The Access Platform: 
Improving Health and Quality of Life in 
Developing Countries

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I. Background

The lack of adequate infrastructure hinders efforts to improve health and quality of life in developing countries. In most countries, the national infrastructure is built almost exclusively around capital cities. The public health system is outdated and under-resourced, processes are ineffective and health workers are over-worked and poorly trained. The outsourcing of specific tasks has been attempted, but, because of its interdependent nature, the supply chain breaks down when one service provider fails. This represents the biggest obstacle to long term success against poverty and the HIV/AIDS pandemic. In urban areas, environmental contaminants, crowding, inadequate housing, poor air, polluted water, uncollected garbage and exposure to raw sewage hinder access to health care, resulting in high infant mortality. Limited access to clean energy and water characterizes remote areas and makes improving health difficult. Vaccines, treatment, and basic services do not reach those who need them most. Each year, 3 million children die from vaccine preventable diseases, and 2 million die from diarrheal diseases. About two-thirds of households in developing countries are still dependent on biomass fuels for cooking. Many of these households use open fires or poor quality stoves inside the home. As a result, young children and women are exposed to hazardous indoor air pollution, increasing the risk of acute lower respiratory infection (ALRI), which is a cause of death for many children with measles, pertussis, and HIV. ALRI is believed to cause about 20 percent of the deaths of children under five and about 10 percent of stillbirths and deaths in the first week of life in the developing world.

This access gap harbors the seeds of a new strategic direction with enormous potential for developing countries. The new strategic direction requires not only increased funding, but also strong political will, a comprehensive approach, and entrepreneurial innovation capable of leading the way towards a strong, efficient, ubiquitous, and highly integrated Access Platform. The Access Platform comprises the critical systems and capacities required to ensure sustainable access to essential services. The construction of the
Access Platform has historically been tactical and opportunistic, resulting in weak, isolated, duplicative, and costly programs. This band-aid model creates a dependency situation where the Access Platform is built piece by piece to meet the requirements of specific services and donors. This model narrows our understanding of the challenges and fails to provide long-term solutions to the important access gap.

II. VillageReach

Founded in 2000, VillageReach is a 501(c)(3) non-profit organization that seeks to lend structural impact to efforts to improve health and quality of life in developing countries. Based in Seattle, VillageReach is supported by the Bill and Melinda Gates Foundation, the World Bank, and several other influential organizations and individuals around the world. We propose a new model that prepares countries for future challenges and, more importantly, helps them transform their present conditions to achieve the millennium development goals in a sustainable manner. Specifically, we work with governments and local partners to build Access Platforms that make the most effective use of local resources to improve the delivery of essential services in remote communities.

In March 2002, VillageReach and the Mozambique-based Foundation for Community Development (FDC) signed a groundbreaking agreement with the government of Mozambique to pilot the new model in the province of Cabo Delgado. The Demonstration Project was launched in July 2002 and has enjoyed full support of the government, as well as local and international partners. The Demonstration Project has proven very successful and currently serves more than 900,000 people through 42 health facilities in seven districts. Plans are underway to expand the scope to 90 clinics serving 1.5 million people by December 2004. Evaluation by the Mozambique Ministry of Health has shown an increase in immunization rates of participating districts of up to 40 percent. To help fund the Demonstration Project and secure reliable availability of fuel to power refrigerators, lamps, and sterilizers in health facilities, VillageReach and the FDC established VidaGas, a Mozambican company that distributes propane and related products. VidaGas supplies propane to the Ministry of Health and local households and businesses. Dependable access to propane has improved the quality of health services, reduced the dependency on biomass fuels, and stimulated local development. Profits from VidaGas sales will help fund local operating costs and ensure the long-term financial sustainability of the system. VillageReach and the FDC are working with the National Energy Fund (FUNAE) and other local partners to implement microlending solutions to increase access to propane for poor families, social groupings, and local entrepreneurs.

VillageReach proposes a collaborative initiative to accelerate the development of a viable Access Platform. The proposed initiative will build on the momentum of the Demonstration Project and will reach more than 20 million people in five years. We estimate that five projects are needed to comprehensively cover the approaches for building a strong, reliable, efficient, ubiquitous, and highly integrated Access Platform. Each project will help refine the VillageReach Model and create frameworks to guide replication in other parts of the developing world. The cost to implement, monitor, and evaluate the proposed initiative is estimated at approximately USD 20 million.
III. The VillageReach Model

The VillageReach Model helps examine and differentiate among remote communities. We see communities in three co-centric circles interrelated in a system of mutual dependence. The inner circles have a stronger Access Platform and offer dependable access to essential services. Our objective is to widen the circle of opportunity by helping countries build an Access Platform that increases the productivity, scalability, and cost effectiveness of service delivery in the most remote communities. The VillageReach Model enables governments and service providers to concentrate on their core competencies and to achieve millennium development goals in sustainable manner.

1. Access Platform

The Access Platform comprises the critical systems and capacities required to ensure sustainable access to essential services. The Platform is designed to be strong and scalable, and to provide faster and more detailed information to government and service providers. The main platform building blocks are:

- **Physical Infrastructure**: facilities, energy, communications, water, and transport systems.
- **Processes**: operation and maintenance, data collection and reporting, planning, quality control.
- **People**: training, evaluation, and reward for staff (e.g., health workers and teachers), and community representatives.

2. Organizing Principles

The VillageReach Model successfully applies proven business principles to increase availability, enhance demand, improve quality, and ensure sustainability of services. This application has proven to be fruitful during the Demonstration Project. The main principles are:

- **Standardization** – We standardize key elements of the platform to simplify operation and maintenance and to increase efficiency. This principle allows us to effectively operate in areas with lower literacy rates and higher personnel rotation. For example, we standardize delivery routes, schedules, and technologies (e.g., refrigerators, transport fleet, facilities).

- **Synchronization** – Synchronization is critical to ensure the timeliness and quality of services. This translates into important operational requirements such as control of the supply chain and rigorous stock management to avoid stockouts, and regular clinic hours to ensure predictability of services.
• **Outsourcing** – We outsource elements of the Access Platform to local partners, and we act as an integrator working to allow disparate capabilities to perform as a single, logical resource to customers. In addition, we offer governments and service providers the ability to concentrate on their core competencies, and to buy platform capabilities on demand. This allows them to lower capital spending and gives them the flexibility and confidence that they can effectively scale their operations and respond to surge in demand.

• **Leverage** – We rely on initial philanthropic funding to challenge governments and local partners to increase their commitments and investments towards the Access Platform. Our funding strategy is designed to provide us the flexibility required to deploy the most effective platform while filling critical gaps before it is profitable for private companies to do so – e.g., setting up VidaGas in northern Mozambique.

• **Sustainability** – We ensure the sustainability of Access Platform through five drivers: (1) **Capacity Building** – We train local partners and introduce new tools, technologies, and best practices to improve existing processes and practices; (2) **Local Ownership** – On-the-ground operations and relationships with local governments and communities are managed by the Host Partner, a local organization with outstanding credentials and a proven track record. We empower the Host partner to gradually take over the management of daily operations; (3) **Political Commitment** – We enter into long-term collaboration agreements with national governments and we encourage them to adopt policies that promote equity and sustainable development; (4) **Strategic partnerships** – We work with corporations and organizations that share our purpose and whose products and services strengthen the Access Platform; (5) **Sustained Funding** – We challenge countries and local partners to increase their contributions to capital and operating costs. We set up commercial ventures that use the platform to generate income covering up to 30% of local operating costs.

• **Integration** – We lower infrastructure costs and eliminate replication costs associated with reaching remote populations by building an Access Platform that improves access to healthcare and other essential services (e.g., education).

• **Customer experience** – We believe that by providing customers with a unique experience we can rebuild the trust in the public system and increase the demand for service. For example, mothers are more likely to visit clinics if health workers treat them with respect and provide them with superior service. This will result in an increase in demand for vaccination and other health interventions, and more lives improved and saved.
3. Implementation

VillageReach acts as the general partner of the proposed initiative and is responsible for signing-up strategic partners, coordinating fund raising and distribution, developing and executing the marketing strategy, securing long-term commitments from countries and local partners, project monitoring and evaluation, model refinement, and knowledge dissemination.

In each country, VillageReach focuses on the strategic and tactical implementation of the Access Platform and relies on the Host Partner to manage relationships with local governments and communities. We empower the Host partner to take over the management of daily operations. We work with countries and local partners to assess needs and build an Access Platform that makes the most effective use of local resources.

a. Capital Costs

VillageReach challenge countries and local partners to increase their commitments and capital spending towards the Access Platform, and then match their investments. We intend to lower capital costs by offering governments and service providers the ability to buy platform capabilities on demand. In addition, we plan to establish a sinking fund that will help to upgrade and replace capital assets. We plan to work with the World Bank and other regional and international financial institutions to take advantage of the HIPC and other similar initiatives.

b. Operating Costs

Our goal is to cover up to 30% of local operating costs with income from commercial ventures that leverage the Access Platform. We stimulate the emergence of the local private sector by providing critical funding and strategic advice to local entrepreneurs for using the platform to serve governments, households, non-governmental organizations, and commercial and industrial businesses. We will primarily focus on commercial opportunities that improve local production capacity and increase local family income. For example:

- **Logistics and delivery services** that increase the availability of low volume, high value items such as vaccines, medical supplies, mail and small parcels.

- **Support services** that strengthen the Platform and further our charitable purposes (e.g., propane distribution and communication services).

- **Other services** such as consulting (e.g., technology assessment, market research, evaluation, and training), local processing (e.g., production of medicines).
c. Community Development:

The poor quality of health services has decreased the confidence in the public health system, and has eroded the credibility of local governments. To address this challenge, VillageReach follows a two-fold strategy:

- We challenge governments to increase their commitments and capital spending towards the Access Platform, and encourage them to adopt policies that support service delivery in remote communities.

- We work with the Host Partner to enlist the support of community leaders, and empower community representatives to provide basic health services and refer patients to the nearest health facilities.

In addition, we work with government and private financial institutions to develop funding mechanisms such as subsidies, supplier credits, and microcredits, that allow local families and entrepreneurs to use the Access Platform to improve their lives, create jobs, and stimulate local economic development. In Mozambique, we are working with the National Energy Fund to educate local families on the benefits of clean burning energies, and to facilitate the adoption of propane as their primary source of energy.

IV. VillageReach Alliance Program

We work with our current supporters to assemble a strong network of partners that share our purpose and whose products and services support the Access Platform. Key partnerships include:

- **Investors**: foundations, donor agencies, individuals, corporations, non-governmental organizations.

- **Infrastructure providers**: architecture, medical equipment, energy, water, communications, and transport systems.

- **Functional experts**: strategic planning, supply chain, program management, policy, venture capital, community development, education, and public health.

- **Other**: pharmaceutical, consumer goods, legal, PR, accounting, and other professional services.

To date, VillageReach has raised over USD 5 million from a variety of investors and has successfully built several strategic partnerships. Our partners include: (1) The Government of Mozambique (e.g., Ministry of health and the National Fund for Energy); (2) **foundations**: FDC, Bill and Melinda Gates, Craig and Susan McCaw, Laurel, Flora Family, Glaser Progress, and Izumi; (3) **bilateral and multilateral**: The World Bank; (4) **corporations**: Getty Images, Chiron, Dometic, Iridium, and Amerigas; (5) **diverse organizations**: PATH, Synergos Institute, University of Washington, and The Wharton School; and (6) various professional firms.
V. The Demonstration Project

In March 2002, VillageReach and the FDC signed a groundbreaking agreement with the government of Mozambique to demonstrate the proposed model in Northern Mozambique. The FDC, VillageReach, and the Mozambique Ministry of health identified the province of Cabo Delgado as the most appropriate setting for demonstration project. With a population of 1.5 million, the province has one of the lowest per capita incomes in the country. In Cabo Delgado critical health logistics systems are deficient or altogether absent. A survey conducted in early 2002 estimated Cabo Delgado DTP vaccination rates at 29 percent. Other findings include:

- All 90 health facilities experienced frequent stock-outs of critical vaccines and supplies, and 85 percent of clinic refrigerators suffered from breakdowns, fuel shortages, and lack fuel of spare parts. Health facilities lack dependable access to energy to provide basic necessities: lighting for nighttime medical emergencies, refrigeration to store medicines and vaccines, and proper sterilization and disposal of needles and other medical equipment.

- According to the national statistics institute of Mozambique (INE), over 45% of the population lives more than 10 km from the nearest clinic. Overworked health workers reported spending up to 50 percent of their time on provisioning, equipment maintenance and training. The poor quality of health services and undependable availability of supplies has resulted in decreased confidence in the health system. A recent study by the University of California at Berkeley found that less than five percent of the rural poor use the public health system in Mozambique for diarrheal diseases, a leading cause of death.

- A reliable, clean energy source also has important health implications in the home. Yet, presently less than six percent of households have access to electricity, and over a half of these are in the provincial capital, Pemba, and its surrounding areas. Outside of these semi-urban areas, electricity access is minimal or nonexistent. Wood is becoming increasingly scarce and mangroves – breeding grounds for local fish and prawns – are now widely used as fuel. The resulting degradation of the mangroves is seriously endangering the local commercial fishing industry, one of the main sources of income in the region.

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VI. The Global Rollout

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1. Country Selection Criteria

We plan to focus on countries of greatest need and will use the following selection criteria: (i) GPD per capita; (ii) access to essential services; (iii) quality of the local Access Platform; (iv) political leadership and commitments; (v) quality of local partners; (vi) availability of funding; (vii) geographic location; (viii) nature of the challenges; and (ix) fit with VillageReach’s project portfolio.

2. Why invest in VillageReach?

VillageReach brings strategic focus on an area of greatest unmet need: the Access Platform. Successful implementation of the VillageReach Model allows governments and service providers to focus on core competencies, and enables faster deployment, greater scalability and productivity of efforts to serve the rural poor. Our collaborative model improves planning and information sharing. Our attractive, scalable business model stimulates the emergence of local private sector. We are enjoying a tremendous momentum of from a successful demonstration project. We have a strong and committed management team, advisors, trustees, and partners. Please join us!

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