Definition from the Common Assessment Framework Meeting, February 8, 2001. Participants included JSI/DELIVER, UNFPA, CDC, MSH, PATH.
- 2 Organized by the Interim Working Group (IWG), which includes JSI, PATH, Population Action International, and the Wallace Global Fund.



Essential reproductive health commodities such as **condoms, oral contraceptives, IUDs, STD treatment kits** and even **educational materials** are in short supply in many countries around the world. **Nigeria** has reported repeated stockouts of condoms for both social marketing and public sector programs. Shortages of a few months' supply of oral contraceptive pills have been reported in **Iraq, Morocco, Palestine, Sudan and Yemen**. Countries in Asia and Latin America are anticipating shortages and stockouts for their public sector programs.



## MARKET SEGMENTATION EXPANDS ACCESS

Of course, there are also clients who cannot afford to pay commercial prices. These clients — the poor — are the priority audience for subsidized products, either through the public sector or social marketing programs. This raises a critical question: How can governments and other stakeholders ensure that clients who can afford to pay commercial prices purchase their contraceptives from the commercial sector, while clients who cannot afford those prices have access to subsidized services?

Market segmentation is an approach that divides a market into distinct segments, each of which is best served by a different provider depending on the characteristics of each segment and the provider's comparative advantage. For example, in a well-segmented market the public sector meets the needs of the poorest clients while the commercial sector serves a more affluent clientele. Social marketing products can then serve clients that have some ability to pay but cannot afford fully commercial prices.

- 1 An article on The Economist's web site warns that "unless donors increase their contributions, international efforts to provide contraceptives for all those who need them will be short of \$100m by 2015." (October 11, 2001)
- 2 The Interim Working Group's site — NoStockouts.org — provides an overview of the contraceptive security challenge.
- 3 The UNFPA's January–February 2002 "Dispatches" section of their web site claims that "Global requirement of reproductive health commodities, including contraceptives and condoms for the prevention of sexually transmitted infections and HIV, will rise from US\$811 million in 2000 to \$1.8 billion in 2015."

# CMS and Contraceptive Security

**USAID looks to the Commercial Market Strategies (CMS) project for its expertise in working with the private and commercial sectors. Accordingly, USAID/Washington requested that the CMS project be one of its primary partners in addressing the issues surrounding contraceptive security.**

**Developing a comprehensive country strategy for securing a reliable supply of contraceptives is a daunting challenge, and requires a multi-disciplinary approach.**

**CMS has expertise in many areas relevant to contraceptive security. Social marketing, pharmaceutical partnerships, policy dialogue and reform, NGO sustainability, health financing, and research (including market segmentation analysis) are a few of the technical areas where CMS brings its expertise to the contraceptive security dialogue.**

**For more information about CMS's technical areas or how the project is working to ensure contraceptive security please visit our web site at [www.cmsproject.com](http://www.cmsproject.com).**



## Spotlight – Contraceptive Security

### INTERVENTIONS THAT ENCOURAGE THE COMMERCIAL SECTOR

In addition to government pricing, other policies or a lack of information may discourage active commercial sector participation in providing contraceptives. International organizations, technical assistance agencies, or national governments can encourage greater commercial participation by conducting market research, improving the policy environment, or entering into partnerships with pharmaceutical companies. Helpful interventions include:

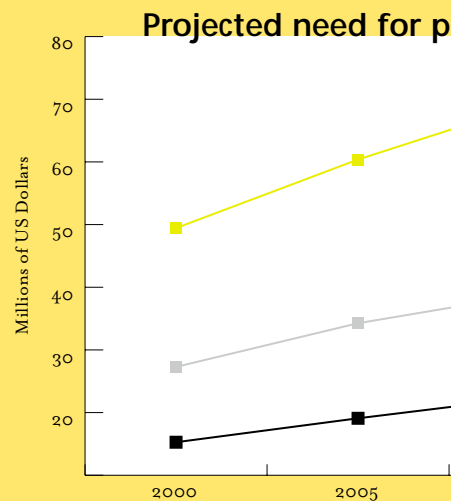
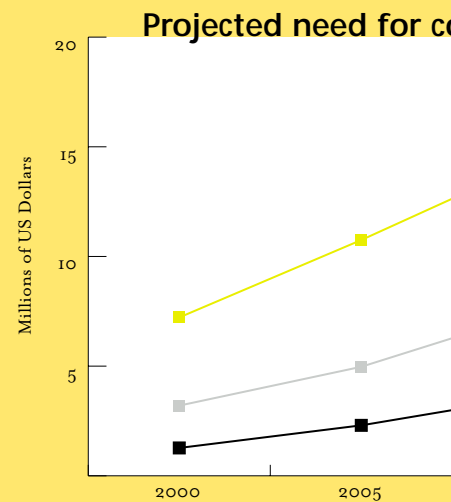
- providing market data or segmentation analysis;
- policy efforts such as lowering import duties, removing restrictions on providers, or improving targeting of government subsidies; and
- agreements with pharmaceutical companies that exchange expanded distribution, promotional efforts, or lower prices for marketing or research assistance.

Representatives from commercial contraceptive manufacturers have suggested that these kinds of activities facilitate their decision to expand their activities in a given market.



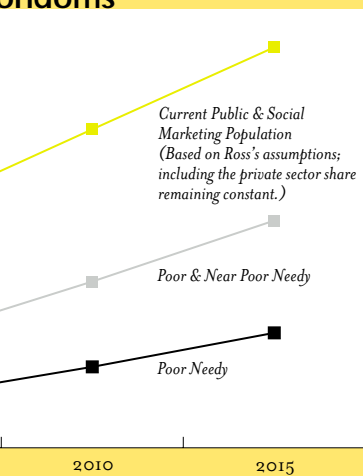
*In many poor countries, contraceptives and reproductive health services are supplied by donor agencies through clinics or other outlets. As these donor agencies begin to reduce their budgets for population, health, and nutrition programs the reproductive health community is faced with the challenge of securing a reliable supply of products and services. Therefore, it is critically important get the private and commercial sector involved in looking at these catchment areas as new markets.*

*Dr Jeffrey Sine projects that by 2005, the need for contraceptives will reach 13 million in the United States — demonstrating the potential to meet the need to which a targeted commercial sector could unleash the commercial potential to meet the need.*

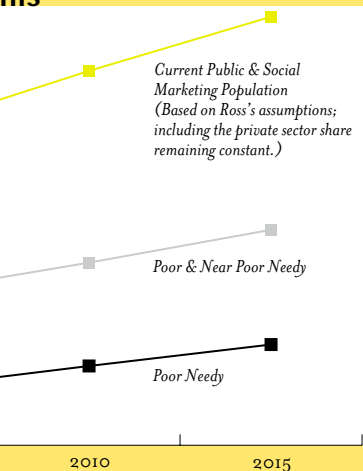


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### Condoms



### Condoms



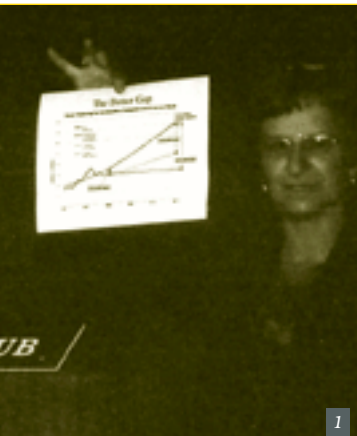
## CLOSING THE GAP

If commercial sector supply increases, would it be enough to close the gap between projected demand and projected funding for donated contraceptives? For a CMS study, Dr Jeffrey Sine analyzed ten countries — representing a population of 638 million in the year 2000 (see *Contraceptive Security Studies*, page 9). In the study, Sine classifies clients as *poor needy*, *near poor needy*, and *not needy* based on their standard of living and demonstrated willingness to purchase commercially-priced contraceptives. His study examines the impact of targeting subsidized products only to needy clients (currently, subsidies in most countries are not well-targeted). For example, if public and commercial sector market shares for oral contraceptives (OCs) remain constant — in other words, if targeting policies do not change — then public sector and social marketing programs will need to serve 18.1 million users by 2015, at a cost of \$78.4 million. But if public sector and social marketing programs target subsidized OCs to the poor and near poor needy (10.2 of the 18.1 million projected users) then the cost in 2015 would be \$44.4 million — \$34 million less. For condoms, a targeted program would cost \$10.4 million — versus \$18.3 million if market shares do not change. As the accompanying graphs indicate, the savings are even greater if subsidies target only the poor needy. These results illustrate the significant potential of the commercial sector — assuming that subsidies are targeted and the commercial sector meets the needs of those willing and able to pay.

To better understand strategies for achieving contraceptive security, CMS will document successful public/private partnerships and other initiatives that contribute to a secure supply of contraceptives. For more information about contraceptive security and market segmentation please contact Susan Scribner at [sscribner@cmsproject.com](mailto:sscribner@cmsproject.com) or Françoise Armand at [farmand@cmsproject.com](mailto:farmand@cmsproject.com).



## Spotlight – Contraceptive Security



### Conference Explores a Strategy to Ensure Contraceptive Security

On December 4th 2001, the Commercial Market Strategies (CMS) and DELIVER projects co-hosted a conference to explore the role of market segmentation as a strategy to address contraceptive security. The conference, entitled *Segmenting Markets to Maximize Contraceptive Security*, was held at the National Press Club in Washington, DC. Several hundred people attended, including representatives from USAID, international donors, technical assistance agencies, and pharmaceutical companies.



Presentations on market segmentation, supply chain implications, and the private sector were given by key CMS and DELIVER professionals. A panel of pharmaceutical representatives then provided a fascinating perspective on what motivates the private sector to move into new markets or expand efforts in existing markets. Following the private sector panel were presentations on three country programs: Turkey, Columbia, and Morocco. And finally, Margaret Neuse, Director of the Office of Population at USAID, closed the conference with a discussion of the implications of contraceptive security for the international reproductive health community.



The main messages from the conference were:

- Contraceptive supply needs can be met by several market sectors: commercial, not-for-profit, and public. However, for each sector to have the greatest impact, they must engage in a dialogue to define complementary — rather than competing — roles.
- Market segmentation is an analytical tool that can be used to identify and define distinct markets for each sector. By bringing sector representatives together to discuss research findings, market segmentation can facilitate the development of strategies for meeting population-wide contraceptive needs and foster coordination among partners — leading to the optimal use of scarce resources.
- Successful implementation of a segmented market strategy typically involves expertise in several technical areas, namely research, marketing, policy and advocacy, and supply logistics. And this, as Dr Pinar Senlet (a senior advisor to USAID in Turkey) pointed out at the conference, takes time — even years — to accomplish.
- Stimulating greater private sector involvement when planning for future contraceptive security requires a country-specific focus and a good understanding of corporate strategic priorities.

For more information about the December 4th conference please visit the CMS web site at [www.cmsproject.com](http://www.cmsproject.com).

- 1 Margaret Neuse, Director of USAID's Center for Population, Health, and Nutrition, summarizes the presentations at the December 4th conference. In this photograph she holds up an illustration of the projected gap in donor financing for necessary reproductive health commodities.
- 2 The opening panel presented an overview of the overarching issues (left to right): Monica Kerrigan, Contraceptive Security Advisor, USAID; Dr Anne Peterson, the new Assistant Administrator for the Bureau of Global Health; and Lizann Prosser, Director of the CMS Project. Gary Steele, Senior Technical Advisor for the DELIVER project, introduced the panel and explained how market segmentation fits into the contraceptive security dialogue.
- 3 A panel of representatives from leading contraceptive manufacturing companies discuss the role of the private sector. Moderator Vicki Baird, CMS's Senior Technical Advisor for Pharmaceutical Partnerships, is seated on the far right.





## Contraceptive Security Studies

CMS recently completed three important studies that examine and clarify the role of the private sector in addressing contraceptive security. These papers will be available in late February, 2002.

The first study, by Dr Rudolfo Bulatao — *What Influences the Private Provision of Contraceptives?* — identifies and discusses factors that promote or hinder commercial sector participation. Competition is a key factor, especially when it comes to price differences between publicly and privately provided contraceptives. Other factors that impact the commercial sector's role include market size, an adequate distribution network, the regulatory environment, and the effectiveness of social marketing efforts. Dr Bulatao found that low incomes do not necessarily limit the potential market since commercial prices are affordable to many, and consumers often choose to spend out-of-pocket for other health care needs.

The second study, *Broadening the Commercial Sector Participation in Reproductive Health: The Role of Prices on Markets for Oral Contraceptives*, by Dr Karen G Fleischman Foreit, examines the impact of public sector pricing on commercial oral contraceptive (OC) markets. Dr Foreit found that introducing or promoting free OCs in an established commercial market induces users to abandon the commercial sector without increasing overall use. Conversely, a single policy step of introducing small user fees in free, untargeted government programs might encourage wealthier public-sector clients to switch to commercial outlets — significantly increasing the commercial provision of OCs and allowing donor and public resources to be used more strategically (such as by meeting the needs of poor or hard-to-reach populations).

The third study, by Dr Jeffrey Sine — *How Much is Enough? Estimating Requirements for Subsidized Contraceptives. Results from Ten Country Analysis* — challenges the widely-cited estimate by Dr John Ross *et al* (1997). Ross estimates that by 2015 there will be a \$210 million annual shortfall in donor funding for contraceptives — assuming that the commercial sector's market share remains constant and that public sector programs continue to use an untargeted distribution approach.

Sine presents a new set of estimates based on the assumptions that governments and social marketing programs target their programs to the poor, and that the commercial sector will meet the contraceptive needs of clients who are able to pay. He then analyzes ten countries — representing regions where most donated contraceptives are supplied — and finds that these assumptions decrease the size of projected donor shortfalls by 43 percent.

Dr Sine demonstrates the extent to which a targeted approach could unleash the commercial sector's potential to meet contraceptive needs. His findings illustrate the importance targeting the distribution of subsidized products and show how this strategic use of limited resources, coupled with an understanding of the potential contribution of the commercial sector, can significantly reduce expected shortages of contraceptives due to the limitations of donor funds.





# Fortified Foods in Morocco



## A CREATIVE CAMPAIGN TO ENCOURAGE CHANGE

A 1994 survey conducted by the Moroccan Ministry of Health indicated that 35 percent of all children under five years of age were anemic. The same study found anemia in 30 percent of women of reproductive age, 46 percent of pregnant women, and 10 percent of men. To address this problem, in March of 2000 USAID asked CMS/Morocco to produce mass media materials for the Micro-Nutrient Initiative (MOST) project to encourage the consumption of fortified foods — and specifically enriched flour.

Most Moroccans get their bread products from traditional bakers who do not use enriched flour. So there are two audiences for this campaign. The primary audience are Moroccan homemakers (who make or purchase bread); the secondary audience are traditional bakers, where many Moroccans purchase their bread.

To develop the campaign CMS worked with the Moroccan Ministry of Health, MOST, USAID, the Moroccan Department of Epidemiology, and the Moroccan Millers Federation. In the summer of 2000 a qualitative survey was conducted to determine consumers' knowledge, attitudes, and practices toward food fortification. The results of this survey guided the design of a fortified food logo: *Seha wa Salama* ("health and safety" in Arabic). The advertising agency, Boomerang Ogilvy, did the creative work and mass media materials for the campaign, which will launch in early 2002. We look forward to reporting on the results of the media efforts and plan to track ad recall and behavior change. For more information about the fortified food campaign in Morocco please contact Marie-Laure Curie (in Washington, DC) at [mlcurie@cmsproject.com](mailto:mlcurie@cmsproject.com).

- 1 In campaign television spots the friendly *Seha wa Salama* character ("health and safety" in Arabic), promotes fortified foods in several Berber dialects. *Seha wa Salama* also serves as the logo for the entire campaign. His personality is jovial and welcoming as he encourages viewers to look for and use fortified foods. This image is from Boomerang Ogilvy's storyboard for a TV ad promoting the use and benefits of enriched foods — *Seha wa Salama* raps on the inside of the television screen to get the viewer's attention.
- 2 Image from the same storyboard; the ad explains why fortified foods are important for pregnant women.



# Goli Ke Hamjoli — Now on Cosmo's Hot List

A recent edition of *Cosmopolitan* magazine (October 2001) features an article whose headline proclaims "Great News: The Pill is Good For You." In this article, Dr Alka Dhal, a spokesperson for *Goli ke Hamjoli* campaign, outlines the benefits of the pill over other methods of birth control. *Goli ke Hamjoli* is a Commercial Market Strategies (CMS) project mass media campaign that promotes the use of oral contraceptives in Northern India. The campaign attacks deep-rooted myths about side effects and positions the pill as a companion to women and couples (*Goli ke Hamjoli* is Hindi for *Friends of the Pill*).

The campaign has been winning awards for its innovative public relations and communications savvy since it was launched in 1999. In that time, over 300 articles highlighting the campaign have been published in Indian newspapers and magazines. *Goli Ke Hamjoli* uses celebrities as spokespeople and medical doctors as experts on the safety and efficiency of the new generation of low-dose oral contraceptive pills.

*Goli Ke Hamjoli* targets young, urban couples — and readership of the popular Indian edition of *Cosmopolitan* is quite high. Kudos to the marketing and communications staff at the CMS office in India for getting the story placed.

For more information about the *Goli ke Hamjoli* campaign in India please contact Craig Carlson at [ccarlson@cmsproject.com](mailto:ccarlson@cmsproject.com) (in Washington, DC) or Rita Leavell at [rleavell@compuserve.com](mailto:rleavell@compuserve.com) (in New Dehli, India).

- 1 Cover of the October 2001 Indian issue of *Cosmopolitan*.
- 2 The Cosmo article highlights the *Goli Ke Hamjoli* campaign and outlines the benefits of oral contraceptives.



## Summa Loan Helps Ghana Social Marketing Foundation Launch Commercial Condoms

In March 2001, the Summa Foundation disbursed a loan to the Ghana Social Marketing Foundation (GSMF) to launch a new deluxe condom line. The loan was divided into two components: financing the importation of the condoms and financing marketing and promotion efforts.

GSMF is a USAID-funded, not-for-profit organization that has become the leading social marketing institution in Ghana, selling an estimated 50 percent of all condoms and 33 percent of all oral contraceptives in the country. In February 2000, USAID/Ghana asked the CMS project to provide technical assistance to GSMF in order to improve its sustainability. The CMS team recommended that GSMF diversify its product line and consider applying to the Summa Foundation for a loan. Accordingly, the primary objective of this loan is to increase GSMF's financial sustainability. Other objectives include increased condom use, which will provide dual protection (from HIV/AIDS and unwanted pregnancy).

As a result of the loan, GSMF was able to introduce its fourth brand of condoms — *Aganzi*. *Aganzi* has two lines: *Aganzi Classic* and *Aganzi Wildfire*. This condom line is fully cost recoverable and will help subsidize other GSMF products and services. *Aganzi's* competitive edge hinges on the following features: The condom is black, flavored, ultra-thin, ribbed, and comes in an attractive foil package. The *Wildfire* version has a performance-enhancing formula. *Aganzi* was introduced in response to the emerging, large niche market of trendy condoms in Ghana. It is an up-market condom targeted to “yuppie” African society and positioned as a brand for performance, pleasure, passion, and satisfaction. The brand's identity is associated with the color black.

*Aganzi* was launched in Accra during the first week of October 2001 with subsequent mini-launches in two other cities.



- 1 The *Aganzi* logo. The brand's identity is associated with the color black and targeted to “yuppie” African society.
- 2 *Aganzi* promoters at GSMF wearing black *Aganzi* shirts.

## Green Star — An Overview of Social Franchising in Pakistan

AN EFFECTIVE STRATEGY TO EXPAND ACCESS TO QUALITY FAMILY PLANNING THROUGH THE PRIVATE SECTOR

CMS has just published a new report as part of our technical paper series: *Social Franchising as a Strategy for Expanding Access to Reproductive Health Services: A Case Study of the Green Star Service Delivery Network in Pakistan*. The study, written by Julie McBride and Dr Rehana Ahmed, provides a detailed overview of the development, challenges, and impact of the Green Star Network, which was founded in Pakistan in 1995. Green Star is a network of privately owned clinics and pharmacies in low-income urban areas that offer family planning products and services strategically promoted under one logo and theme: “Trustworthy Family Planning.”

The program, still being run by Social Marketing Pakistan and Population Services International, is extremely ambitious and successful. The Green Star model demonstrates how the innovative use of private sector insights and techniques can support a very rapid scale-up in the delivery of quality reproductive health care. The study also includes candid lessons learned covering issues such as program design, provider recruitment, training, and quality assurance. For more information about the Green Star study please contact Craig Carlson at [ccarlson@cmsproject.com](mailto:ccarlson@cmsproject.com). To order a copy of the Green Star study please contact Susan Wood at [swood@cmsproject.com](mailto:swood@cmsproject.com).



- 1 Dr Alia Mohallah speaks to a group of women at the clinic of a Green Star doctor. Social Marketing Pakistan found that that the interpersonal communication between women and providers at these mohalla (neighborhood) meetings was a powerful tool for motivating positive behavior change.
- 2 Cover of the Green Star case study.





The cover of the International Summit on the Private Health Sector program and agenda.

## Financing Options for Private Healthcare in Emerging Markets

### THE SUMMA FOUNDATION CONDUCTS WORKSHOP AT THE INTERNATIONAL SUMMIT ON THE PRIVATE HEALTH SECTOR

In December 2001, the Summa Foundation attended the *International Summit on the Private Health Sector*, a cross-national healthcare leadership meeting promoting public-private partnerships for better health care and health outcomes. The Summa Foundation conducted an executive education workshop in conjunction with the International Finance Corporation (part of the World Bank Group). The workshop, “Financing Options for Private Health Care in Emerging Markets,” was attended by approximately 40 developing country health care executives, other financial institutions, and donor representatives.

The workshop focused on trends in the private health sector, opportunities for investment, and traditional constraints to financing. In many countries there are new opportunities for private health sector investment due to several inter-related factors, including a wave of health sector reform, a growing awareness by governments of the importance of the private sector, the emergence of health financing, and consumer choice. Several trends are also favoring the private health sector, including a new emphasis on chronic disease interventions and case management models. But despite these opportunities, the private health sector is still dogged by a number of factors that make access to financing difficult. Traditionally, the commercial banking sector has perceived the private health sector as risky. A limited understanding of private health business models and a confusion between profit motives and public health outcomes has restricted the supply of long-term local financing. In addition to these factors, international investors are also wary of the lack of market data as well as the macroeconomic variables that impact the private health sector in emerging markets — such as inflation and currency devaluation. The private health sector has also been hurt by regulations and competition from the subsidized public sector.

After discussing financing constraints, the presenters summarized the financing options currently available to the private health sector in emerging markets. These options include local banks and investors, medical equipment suppliers and leasing companies, international financial institutions, bilateral funds and export agencies, international venture capital funds, and not-for-profit investment funds. The presenters concluded by outlining the financing terms and conditions available through the Summa Foundation and the International Finance Corporation.

In addition to the workshop, the Summa Foundation exhibited in the Global Best Practices Hall with other leading healthcare companies from around the world. The Summa Foundation also used the summit to meet potential borrowers; to discuss collaboration with other co-funders, including the International Finance Corporation and the DfID-funded CDC Capital Partners; and to brief donors, including DfID, USAID, the World Bank, and the Inter-American Development Bank.

To learn more about financing options for the private health sector, please download *Sources of Financing: A Tool to Assist the Private Health Sector in Developing Countries* from the resources section of [www.summainvestments.org](http://www.summainvestments.org).

“In many countries there are new opportunities for private health sector investment...”

The Summa Foundation provides financing and technical assistance to the private and commercial health sector in developing countries. For more information about the Summa Foundation visit [www.summainvestments.org](http://www.summainvestments.org) or contact Meaghan Smith at [msmith@cmsproject.com](mailto:msmith@cmsproject.com) or Carlos Carrazana at [ccarrazana@cmsproject.com](mailto:ccarrazana@cmsproject.com).

