

VillageReach®

Going the last mile...

MISSION

VillageReach is a non-profit social enterprise. Its mission is to save lives and improve well being in developing countries by increasing last-mile access to healthcare and investing in social businesses that address gaps in community infrastructure.

THE CHALLENGE OF THE LAST MILE

Life at the Bottom of the Pyramid

Today more than 4 billion people have little or no access to healthcare. The great majority, in sub-Saharan Africa, South and East Asia, and South America, live in remote communities with poor service infrastructure. Today these regions account for a disproportionate share of the worldwide deaths, many from preventable diseases which continue to kill 2.4 million children annually.

The lack of healthcare to prevent life-threatening conditions affects peoples' ability to achieve an education, maintain jobs, raise healthy families and improve their economic and social quality of life.

The Innovation Pile-up

In the past 40 years, more than \$3.4 trillion has been invested to address the disease burden and resulting poverty of developing nations. Progress has been made, but in low-resource countries with limited infrastructure, vaccine coverage has peaked at 65%. While developing countries struggle to deliver existing medicines and vaccines, the world is investing heavily in new medical products. New vaccines that will soon be available are more costly and, in many cases, physically much larger. Current distribution systems are overwhelmed today; these new products present even greater challenges.

THE VILLAGEREACH MODEL

The VillageReach model strengthens health systems in developing countries, particularly for remote, underserved communities. VillageReach partners with the Ministry of Health and other local organizations to deliver two interconnected solutions:

1. **A logistics platform** to improve cold chain performance, delivery of vaccines and other medical commodities, and information management for health systems in rural areas. These services expand access and enable quality healthcare for remote, previously underserved communities.
2. **An incubation platform** to launch social businesses that deliver essential infrastructure services. These businesses offer services not specific to the health system, such as transportation, energy and communications. Social businesses fill one or more gaps in a health system's wide range of needs, lower overall cost, and contribute to rural economic development. The goal is to make systemic improvements the Ministry of Health and local communities can scale and sustain.



ACHIEVEMENTS

Mozambique Program

In a five-year program, VillageReach strengthened the health system in northern Mozambique through a partnership with the Ministry of Health and the Mozambique Foundation for Community Development (FDC). A recently completed evaluation showed marked improvement in the health system's performance:

- over 5 million are served today through 260+ health centers;
- immunization coverage increased: 68.9% → 95.4%; and
- vaccine stock outs reduced: 80% → 1%.

VidaGas Social Business

In response to a critical lack of fuel to support the cold chain, VillageReach and FDC established VidaGas, a Mozambique for-profit propane distribution company. While the business was established initially to supply remote health centers, the company has increased its scale to take advantage of additional markets. Today VidaGas:

- is the largest propane distributor in northern Mozambique;
- ships 26 tons monthly; and
- serves health centers, homes, businesses and government agencies.

KEY INITIATIVES

Mozambique Nationwide Expansion: 2010 - 2012

With the support of the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF), the Mozambique Ministry of Health has decided to expand the logistics platform nationwide. Key goals of this effort include:

- increase vaccination coverage rates to at least 80% for all districts in Mozambique;
- reduction in monthly stock outs of vaccines and syringes below 4% for each health center; and
- numerous other goals designed to increase health worker productivity, healthcare quality, trust and use of the health system.

Scaling for Global Replication

VillageReach's logistics platform can significantly enhance health systems across the world. VillageReach is continuing to improve the logistics platform and related tools to enable others to adopt, replicate, enhance and implement the platform. These improvements include cost analysis tools, business process documentation and analysis, and continued development of the information management software application. VillageReach is working with the Optimize Project, a WHO and PATH five-year joint effort to develop vaccine delivery systems for the future. VillageReach is assisting the Optimize Project to implement the logistics platform in Senegal as part of a demonstration project.

Social Business Incubation

VillageReach has a unique perspective on infrastructure needed to achieve sustainable improvements in health systems. With its field expertise, VillageReach continues to identify gaps in critical infrastructure that may significantly influence the effectiveness of these systems at the last mile. VillageReach assesses not only the need for but also the market opportunity to create businesses providing transportation, energy and communications services. The goal is to leave behind a legacy of successfully developed, profitable businesses that are market competitive and socially beneficial.



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