

# PROJECT STATUS REPORT

JULY 2014 - DECEMBER 2014

## SECTION 1: PROJECT SUMMARY

**PROJECT NAME:** Micro finance Integrated Business Model for Health Services

Project number: RG-M1207 - Operation Number: ATN/ME-13183-RG

**Result:** Develop and expand sustainable business models providing health services through MFIs to low-income women in Nicaragua, Honduras, Ecuador and Haiti.

**Country Administrator**  
UNITED STATES

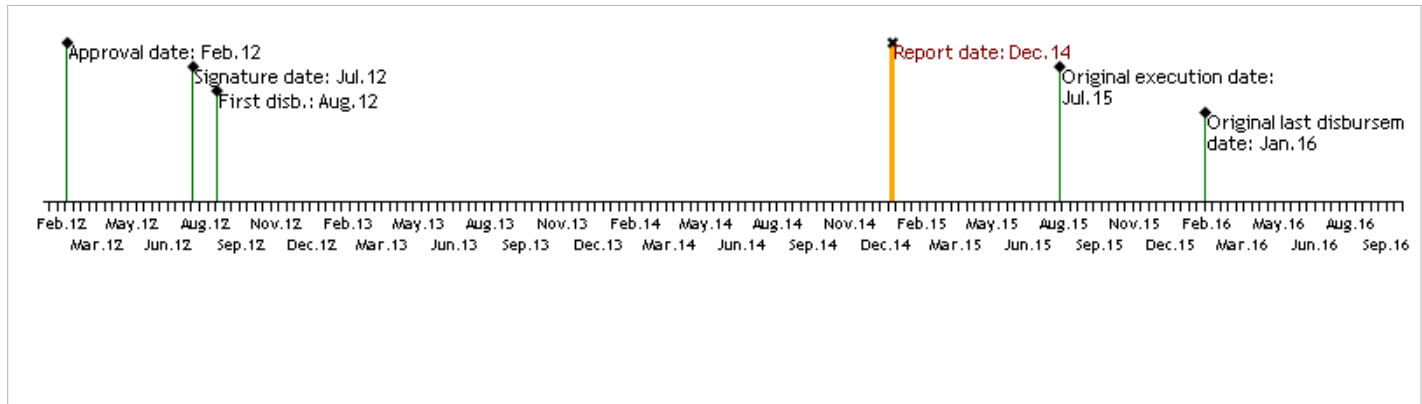
**Beneficiary Country**  
ECUADOR, HAITI, HONDURAS,  
NICARAGUA

**Executing agency:** GLOBAL PARTNERSHIPS

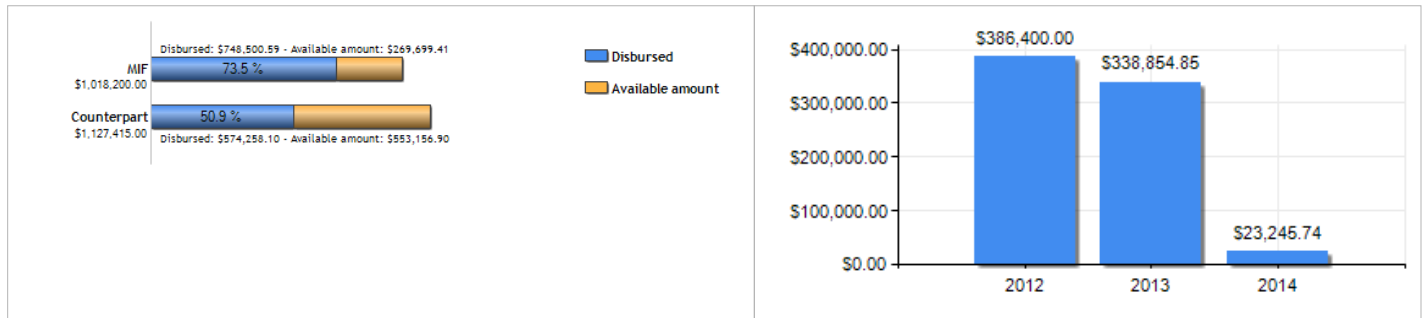
**Design Team Leader:** Bloomgarden, David

**Supervision Team Leader:** Bloomgarden, David

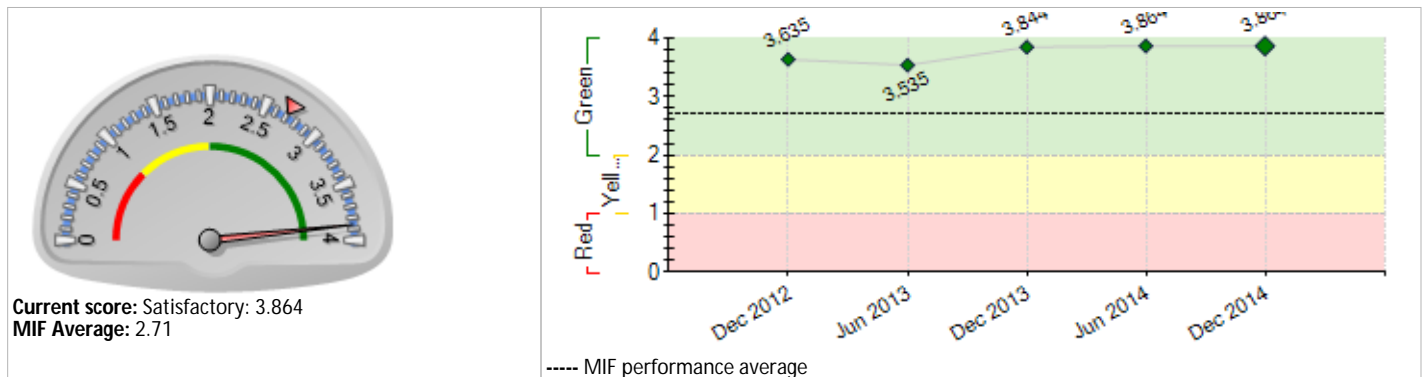
### TIMELINE



### FUNDS



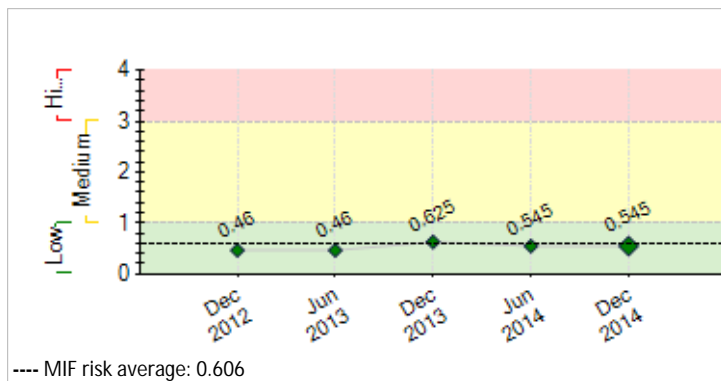
### PERFORMANCE SCORE



### EXTERNAL RISKS

#### INSTITUTIONAL CAPACITY

**Risk**  
**Financial Management:** Low  
**Procurement:** Low  
**Technical Capacity:** Low



## SECTION 2: PERFORMANCE

### Summary of project performance since inception

**Pro Mujer in Nicaragua (PMN)** continues to operate its education product sustainably, with education and screening services available to 100% of PMN clients. PMN has made an increased effort to expand their linkage model, adding considerable value for their clients by allowing them to access specialized care and providing access for rural clients who live far away from PMN's clinics.

**Fundacion ESPOIR's** education and microinsurance products continue to operate sustainably, serving 100% of ESPOIR's clients.

**COMIXMUL/FUDEIMFA's** community pharmacy model is on track toward sustainability after the changes made in the second half of 2014; a new MoU signed in November 2014 focuses on changes that will improve the program's overall sustainability by focusing on working capital and improved procurement practices.

Global Partnerships has requested the addition to the Project of **Friendship Bridge**, serving largely indigenous women living in rural Guatemala and delivering both credit and education to its clients through a village bank methodology. Friendship Bridge's health services pilot planning and design phase benefited from a knowledge exchange visit with PMN in 2014.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Particularly in relation to the incorporation of Friendship Bridge, the process has been rather slow due to the proper planning process, and the Bank's internal processes in view of the incorporation of a new country to the project vs. the Table of Authority in effect, plus the slow process to obtain the country's no objection involving not only the traditional office but also the Ministry of Health. At the moment of this PSR we are still waiting for such no objection.

### Summary of project performance in the last six months

GP's Health Services Officer, Marleen Engbers, visited PMN, ESPOIR, & COMIXMUL/FUDEIMFA twice each this semester. She also visited partner pending approval Friendship Bridge once during the reporting period, with an additional visit by Peter Bladin, who attended their November board meeting. Agnes Cho, Program Associate, spent three weeks with COMIXMUL/FUDEIMFA in Honduras, conducting an in-depth analysis of success indicators of the pharmacy model.

**PMN's** Managua branch (opened in March 2014) was further strengthened when the satellite 7 Sur office began offering health services in Q3 2014 & the optional package was expanded to that branch, making it available to 83% of PMN clients, with enrollment increasing to 9,096 clients.

**ESPOIR** successfully negotiated another year of microinsurance coverage for their clients at the same price, keeping client costs flat. The health coordinator left the organization in December 2014; GP & ESPOIR are discussing next steps.

**COMIXMUL/FUDEIMFA** provided training for all 301 community pharmacists in December 2014, during three workshops of two days each. This followed the decision to include COMIXMUL/FUDEIMFA's additional 100 pharmacies in the Project, streamlining management & overhead costs.

(Pending approval as a partner) **Friendship Bridge's** health services package has been defined, including preventive education & screening components. Plans for the pilot have been finalized & it will launch in the Solola branch in February.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

MIF supervision team visited Honduras and Ecuador in September, being able to talk the local partners and final beneficiaries in both countries, and to verify the progress being achieved. Espoir (Ecuador) has been facing local legislation changes, which challenged its organizational stability, but nonetheless has been able to manage the situation and ensure the continuity of sustainability for the model.

COMIXMUL/FUDEIMFA also underwent special circumstances when FUDEIMFA's authorities changed, but this showed to be a good circumstance since their performance improved through the incorporation of new dispensaries, relocation of other, enhancement of the overall approach to implement this project, and even results being achieved in addition to the improvement of the morale among personnel and project participants due to small but effective adjustments made (like appropriate trainings among other).

## SECTION 3: INDICATORS AND MILESTONES

	Indicators	Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
<b>Result:</b> Develop and expand sustainable business models providing health services through MFIs to low-income women in Nicaragua, Honduras, Ecuador and Haiti.	<b>R.1</b> Microfinance partners in 4 countries are delivering a package that includes some combination of preventive health education, early diagnostics exams, services and/or products to most or all of their low-income clients.	0	1 Oct 2013	2 Aug 2015		4 Oct 2015	2 Jun 2013	
	<b>R.2</b> Percentage of low income women accessing improved health package services rate these services as satisfactory or better.	0				70 Oct 2015	1 Jun 2013	
	<b>R.3</b> Low-income women have improved access to health services	0				75000 Oct 2015	88408 Dec 2013	
	<b>R.4</b> Health Services models implemented by microfinance partners have achieved financial sustainability beyond their pilot zones	0				2 Oct 2015	0	

<b>Component 1: Develop Sustainable Business Models</b>  <b>Weight: 15%</b>  <b>Classification: High Satisfactory</b>	C1.11	Approval by MIF of standard partnership operational guidelines and performance indicators.					Yes	Finished
	C1.12	Partners have clearly articulated health services packages that are ready to pilot in 1-2 branches.	0	3		Jan 2014	Jul 2012	On Course
				Jul 2013		Oct 2015	Jun 2013	
<b>Component 2: Pilot, Prove and Scale Sustainable Health Services Models</b>  <b>Weight: 75%</b>  <b>Classification: High Satisfactory</b>	C2.11	Partners successfully finalized pilot implementation and is ready to scale the Health Services package to other zones beyond the defined pilot area.	0	1	2	4	3	On Course
				Jul 2013	Jul 2014	Jun 2016	Jun 2014	
	C2.12	Partners started pilot implementation of Health Services packages.	0	1		3	4	Finished
				Jul 2013		Jul 2015	Dec 2013	
	C2.13	MFI partners are delivering their Health Services package to 50% or more of their clients.	0	1		3	2	On Course
<b>Component 3: Communication, Learning and Catalyzing</b>  <b>Weight: 10%</b>  <b>Classification: High Satisfactory</b>				Jul 2014		Jul 2015	Mar 2014	
	C2.14	MFI partners have proven sustainable business models that can deliver essential health services with financial sustainability in their pilot zones.	0			4	2	On Course
						Jul 2014	May 2014	
	C3.11	Documented and disseminated learning around what are the key success criteria of integrated business models that effectively deliver essential health services to low-income women across 4 different country contexts.	0			1		
						Jul 2015		
	C3.12	Pipeline of additional MFI partners developed who are interested in potentially adapting and implementing sustainable health services delivery models	0			1	2	On Course
						Jul 2015	Dec 2013	

Milestones		Planned	Due Date	Achieved	Date achieved	Status
M0	Conditions Prior	1	Jan 2013	1	Jan 2013	Achieved
M1	Partner health services package assessments conducted by GP	2	Jul 2013	3	Oct 2012	Achieved
M2	[*] Low income women enrolled in health services packages	10000	Jan 2014	57146	Jun 2013	Achieved
M3	[*] MFI partners have successfully finalized pilot implementation and have initiated expansion of their Health Services package to other zones.	1	Jul 2014	1	Mar 2014	Achieved
M4	At least 30,000 low income women are enrolled in health services packages	30000	Jan 2015	57146	Jun 2013	Achieved

[\*] Indicate that the milestone has been reformulated

**CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE***[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. The (lack of) sustainability and scale of the financial services side of the business may directly impact the options available to MFIs in terms of a financially sustainable health services business serving the same clients.	Medium	Incorporate into program due diligence process a stronger evaluation component of the strength and competitiveness of the financial services business prior to designing any health services program.	Project Coordinator
2. The lack of private sector health care providers with aligned motivations and economic incentives to serve a low income population may jeopardize the ability to negotiate access to screening and primary care services via linkages.	Medium	GP will spend more time analyzing market conditions in which a linkages strategy seems to have potential in order to strengthen the ability to anticipate program design options earlier on.	Project Coordinator
3. The macro and political environment in the four countries of operation: Nicaragua, Haiti, Honduras, and Ecuador, as well as the broader region, may not remain supportive of the private micro-finance sector broadly speaking, which may affect the financial viability of the MFIs and Cooperatives to remain viable.	Low	To offset this risk, project staff will seek to engage health officials through consultations and seminars associated with this program to demonstrate results and maintain support for this initiative.	Project Guest
4. Regional conferences targeting MFI and/or Cooperative audiences may not prioritize MF and Health business models as part of their broader agenda.	Low	To mitigate this risk, GP has budgeted for one regional workshop in its project, and plans to co-convene and organize the referenced workshop together with MIF in forums such as FOROMIC to improve chances of success. GP will of course be open to participating in additional conferences and workshops that include the topic of sustainable business models that successfully deliver health services as they occur.	Project Guest
5. Much of the knowledge transfer and catalyzing activities depend on partner MFIs and Cooperatives remaining open to broad dissemination of their respective health models with other institutions in the public and private sectors.	Low	In order to mitigate this risk, Global Partnerships will continue to include "open sourcing" clauses in its partner agreements, and will continue to communicate clearly from the outset with each partner regarding the expectation that all aspects of the business model be available for sharing with other interested institutions and stakeholders.	Project Guest
<b>PROJECT RISK LEVEL: Low    TOTAL NUMBER OF RISKS: 8    IN EFFECT RISKS: 8    NOT IN EFFECT RISKS: 0    MITIGATED RISKS: 0</b>			

**SECTION 5: SUSTAINABILITY**

**Likelihood of project sustainability after project completion:** HP - Highly Probable

#### CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

*[None reported in this period]*

#### Actions related to sustainability which will be or have been implemented:

COMIXMUL/FUDEIMFA's community pharmacy model is on track to achieving sustainability. GP and the FUDEIMFA community pharmacy team held a workshop on the topic in September 2014, and the new MoU signed by GP and COMIXMUL/FUDEIMFA in November 2014 focuses on that achievement. Sustainability will be achieved primarily through the establishment of a working capital fund for the purchase of medicines that will always be paid back first from program revenues, allowing for a steady balance of working capital available to maintain community pharmacy stock levels. GP and COMIXMUL/FUDEIMFA plan to hire a consultant to help improve procurement and the medicine supply chain. In part, this new structure came out of three weeks spent on the ground with FUDEIMFA by GP's Program Associate Agnes Cho, who conducted an in-depth analysis of the program's operations and identified areas for improvement in distribution.

### SECTION 6: PRACTICAL LESSONS

1. GP's vision of MFIs and cooperatives as pioneers of new business models to broaden service offerings and deepen their impact is an aspirational one, and identifying partner organizations that are fully committed to that strategy and achieving it sustainably has been somewhat more difficult than expected, highlighting the critical importance of strategic fit.

**Relative to**  
Sustainability

**Author**  
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