

## **A conversation with Diego Moroso, April 23, 2018**

### **Participants**

- Diego Moroso – Regional Project Director, ACCESS-SMC, Malaria Consortium
- James Snowden – Research Consultant, GiveWell

**Note:** These notes were compiled by GiveWell and give an overview of the major points made by Mr. Moroso.

### **Summary**

GiveWell spoke with Mr. Moroso of Malaria Consortium about funding gaps for seasonal malaria chemoprevention (SMC) between 2018 and 2020 as part of a GiveWell project to estimate country-specific funding gaps for SMC and LLINs. Conversation focused on current gaps in SMC coverage and funders in the space.

### **Room for more funding for SMC**

The overall picture of room for more funding for SMC is roughly the same as the most recent estimates Malaria Consortium provided to GiveWell, with a few updates:

- The Global Fund has provided some additional funding for Niger.
- To date, the President's Malaria Initiative (PMI) has not supported SMC in Nigeria due to other program priorities. PMI planned to begin SMC support in 2018 in Kebbi, Sokoto, and Zamfara, but 2018 funding for Nigeria did not work out as expected (more discussion under "PMI" below). PMI has also added Cameroon, Niger, and Burkina Faso to its list of PMI focus countries, which is likely to result in increased SMC support starting in 2019.
- The UK's Department for International Development (DFID) is planning to fund the 2018 SMC season in four local government areas (LGAs or districts) of Jigawa State in Nigeria, a state where Malaria Consortium has worked since 2017 (using GiveWell-directed support).

Malaria Consortium estimates that about 15 million children are currently reached by SMC, out of roughly 29 million total children in the 15 countries suitable for SMC.

There is significant uncertainty around estimates of the number of children 3 to 59 months old who are eligible for SMC in each country; Malaria Consortium uses moderately conservative estimates for its planning, based on past implementation and on WHO guidelines for determining SMC eligibility.

### **Spending opportunities**

Niger, Chad, and Nigeria are struggling to achieve universal SMC coverage and might be particularly impactful places to direct additional support.

When Malaria Consortium tried to collect information on funding gaps for SMC on behalf of potential funders for countries other than Malaria Consortium's focus countries (Burkina Faso, Chad, and Nigeria), only Guinea-Bissau and Niger reported having gaps, though even in these two cases the information provided was quite vague.

### *Nigeria*

In Nigeria, the total population eligible for SMC is estimated to be 11 million. Malaria Consortium currently targets 2.1 million children, and DFID has entered with some funding to cover about 200,000 children across four LGAs, for around 2.3 million children to be covered overall. Much of the difficulty closing this gap is due to factors other than funding.

Nigeria has historically been a difficult environment to work in, requiring collaboration with multiple entities (including the federal government, nine state governments, and the LGAs). Malaria Consortium has stronger relationships with some Nigerian states than others. In 2018, it plans to work on developing a performance-based framework for its partnerships with states to ensure enhanced commitment by local authorities towards improved performance.

Donors often prefer to provide funds directly to governments, rather than sub-contracting independent NGOs. However, because Nigeria is very large, has many government entities interacting with the flow of funding, and has had problems in the past with funding accountability, providing large amounts of funding carries significant risks for many donors. A single large donor is unlikely to invest heavily in Nigeria; achieving full coverage will likely require a diversified portfolio of five or six donors to share the risk.

Even with sufficient funding, scale-up would need to be progressive and geographically realistic. For 2019, it likely makes sense to target the most-populated states and priority disease burden areas. The main barrier to expanding coverage in 2019 will be acquiring enough drugs; drug orders would need to be placed before the summer of 2018 to ensure they are produced and available in time in the right quantities. A new prequalified SMC product is not expected to enter the market before May 2019, which will raise the annual production capacity for SMC treatments from 75 million to roughly 180 million (meaning drug production capacity won't be a constraint on drug availability and having sufficient treatments when they're needed will primarily be a matter of placing orders in time). But this timeframe is unlikely to help swift scale-up in 2019 beyond a moderate increase in few states and may only help achieve universal coverage in all 9 states by 2020.

There are also significant security issues, particularly in the north-eastern part of Nigeria, which it would be important to think through before expanding coverage. It might be possible to start progressive eastward expansion in 2019, and expand gradually in 2020; Mr. Moroso thinks it's unlikely to be possible to achieve complete geographic coverage before 2021, short of considerable investments to tailor this intervention to insecure areas.

### *Countries without current coverage gaps*

Countries that have told Malaria Consortium they don't currently have coverage gaps for SMC include:

- Senegal (supported by PMI and its government)
- Ghana (supported by DFID, PMI, and the Global Fund)
- Cameroon (supported by DFID, PMI, and the Global Fund)
- Togo (supported by UNICEF)

*Note: information on donors' engagement has been difficult to collect. The involvement of the above-mentioned donors may be related to current or future commitments and may not reflect the most recent changes in the donor landscape.*

## **Funders**

The funding landscape for SMC becomes fairly uncertain starting in 2020. The main ongoing donors are the World Bank, the Global Fund, PMI, and Good Ventures.

### **World Bank**

2019 is the last confirmed year of World Bank funding, which currently supports a significant portion of SMC work in Burkina Faso, Mali, and Niger; it's unclear whether this support will be renewed for 2020. The World Bank's support for SMC is structured as a loan rather than a grant, and so involves a more complex set of terms and agreements (e.g., the receiving country's Ministry of Finance has to agree to particular interest rates, etc.) Renewal may depend on how well a given country has met the conditions of the loan, its performance, etc. Mr. Moroso believes that this information is currently unavailable, and it is difficult to predict where the World Bank will renew support.

World Bank funding for SMC is managed by the West African Health Organization.

### **PMI**

PMI currently supports SMC activities in Senegal, Mali, and Burkina Faso, and will be initiating activities in Benin, Cameroon, Niger, Guinea, and northern Nigeria with funding from the 2017 fiscal year. PMI produces a Malaria Operational Plan (MOP) for each of its focus countries each year and finalizes its funding plans for the next fiscal year around October or November (though it sometimes announces unofficial plans earlier than that).

- Burkina Faso became a PMI focus country in 2017. PMI has stated its intention to cover 12 districts for the next three years and its support is confirmed for 2018. (PMI typically ends up following its stated plans for funding, but official confirmation doesn't happen until very late each fiscal year.)
- PMI confirmed its funding for Nigeria for 2018. However, a contractual framework could not be finalized for Nigeria in 2018, and it is expected that drugs already procured will be donated to states where Malaria Consortium's

work is currently supported by Good Ventures (844,650 treatments). A similar arrangement may be reached for 2019 (for 2,533,950 treatments), while it is expected that a contractual framework will be established by PMI in 2020.

- PMI covered Mali in 2016 and 2017, and will do so in 2018 to a similar extent (10 to 12 districts), with such support most likely to continue until at least 2020.
- In Guinea, PMI covers eight districts and will most likely do so until 2020; the total number of eligible districts has also increased.
- Niger became a PMI focus country in 2017 and support for SMC should start in 2019 across 5 to 6 regions.
- Senegal is mostly supported by PMI and has had long-term support since SMC first began. This is expected to continue for the foreseeable future, with 16 districts supported in 2018, and 18 in 2019 and 2020.

### **The Global Fund**

The Global Fund makes a new round of funding decisions every three years. Its current funding period began in 2017; the concept note for its 2020-2022 funding period is due this year. Mr. Moroso thinks the Global Fund will likely maintain its current funding level for SMC (or potentially increase it slightly), but this isn't yet confirmed.

The Global Fund decides on funding allocations for particular countries and diseases, then stratifies locations within countries by disease priorities. The Global Fund's Country Coordinating Mechanisms (CCMs) are the representative framework for its decision-making process. Applying for funding involves convening various stakeholders for the country to support the NMCP in producing a concept note that is eventually submitted to the Global Fund's Portfolio Managers and Review Panels for review. This initiates a back-and-forth process with the Global Fund providing comments, requests, and finally validating or discarding funding requests for specific activities.

If there is additional malaria funding left over once the Global Fund has settled on its priority grants, it's possible it could be redirected to SMC via the Prioritized Above Allocation Request (PAAR) mechanism, but it may be several months before this is determined.

### **UNICEF**

UNICEF appears to be phasing out support for SMC, but is still making funding decisions year by year. UNICEF has mainly given funding for SMC directly to governments and provided technical assistance. It has supported Chad in the past but doesn't plan to do so this year.

### **UNITAID**

UNITAID's support for ACCESS-SMC was a one-time grant to help jump-start SMC at scale, and it doesn't plan to continue funding SMC.

All of ACCESS-SMC's areas that were funded by UNITAID have been transitioned to funding from the Global Fund, PMI, the World Bank, or Good Ventures.

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