

A conversation with The END Fund, October 17, 2016

Participants

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Note: These notes were compiled by GiveWell and give an overview of the major points made by Ellen Agler, Sarah Marchal Murray, and Abbey Turtinen.

Summary

GiveWell spoke with Ellen Agler, Sarah Marchal Murray, and Abbey Turtinen of the END Fund as part of considering the END Fund as a potential GiveWell top charity. Conversation topics included room for more funding for the END Fund's deworming work and how it prioritizes treatment gaps among neglected tropical diseases (NTDs).

Room for more funding for The END Fund's deworming work

Treatment gaps that The END Fund is working to fill

Democratic Republic of the Congo

The organizations working on deworming in the Democratic Republic of the Congo (DRC) are coordinating to cover all regions where there are opportunities to treat school-age children for soil-transmitted helminthiasis (STH) and schistosomiasis. Over the past few years, these organizations have joined to form a national neglected tropical disease (NTD) council that meets with the DRC's ministry of health and local implementing partners to formally divide the work by province. There is little total deworming work being done in the DRC, so it is important to maximize impact by ensuring that the organizations are not doing redundant work. As such, the treatment gaps that the END Fund has factored into its room for more funding estimate do not overlap with the treatment gaps that other organizations plan to fill.

Ethiopia

The END Fund made a grant to SCI for deworming work in Ethiopia, which was funded by the Margaret A. Cargill Foundation. The Children's Investment Fund Foundation (CIFF) has funded the END Fund's costs of fundraising \$2.4 million for additional work in Ethiopia. If the END Fund succeeds in raising this amount, CIFF will donate an additional \$600,000 to the ministry of health via the END Fund. To date, The END Fund has raised approximately \$800,000 from individuals and one organization.

South Sudan

The END Fund intends to do some work in South Sudan within the next year, though it cannot commit to starting treatments by a certain date. It was originally working with Sightsavers in South Sudan, but Sightsavers has moved its staff out of the country due to safety concerns. The END Fund is now actively looking for other potential partner organizations to work with in South Sudan.

Some staff of The END Fund have experience working in war zones and emergency situations, which makes the organization better poised to work in conflict areas and more tolerant of risk than other NTD organizations. It is currently working in the Central African Republic, Yemen, Somalia, and other conflict areas.

Last-minute funding opportunities

The END Fund typically spends several million dollars per year on deworming funding opportunities that it was not aware of at the beginning of the year. It is able to find these opportunities by remaining involved in the NTD community, e.g., by going to regional meetings and meeting with ministries of health. It is very likely that unexpected funding opportunities will arise in the next year, particularly because the END Fund has gained a reputation as a nimble actor in the NTD community that is able to move more quickly than government funders to fill urgent gaps.

Engaging with last-minute funding opportunities will be an important strategy to build the capacity to control STH and schistosomiasis in the long term. There are several countries (including the DRC, Sudan, South Sudan, Yemen, and Zimbabwe) where the END Fund has begun and expanded its programs largely due to its engagement with last-minute funding opportunities.

The END Fund recently learned of a deworming opportunity in Afghanistan, and will soon begin treating 7 million children there at a cost of \$200,000.

Capacity to use additional funding in 2017

The END Fund noted the following probabilities that its deworming work will be funding-constrained if it receives below a given level of funding (i.e. the probability that it will be able to commit certain levels of funding within a given time period):

- 99% chance it will be funding-constrained if it receives less than \$11 million in the next year.
- 75-80% chance it will be funding-constrained if it receives less than \$16 million by the end of the second quarter of 2017.
- 75% chance it will be funding-constrained if it receives less than \$21 million by November 2017. If the END Fund knew by the beginning of the year that it would have this funding, the probability that it would be able to commit the funding by November 2017 would be higher.

The deworming funding opportunities that The END Fund is currently aware of for the next year total \$13 million. These opportunities have been approved by the country's ministry of health and discussions with possible implementing partners have begun. The END Fund is aware of many other possible funding opportunities that it would need to vet more thoroughly before soliciting funding for them.

One of the main tensions in the END Fund's work is in ensuring its ability to continue funding its multi-year commitments without over-committing. If it were able to plan its spending over a year in advance, it would be able to commit significantly more funding in the coming years.

Scaling up granting capacity

The END Fund's board would like it to grant at least \$20 million per year and to scale up to granting \$200 million or more over the next five years. The END Fund is working to increase its capacity by working with ministries of health and local implementing partner organizations and building relationships with new implementing partners.

Factors most likely to reduce the END Fund's ability to use funding effectively

Major risk factors include:

1. **Security:** The highest risk to the END Fund's ability to grant out funding is security in the areas where it works.
2. **Weak supply chain:** An analysis of the supply chain for trachoma work in the DRC revealed weaknesses in supply chain management. The DRC government also put in an order for a larger amount of praziquantel than its implementing partners thought they would be able to use.
3. **Lack of education:** Many of the diseases that the END Fund focuses on, including diseases that cause long-term illness, disability, or reduced cognitive capacity, are seen as normal in the places where they are endemic. This lack of education tends to make people skeptical of MDAs because they do not understand the benefit of the drugs. Adding educational elements (e.g. parent education, parent consent, community awareness, and radio ads) to NTD program budgets would help to ensure high MDA coverage and high acceptance from the community.

The END Fund has previously had trouble getting government buy-in for NTD programs, but this has gotten easier now that many countries have a national NTD plan and NTD teams within the ministry of health.

Drug availability is not a constraining factor. GlaxoSmithKline (GSK) and Johnson & Johnson are running a drug donation program through 2020, which The END Fund is eager to take advantage of. These producers are currently producing and offering to donate a larger quantity of drugs than NTD organizations and governments are utilizing, and they may not continue the program past 2020 if usage of the drugs

does not increase. For praziquantel, production of this drug has been scaling up and so far all requests for it have been met.

Multi-year funding commitments

It is preferable to have multi-year funding commitments for deworming programs because it is usually necessary to run the programs for a minimum of 3-5 years to get significant reductions in the prevalence and intensity of disease. The END Fund makes two kinds of multi-year commitments:

1. **Commitments to fundraise:** The END Fund and CIFF have committed to finding funding for a 5-year deworming program in Ethiopia run by the federal ministry of health, despite not having the whole amount of funding (\$10 million) on hand. Commitments such as this involve annual evaluations of the strength of the program, progress it has made, and whether the END Fund has the capacity and funding to continue supporting it.
2. **Commitments to provide funding:** The END Fund sometimes receives donations that are restricted to a multi-year commitment in a certain country. One donor has made such a donation to support multi-year programming in Angola, and the END Fund is dispersing this funding as the implementing partner reaches certain targets.

The END Fund tries to be flexible regarding the types of restrictions that donors choose to place on their donations in order to be able to accept donations that are offered, particularly for multi-year programs. Multi-year commitments from donors often come as pledges followed by a series of payments, rather than immediate lump-sum donations.

Currently committed funding

The END Fund currently has \$6 million in committed funding for program work in 2017 and into early 2018, including both restricted and unrestricted funding for deworming and other NTDs. This includes:

- About \$2 million restricted to STH and schistosomiasis, including:
 - Funding from two donors for Angola
 - Funding from CIFF and another investor for Ethiopia
 - \$300,000 over 3 years in Zimbabwe from one donor
- \$1.5 million restricted to onchocerciasis
- Some time-restricted but otherwise unrestricted funding that the END Fund can spend on fundraising, capacity-building, advocacy, and/or other elements of its program work apart from deworming

There is no typical balance between restricted and unrestricted funding. In 2013, a large proportion of The END Fund's funding was restricted. At the end of 2015, its committed funding for 2016 was 90% unrestricted but had to be spent by the end of

2016 or early 2017. Some of this funding was restricted broadly to Sub-Saharan Africa, but otherwise unrestricted.

Fundraising expectations for 2017

There are several factors that make it difficult to predict how much funding the END Fund will be able to raise next year:

- It relies on a small number of large donors (high-net-worth individuals and public entities), which is inherently less predictable than relying on a large number of small donors.
- Many multi-year donor agreements will be up for renewal by the end of quarter 2 of 2017.
- The performance of donors' financial portfolios and broader political and social landscape that may impact philanthropy.

The END Fund has historically doubled its fundraising every year, and has the capacity to double again next year to grant over \$20 million per year. Because it is hard to predict how much funding it will receive, The END Fund's priority is to use a model that is capable of scaling up or down depending on the amount of funding it receives. Its model is based on a demonstrated desire within the NTD community to fill the annual NTD funding gap of about \$200 million.

Prioritizing treatment gaps among NTDs

The END Fund continues to fund only the 5 NTDs that have an associated drug donation program (onchocerciasis, LF, trachoma, STH, and schistosomiasis), which are also the most prevalent. The END Fund does not by default prioritize any NTD over any others, but typically prefers to fund treatment for the diseases that seem to be most neglected within NTDs.

Currently, STH and schistosomiasis are relatively neglected.

The treatment gaps for each NTD are as follows:

- STH has the largest treatment gap of the 5 diseases.
- Schistosomiasis is the furthest behind of the 5 diseases in terms of meeting global targets.
- The number of people at risk of onchocerciasis is roughly 200 million. The funding that the END Fund has received for onchocerciasis has been for certification of elimination, which is a small percentage of the total need.
- The trachoma treatment gap is in surgery: about 5 million people need surgery to correct trichiasis, a later stage of the disease in which the eyelashes turn inward and scrape the cornea. The END Fund gets a lot of requests for help filling this gap, and is considering increasing its investment in this if it is able to find funding.
- LF is nearing elimination in many countries.

Growing the deworming portfolio

The END Fund may grow its deworming portfolio, for several reasons:

- To meet the 2020 goal of 75% deworming coverage of all school children globally. Current coverage levels are far from this target.
- To utilize the drugs that Johnson & Johnson and GSK are producing, both to meet deworming goals and to ensure that the donation program continues past 2020.
- To guard against decreases in deworming coverage as LF treatment programs end (more on this below).

Urgent deworming gaps due to termination of LF programs

USAID and other funders have been focusing on eliminating LF. Cambodia recently declared elimination, and many other countries are expected to reach this target within the next couple years. While this is an accomplishment, it is problematic for deworming efforts. LF is treated with a combination of the drugs ivermectin and either albendazole or mebendazole, which are also deworming medicines. So a large-scale community LF program is also, by default, a deworming program, even if drugs approved for use on this project are specifically for an LF elimination program. It is recognized throughout the NTD community that as LF programs scale down and reach elimination targets, this will leave a gap in a large population currently receiving deworming treatment.

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