

## **A conversation with Alan Fenwick, July 31, 2015**

### **Participants**

- Alan Fenwick – Director, Schistosomiasis Control Initiative (SCI)
- Tyler Heishman – Research Analyst, GiveWell

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

### **Summary**

GiveWell spoke with Professor Fenwick of SCI for an update on its operations. Conversation topics included updates to SCI's budget, treatments targeted for last year and this year, potential changes in SCI's treatment strategy, future drug supplies, and updates on individual programs.

### **Treatment costs**

SCI has to send an average of 15 pence per treatment to each country to cover delivery of the drug from the ports, training, advocacy, treatment provision, and per diems. This does not include administrative or monitoring and evaluation (M&E) costs. Including these costs yields a rough estimate of 50p per treatment.

### **Future treatment plans and strategy**

#### **Increase in global supply of PZQ**

The German drug maker Merck KGaA is expected to increase the supply of praziquantel (PZQ) it will donate to the World Health Organization (WHO) for distribution. In 2015, Merck will donate 100 million tablets of PZQ, enough to treat 40 million children, which is equivalent to the number treated by SCI-supported programs in the organization's best year.

In 2016, Merck will donate 250 million tablets, enough for 100 million children. SCI is now strategizing around how to expand its capacity to handle this significant increase in available PZQ. The additional PZQ will have to be absorbed by larger countries that require treatment but do not yet have a large-scale program in place, including Ethiopia, Nigeria, and Democratic Republic of Congo (DRC). WHO has already determined next year's allocations of PZQ for each country, as well as allocations of albendazole for treating soil-transmitted helminthiasis (STH), which are coordinated separately. It is SCI's policy to provide treatment for STH to anyone receiving schistosomiasis treatment.

#### *Sources of PZQ*

Besides Merck's donation in 2016, another 120 million tablets will be purchased by various organizations, including SCI, World Vision International, the World Bank, and the UK's Department of International Development (DFID). These groups buy PZQ from several manufacturers, mainly Cipla and Micro Labs in India.

## **Areas targeted for expansion**

Given an extra \$2 million, SCI would hire an extra staff member (at a cost of £50–60,000), and the remainder would be allocated for programs in the areas assigned to the new staffer.

Nigeria is SCI's top priority for expansion. Given more funding, it would likely begin programs in new states in Nigeria rather than move into new countries. SCI would also like to add a program manager for DRC. Because Zimbabwe will be receiving a donation of 4 million tablets of PZQ next year, it is possible that SCI will do some work there. (This is now less likely because Zimbabwe is being funded by the END Fund directly.)

## **Treating non-enrolled school-age children**

SCI intends to make more of an effort to reach school-age children (SACs) who do not attend school. This will involve mainly outreach to encourage children to attend school on treatment days, as well as evaluations of these efforts' effectiveness, which will guide future plans for outreach. Outreach may reach 50% of these children, but its success depends largely on the rate of enrollment in each geographic area. More developed, peaceful countries tend to have higher school enrollment rates (between 65 and 80%). However, on one visit to northern Mozambique, where child labor is common, an SCI representative found very few students in school.

## **Treating preschool-age children**

In addition, a recently published study of preschool-age children in Uganda found that a high percentage of babies and toddlers are infected with schistosomiasis. Merck is now working on a pediatric formulation of PZQ, which SCI intends to field-test on preschool-age children once it is on the market. In the past, SCI has treated children under six if they were found to be infected but has not conducted mass drug administration for children in this age group. The treatment method involves crushing PZQ and mixing it with a spoonful of honey, which is not a cost-effective approach unless the child is known to be infected.

## **Collaboration with governments**

SCI would like the governments it works with to contribute more to treatment programs so that it can eventually transition program management into their hands. While the governments themselves administer the treatments and contribute more than what might be obvious to an outside observer, it is uncertain what would be done with the programs if SCI left. This may be somewhat dependent on the government's willingness to pay per diems and other necessary fees, although these costs should not be onerous, given that treatment takes place on only one day per year.

There are three countries where SCI worked in the past and no longer does, but these programs are still supported with funding from USAID. Helen Keller International now manages these programs. However, SCI has not yet worked in any country where a government eventually ran the treatment program without the support of any outside partners.

## **Program updates**

### **Ethiopia**

In Ethiopia, one donor has provided enough funding to cover schistosomiasis treatment for 10 million people this year, but it is not guaranteed that the same donor will fund treatment again next year. Another donor provides funds directly to the Federal Ministry of Health (FMoH), not to SCI. A third donor is likely to fill the gap in treatment of schoolchildren; this funding may be split among FMoH, the Ministry of Education, Evidence Action and/or SCI.

The FMoH's former neglected tropical diseases manager, Oumer Shafi, has left his position to study for a Ph.D. in the USA but a replacement is lined up.

### **Madagascar**

SCI received a £200,000 grant from a private donor to conduct mapping in Madagascar and begin arranging for treatment using donated PZQ that was about to expire. About 150,000 people were treated in 2014/15.

SCI currently has the funds to commit to supporting only one year of programming in Madagascar. However, the same private donor has agreed to provide another three-year, \$1 million grant. SCI created a budget for a program in seven of the 16 districts in Madagascar, which came to \$1.6 million over three years, leaving a gap of \$600,000. The donor's funding may be channeled through the UBS Optimus Foundation, which could then encourage other UBS investors to support SCI.

### **Nigeria**

Of Nigeria's 36 states, four are already funded for schistosomiasis treatment. Sightsavers won a contract to carry out programs in these states, and SCI has partnered with Sightsavers on this project. The Carter Center and RTI International administer treatment programs in another five to 10 states covered by USAID funding. Representatives from another five to 10 centrally located states, with no funding for schistosomiasis treatment, have approached SCI for assistance. Nigeria is slated to receive 47 million tablets of PZQ from Merck KGaA in 2016, which should be enough to cover the states that are already supported, plus the ones that are seeking support from SCI (although SCI believes that Nigeria could use up to 50 or 60 million tablets).

Because of the Merck donation, SCI plans to assist these new states if it gets enough funding. However, safety is a concern in Nigeria due to the continued risk of kidnap of health workers. Scale-up in Nigeria must also take place fairly soon after the PZQ

is delivered, as the drug expires within two to three years (usually two years from the time it is delivered).

## **DRC**

Progress in DRC is expected to be somewhat slow. The government's level of commitment and the capacity in the country are uncertain, but signs suggest it is ready to proceed and expand coverage. The lack of paved roads is also a hindrance, and conflict in the eastern part of the country may prevent SCI from treating there. Professor Fenwick will be visiting DRC with some representatives from the Filarial Programmes Support Unit (FPSU), formerly the Centre of Neglected Tropical Diseases (CNTD) of the Liverpool School of Tropical Medicine to do a joint presentation on treatment goals for lymphatic filariasis (LF) and schistosomiasis.

DRC is planning a treatment for fall 2015. In November 2014, the country aimed to treat 1 million people, but ended up treating only half that number. It is not clear what happened to the remaining drugs that were delivered.

## **Zambia**

SCI continues to experience challenges operating in Zambia. Treatment efforts in Zambia are largely controlled by FPSU, which shares a grant with SCI. SCI is ramping up its level of involvement there, but this has not yet had an impact.

## **Mozambique**

Mozambique presents challenges because of its size and because SCI has had logistical problems working there. Treatments are carried out, but SCI also finds M&E to be a challenge there, as the collected coverage data for SCI's statisticians to evaluate has not yet been analyzed. SCI currently has a separate research project under way in Mozambique with the Schistosomiasis Consortium for Operational Research and Evaluation (SCORE), which is funded by the Gates Foundation.

## **Staffing update**

SCI's finance and operations manager, Blandine Labry, is leaving the organization, and SCI is currently interviewing candidates for her replacement. SCI has hired two new finance staffers, increasing the number of positions on the finance team to four. SCI is also advertising for a fundraising position to expand its outreach.

## **Financial update**

### **Reserve funding**

As of March 2015, SCI's budget allocation showed that it would not have reserve funding this year. This reflects a strategy adopted by SCI that relies on pre-committed sources of funding from large donors for this year's expenditures, and counts on additional future donations throughout the year to build its reserves. Although this is a somewhat risky approach, SCI is now receiving monthly contributions from 3,000 individual donors and feels confident that through these

donations, it will be able to build reserves of at least £500,000 during Q2, Q3, and Q4 of 2015. However, SCI acknowledges that losing any large source of funding would have a significant negative impact on its finances and programming.

In addition, some confirmed large sources of funding will help cover program costs and reduce the risk. Its grant from DFID will cover treatments for 20 million people per year over the next four years (about half of the people SCI hopes to treat this year), thus reducing the need for reserves. SCI plans to cover treatment for the remaining 20 million this year using unrestricted funds. SCI has also earmarked and put aside money from previous donations to pay for salaries for the next four years.

### **Changes to funding allocations for Ethiopia**

As of March 2015, SCI had significantly increased the funding allocation for its Ethiopia program. This is due in part to the recent completion of a two-year, £1 million project, funded by SCI, to map the entire country at the *woreda* (district) level. SCI now has a better understanding of where STH and schistosomiasis treatment are needed in Ethiopia. Ten million people in the country need treatment for schistosomiasis, and SCI plans to support treatment for all of them during 2015/16; last year, the Ministry treated only 1 million people. These 10 million people are SCI's priority targets for treatment and will also receive STH treatment. SCI also plans to help the FMOH treat another 30 million people in Ethiopia who require STH but not schistosomiasis treatment, and has agreed to try to raise funds to cover these treatments.

The budget that SCI presented in March raised the cost of the Ethiopia program from approximately \$1 million to \$2 million, while the number of planned treatments in the budget does not seem to have increased commensurately (from approximately 7 million to 7.5 million). Professor Fenwick believes that the increased budget figure may be intended to represent SCI's planned treatments for STH.

### **Unrestricted funding**

The budget SCI presented in June 2015 showed that as of March 2015 SCI held substantially more unrestricted funds (by about £1 million) than the March 2015 version of the budget had shown. This is likely because some of SCI's funds are held in the Imperial College trust, which identifies blocks of funding as "committed" to certain countries or projects. Committed funding is deducted from available cash, but has not yet been transferred to the appropriate country. The £1 million added to the budget potentially represents funding that was "committed" previously, but never actually used.

In response to requests from some of its program managers in Africa, SCI has allocated slightly more unrestricted funding to give each program roughly a 5% buffer.

### **Changes to SCI's financial system**

### *New budgeting and cash book systems*

In her six months at SCI, Ms. Labry established a more robust budgeting system for each country in SCI's portfolio, and all program managers have been trained on the new systems. Ms. Labry also created a cash book system to track funding sent to each country.

### *Improved capture of finances*

Ms. Labry was able to obtain receipts and fill in some gaps in information, which will help to better capture the organization's finances. Some receipts from countries have yet to come in, but these are not likely to affect SCI's overall financial picture.

### *Partnerships with local NGOs on funds distribution*

In certain countries where the national ministries of health lack sufficient capacity, Ms. Labry has identified reliable local NGOs that will accept and distribute SCI's funds into their bank accounts. SCI will pay for a local accountant or account assistant who will work in the NGO's office, collecting and distributing SCI's funds. SCI will also pay 5–6% of the NGO's local office overhead. This is a more cost-effective solution than establishing offices in all of SCI's countries. So far, SCI has implemented this system in DRC, Côte d'Ivoire, and Tanzania, and it hopes to gradually begin implementing it in other countries.

## **Evaluation by external groups**

Two groups, Sustainable Health and Epic Foundation, have expressed interest in conducting evaluations of SCI. SCI is now on each group's short list of 100 charities to investigate. Both Sustainable Health and Epic plan to eventually select 10–20 charities to recommend. Epic will then approach its donors in an attempt to raise a total of \$1 million in a year, which will be divided among its 20 selected charities, for a total of about \$50,000 to each charity.

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