

Shrinking the Map of Malaria thru Private-Public Partnerships

Background

Pilipinas Shell Foundation, Inc. (PSFI) prides itself of 30 years of experience in managing social development programs of national and local scales ranging from leadership enhancement and attitude development; technical, vocational and agricultural skills development, training and employment; livelihood and entrepreneurship development and training; health care and services; educational improvement; sanitation and safety; and, environmental stewardship. Established in August 1982 as the social arm of the Shell companies in the Philippines (SciP), PSFI pioneers in pursuing sustainable and best practice projects that respond to the needs of Shell worksites and other host communities. PSFI programs are designed to respond to the needs of the times and play an active role in nation building.

PSFI gained its experience in implementing a malaria program when it co-implemented with the Provincial Government of Palawan the province-wide malaria program, *Kilusan Ligtas Malaria (KLM)* in 1999. Putting its community organizing experience to good use and through funds from Shell Philippines Exploration B.V. and its Malampaya Joint Venture partners, PSFI worked with the Provincial Health Office and the Department of Health Regional Office to organize and mobilize 344 villages in setting up a community based malaria control program. Microscopy Centers were established in each of these villages to ensure early diagnosis and prompt treatment. Technical working groups were formed at various levels (barangay, municipal and provincial) to draw their malaria prevention plans alongside capacity building activities and equipment provision to improve case detection and treatment. From the baseline data of year 2000, the program substantially reduced the incidence of and death from malaria in the province by 96%. The success of the KLM program gives confidence to PSFI that malaria can be controlled probably eliminated in the country. In June 2006, PSFI was the Principal Recipient of the Round 5 malaria grant (USD 14.3 million) from the Global Fund to Fight AIDS, TB and Malaria (GFATM). The grant, called the "Movement Against Malaria" (MAM), covered the top 5 provinces most affected by malaria. Beginning January 1, 2010, PSFI became the Principal Recipient of the consolidated malaria grant from GFATM in the Philippines for the amount of USD 31.4 million for

2 years expanding its coverage from 5 to 40 endemic provinces of the country. As Principal Recipient, Pilipinas Shell Foundation, Inc takes on its fiduciary role in the management of the malaria grant from the Global Fund. Due to its exemplary performance, the 2nd phase of the consolidated malaria grant was approved with an additional grant of USD 23.8 million for implementation starting January 2012 until December 2014.



Figure 1. BY THE NUMBERS.
As of March 2012, an estimated 5.1M people became beneficiaries of various projects of Pilipinas Shell Foundation, Inc.

The Department of Health spearheads the implementation of the Malaria Control Program in the country and shall have oversight on all externally funded programs supporting it. It provides the policy direction to all the Local Government Units (LGU) and the Non-Government Organizations (NGO) involved in malaria as to the strategies and quality assurance in diagnosis and the protocols for treatment. The DOH central Office and its regional offices provide the technical assistance required by the LGUs and NGOs to ensure quality diagnosis and treatment. It also provides malaria commodities where gaps are identified. The Centers for Health Development (CHD) together with the Principal Recipient will take on the primary task of cascading and adapting these guidelines to the provinces, cities and municipalities within their jurisdiction. The LGUs shall take the lead in implementing the guidelines to ensure the effective storage and to properly distribute and deliver all malaria commodities to their respective jurisdictions.

Implementing Principles

In implementing the project, PSFI applied the same key principles it employs in all its other programs. PSFI carried out stakeholder engagement and capability building to ensure that the benefits achieved by the malaria control program are sustained and further enhanced. PSFI believes that the success of any social program depends a great deal on the community's understanding of what is to be achieved, what the issues are, what needs to be done, what resources are available and how each one can contribute to its success. Engaging the officials of local government units and agencies, community leaders, local associations and NGOs, and the residents themselves is the best way to develop local ownership of a project. Once this is achieved, everyone starts working together towards the same objective. These principles and practices were observed and highlighted in the external evaluations done by the World Health Organization experts and Grant Score Card of the GFATM.



Figure 2. ENGAGEMENT FOR COMMUNITY PARTICIPATION

In all of its projects, Pilipinas Shell Foundation, Inc. takes its beneficiaries as key stakeholders of project implementation and not just mere recipients. For Movement Against Malaria, members of malaria endemic communities are not passive beneficiaries of malaria services and commodities. Once they are properly engaged, they become partners in the fight to eliminate malaria. (L) A household that regularly uses the Long Lasting Insecticide-treated Nets (LLINs) that were provided to effectively cover its members against malaria infection, is actually helping in curbing disease transmission. Their experience on LLIN protection once shared to other members of the community will help to spread the simple but effective behavioral change for malaria protection. (R) Community participation in awareness campaign reinforces this positive behavioral change into one shared commitment of eliminating malaria. Here, school children clad in mosquito net gowns during a Malaria Awareness Day celebration in Palawan Province that showcases the importance of sleeping under a mosquito net every night.

PSFI is aware of the importance of maintaining and enforcing appropriate procedures, guidelines and control mechanisms to enable both management and staff to perform their tasks, meet their targets and contribute to the achievement of the Foundation's objectives effectively. In the country audit conducted by the Office of the Inspector General (OIG) of the GFATM in August 2009, it recognized that PSFI has generally good financial management and

that all funds were accounted for. The same was also highlighted in the Grant Score Card of the GFATM.

Cost effectiveness is the key to PSFI's program implementation. This is achieved through efficient management, innovations and collaboration with private and public stakeholders. Program Managers of PSFI will tend always to find innovative ways of ensuring prudent and effective use of grant funds at the same time demonstrating transparency in program implementation and fund disbursements. In the implementation of the Phase 1 of the Round 5 malaria grant, PSFI was able to achieve a total savings of USD 2.9 million inclusive of the interest earned from good financial management thereby enhancing program deliverables through the procurement of additional 300,558 Long Lasting Insecticide Treated Nets (LLINs), 135 units of insecticide spray cans, 1,235 sets of personal protective equipment for spraying of insecticide and 20 units of microscopes. The savings also allowed the extension of activities, like, spraying of indoor residual insecticide and distribution of pregnancy packages to Phase 2 of the grant and likewise an increase in the number of health workers trained thereby enhancing capacity-building efforts.

Sustainability Indicators

PSFI recognizes that the government has the health system infrastructure in place to implement the malaria health program but needs more funds to implement an intensive control intervention. The grant from the GFATM is an important input to oil the existing machinery towards malaria elimination. In implementing the GFATM grant, no parallel structures were established instead PSFI has put in place an enabling mechanism to increase the capacity of the health personnel and the current health system in order to sustain the project gains after the grant funds have been exhausted. Furthermore, PSFI ensures that stakeholder engagements are done intensively so that local ownership of the project is established at the early stages of program implementation. It aggressively advocates for the participation of the LGUs in all the activities of the malaria program and encourages LGUs to provide counterpart funds in said activities. Such counterpart funding may be in the form of provision for transport for net distribution, incentives for malaria volunteers, travel of health personnel, office spaces, venues



Figure 3. PROJECT OWNERSHIP

Once engaged, the community and the Local Government Units in various levels (barangay, municipal, provincial) implements the MAM project as their own and contributes to its success. (L) In established Barangay Microscopy Center, the Barangay LGU takes the responsibility in building the permanent structure for the facility, provides support on the monthly incentive of the volunteer health worker and on the replenishment of the consumable laboratory supplies while the municipal and provincial health offices provides the technical assistance, monitoring, additional incentives and other supports. (R) In the Province of Compostella Valley, local implementing partners including the LGUs sign up for the renewal of their support to the project.

for training, etc. Since the start of the Round 5 implementation, a total of PhP 56.7 million (USD 1.3 million) has been provided as counterpart funds by the LGUs. Annual budgets of the LGUs also have shown increased appropriation for malaria control.

Best Practices

The following best practices have been documented in the implementation of the GFATM malaria grant:

- a. PSFI was able to achieve favorable commercial terms in the procurement of commodities. Payment terms are 30 to 60 days after delivery of goods instead of the reimbursement schemes through procurement agents like the World Health Organization (WHO), normally resorted to, where payments are made when orders are placed, way ahead of actual delivery. In this manner, the quality of goods can be ascertained by PSFI before payments are made.
- b. PSFI procurement system is open, competitive and transparent. In instances when questions for clarifications are received, the reply is copied to all prospective suppliers. The Global Fund has allowed PSFI to carry out direct procurement which has saved the program the usual 7-12% administration or handling fees that normally would have been charged by procurement agents.



Figure 4. INNOVATIVE PROCUREMENT SCHEME AND LOGISTIC MANAGEMENT

(L) Direct negotiation with the suppliers enabled PSFI to secure add-on benefits such as free deliver such as this LLIN delivery in Zamboanga City for project sites in Mindanao rather than the usual international delivery to the capital Manila only. This has since led to savings and greatly reduced the waiting time as compared to procurement through multi-lateral agencies. (R) Partnerships with other Non Government Organization, corporations and businesses in the project sites, faith-based group and military also helped in the reduction of the transportation cost of the commodities from the provincial warehouse to the intended barangays. In Sulu for example, this military unit helps in the transportation of LLINs using their manpower, vehicles and other resources.

- c. PSFI was able to cushion the impact of foreign exchange fluctuations through astute financial and operational management. The Round 5 program did not suffer any fund deficiency as a result of the peso appreciation from Php52=USD to a high of Php40=USD. In fact, through overnight placement of funds, an interest income of almost USD 0.4 million was realized and plowed back to the program.
- d. Members of the Country Coordinating Mechanism (a multi-sectoral body that oversees the implementation of GFATM grants in the Philippines) have repeatedly recognized PSFI's transparent reporting of funds received, disbursements made and interest income realized thru the regular publication of its e-news. This transparency was also noted by the GFATM's Local Fund Agent, the WHO external evaluators and the OIG team.
- e. PSFI uses technology to ensure stock outs are avoided. The current malaria program uses malaria-infotext in partnership with Globe Communications Co. for monthly supply and inventory reporting. The malaria-infotext has been seen as a potent tool in information

dissemination. Any sudden surge in malaria cases is picked up by the program management and appropriate measures are quickly put in place, averting the disease from spreading to other nearby areas.



Figure 5. INNOVATIONS FOR SUCCESS

Movement Against Malaria continuously seeks technological and other innovations for the project. (L) MAM enews is the project's tool in reporting project's financial status. It is also a way to share among stakeholders its success stories and other innovative approach for replication in other project sites. (R) The Malaria infoTXT is a surveillance tool for cases and stocks of antimalaria drugs.

In the external evaluations conducted by the WHO, the effective organizational leadership, dynamic management, transparent decision making have been repeatedly mentioned as part of the key factors leading to the successful implementation of the malaria grant.

Private Sector Support

PSFI enjoys strong support from the Shell companies in the Philippines in its implementation of the GFATM grant. Because of this, PSFI is not only the Principal Recipient (PR) of the GFATM grant; it also is a co-donor together with SciP and its many corporate partners.

- a. PSFI provided the funds to support the provision of livelihood to malaria volunteers. The GFATM grant provided the funds for entrepreneurship training but PSFI together with SciP and its corporate partners provided the funds for the capital required by health volunteers to start up small home-based businesses. This scheme has helped augment the small allowance received by the malaria volunteers and has encouraged them to continue and sustain their services in the communities.
- b. Shell Philippines Exploration (SPEX) together with its joint venture partners funded the provision of solar systems to Microscopy Centers in Palawan; Team Energy (formerly Mirant Philippines) provided the solar system for centers in Tawi-Tawi and Sulu.
- c. SPEX, together with its joint venture partners and thru PSFI continues to provide funds to support the *Kilusan Ligtas Malaria* program in Palawan.
- d. Corporate partners also provided the funds for the production of IEC materials (e.g., Robin Padilla tarps, posters, etc.) to enhance the coverage of the strategy of communication for behavioral impact.

- e. SciP continues to provide the MAM program free office space and professional expertise in legal, medical, communications, public relations, transport and other fields as needed.
- f. It is noteworthy to mention that PSFI has not charged institutional or management fees in handling the grant. Office rent, utilities and communication costs of head office and support provided by its other staff not paid by the grant have been provided by PSFI free of charge. Insurance coverage of project staff, to date, has been paid for by PSFI.
- g. Furthermore, in instances when the WHO system cannot deliver the required drugs on time, PSFI has procured drugs using its own funds and systems to bridge the gap until the delivery of goods from WHO are received.
- h. A total of Php103 million or USD 2.3 million has been provided as counterpart funds by PSFI, SciP and its corporate partners since the start of the GFATM Round5 project.

PSFI was able to engage 66 partners consisting of NGOs, faith-based organizations, media, academe, military and people's organizations who have contributed in enhancing program implementation particularly in the far flung villages and tribal communities.

A significant outcome of the implementation done by PSFI is the establishment of the Philippine Movement Against Malaria (**PhilMAM**). PhilMAM is a network of organizations/agencies that works together with the Department of Health (**DOH**) towards achieving the vision of a malaria-free Philippines by 2020. PhilMAM's mission is to consolidate and strengthen efforts and resources through sustained public-private collaborations and partnerships to reduce the burden of malaria, and to have halted and reverse the incidence of malaria by 2015 (Millennium Development Goal No. 6) eventually leading to a malaria-free Philippines in 2020. Starting 2010, the AusAID and the Rollback Malaria Program have earmarked funds to support the activities of PhilMAM particularly in encouraging and harnessing more private sector support towards malaria elimination.

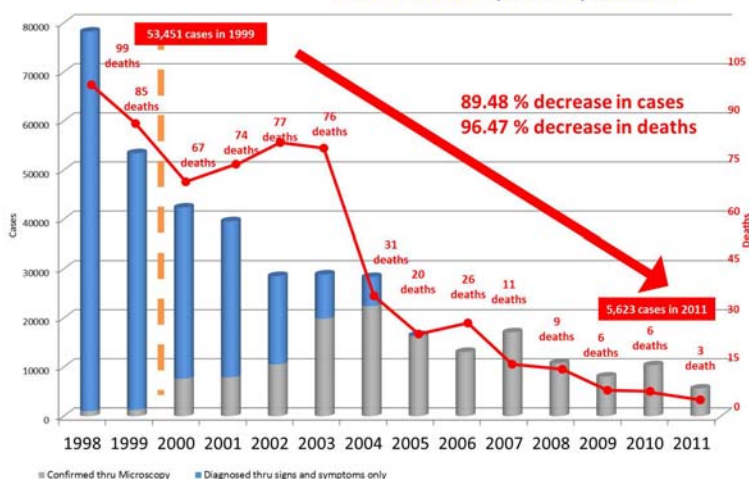
Accomplishment To Date:

Through the collaborative efforts of all partners, the following accomplishments were achieved as of December 31, 2011:

| Vector Control | KLM (Palawan) | Round 5 (except Palawan) | Consolidated (35 provinces) | Total |
|--------------------------------|---------------|--------------------------|-----------------------------|-----------|
| Conventional Net Distributed | 214,813 | 0 | No data | 214,813 |
| LLIN Distributed | 453,808 | 733,204 | 2,606,884 | 3,792,896 |
| Net Re-treated | 286,447 | 135,542 | 44,472 | 466,461 |
| Pregnancy Packages Distributed | 27,910 | 54,403 | 70,805 | 153,118 |
| Houses sprayed with IRS | 461,499 | 490,721 | 227,085 | 1,179,305 |

Substantial decreases in cases and death can be observed in Palawan since the start of the implementation of KLM in November 1999. A drastic decline in cases was seen when PSFI intensified malaria interventions through funds from the GFATM in 2004 as a Sub-Recipient and then as a Principal Recipient beginning 2006.

Total Malaria Cases, Palawan, 1998-2011



Beginning 2006, PSFI acted as Principal Recipient for a USD 14.3 million GFATM Round 5 grant and achieved consistently good programmatic results. The grant covered the top 5 worst-affected provinces in the country whose aggregate number of malaria cases and deaths accounted for 67% of the country's morbidity and 92% of mortality in 2003. The goal of the Round 5 grant was to reduce both malaria mortality (death) and morbidity (cases) by 70% in these 5 provinces by the end of 2011 against the year 2003 baseline thereby substantially contributing to the control of malaria in the Philippines.

On January 01, 2010, the Round 5 grant was consolidated together with two other GFATM malaria grants. The accomplishment for the 5 provinces as at the end of 2010 against the goal of Round 5 is shown below.

"I would like to highlight the success story of Palawan because this is arguably our country's best in showcasing that public-private partnerships work even against an age-old and impressive killer. Now, everyone in Pilipinas Shell Foundation, our corporate partner, knows that it wasn't easy to make a dent in the very huge malaria problem in Palawan when they started the KLM movement in 1999. But with a mix of good will, sweat and volunteerism and some funding, the KLM advocates did their level best to bring the action to the local communities. And they managed to cut down malaria mortality in the province by 64% in a matter of five years --- an unparalleled feat considering all the physical, cultural and political odds! KLM did not only better the lives of the people of Palawan. KLM has grown into what is now the national Movement Against Malaria spanning the four other endemic provinces in our country which account for 65% of the total disease burden. The KLM experience tells us that victories can be made, effective leaders can be engaged, communities mobilized and alliances formed to strengthen country efforts in achieving its malaria targets."

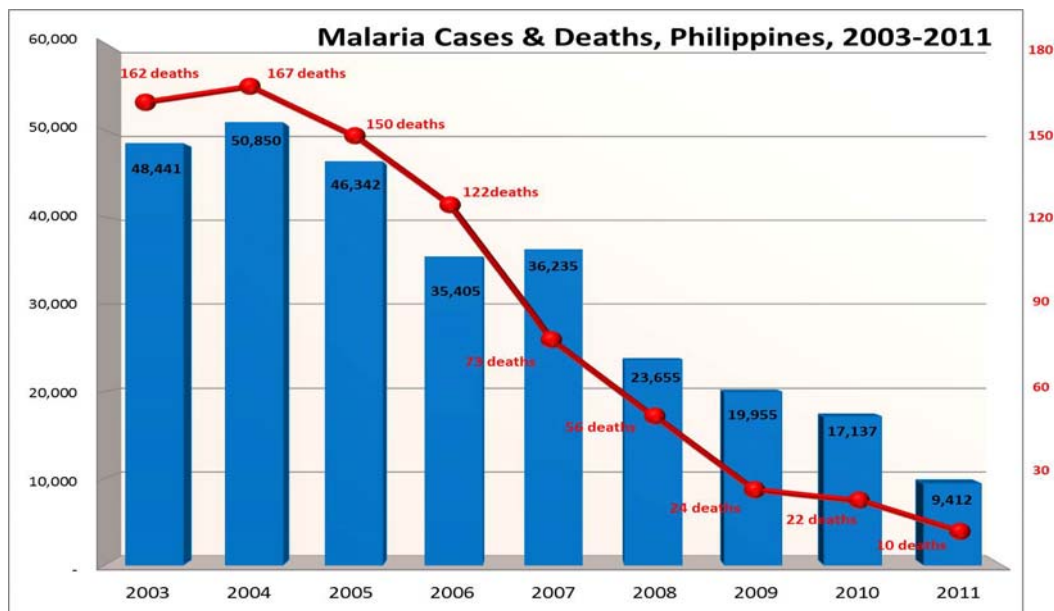
Hon. Francisco T. Duque III, MD, MSc
 Secretary of Health
 (during the Opening Ceremonies of the Regional Malaria Symposium , November 28, 2006)

| PROVINCES | CASES | | | DEATH | | |
|---|---------------|---------------|-------------------------|---------------|---------------|-------------------------|
| | 2003 Baseline | 2010 | % Reduction vs Baseline | 2003 Baseline | 2010 | % Reduction vs Baseline |
| QUIRINO | 1,230 | 0 | 100% | 0 | 0 | |
| APAYAO | 2,479 | 12 | 99.5% | 0 | 0 | |
| SULU | 3,523 | 308 | 91.2% | 40 | 1 | 97.5% |
| TAWI-TAWI | 4,992 | 1,617 | 67.6% | 33 | 4 | 87.9% |
| PALAWAN | 19,872 | 9,719 | 51% | 77 | 6 | 92.2% |
| TOTAL 5 Provinces | 32,096 | 11,656 | 63.7% | 150 | 11 | 92.7% |
| % Accomplished in 2010 vs Project Goal of 70% by 2011 | | 90% | | | 132.4% | |

In January 2010, Pilipinas Shell Foundation, Inc signed the consolidated malaria grant with the Global Fund. This Grant is a consolidation of three existing malaria Grants in the country. Two of these, namely the Round 6 and R2-RCC Grants, were previously managed by the Tropical Disease Foundation, Inc (TDFI), while the other, the Round 5 Grant, was managed by the Pilipinas Shell Foundation, Inc (PSFI). The consolidated grant amounting to USD 31.4 million officially started on January 1, 2010 with Phase 1 ending on December 31, 2011. The consolidation also resulted in an expansion in the geographical coverage of PSFI's malaria program from 5 to 40 provinces with an estimated at-risk population of 16,000,000. With this grant, PSFI now provides support to 40 out of the 59 provinces in the country that remains affected by malaria.

The primary goal of the Consolidated Grant is to reduce by 70% at the end of 2014 both the morbidity and mortality rates in the country against the 2006 baseline. Also, in line with the disease-free zones initiative of the Department of Health, the grant aims to be able to declare at least 3 provinces as malaria-free by 2014 (baseline of 22 provinces in 2007). To achieve these, the key strategies being pursued include the provision of universal access to quality diagnostics and treatment services; scaling up of vector control for the protection of populations in malaria endemic areas; and strengthening of sustainable community-based malaria control and malaria surveillance and information system. The consolidated malaria grant has finished its Phase 1 implementation and is now on its Phase 2 since January 2012. Initial results are as follows:

| | CASES | | | DEATH | | |
|--|---------------|--------------|-------------------------|---------------|-----------|-------------------------|
| | 2003 Baseline | 2011 | % Reduction vs Baseline | 2003 Baseline | 2011 | % Reduction vs Baseline |
| 40 Provinces covered by the Consolidated Grant | 47,761 | 9,376 | 80.4% | 161 | 9 | 94.4% |
| Non Global Fund Provinces | 680 | 36 | 94.7% | 1 | 1 | (100%) |
| TOTAL Country-wide | 48,441 | 9,412 | 80.57% | 162 | 10 | 93.83% |



The grant performance has shown substantial decrease of cases and death in the country. The DOH proclaimed that the number of cases in 2011 was the lowest recorded in the country in the last 42 years.

The success can be attributed to the intensified implementation of universally accepted interventions. Over 3.8 million nets were distributed which was complimented by over 1.2 million houses sprayed with Indoor Residual insecticides. The diagnosis level remained at an average of 300,000 people screened annually and the focus on the most vulnerable group of children under 5 years, pregnant women, indigenous groups and mobile populations. It should also good to mention that the Department of Health's establishment of the Manual of Operation in Malaria and the Medium Term Strategic Plan for Malaria has provided better guidance and established a clearer road map towards elimination. Stratification of areas still affected by malaria also provided better focus for the level and type of intervention implemented.

The continued private-public partnerships in malaria has paved the way for the attainment of the Millennium Development Goal (MDG) of halting and reversing the burden of malaria in the country way before the deadline set in 2015. The program will contribute also to the attainment of the 6th MDG goal on maternal and child mortality.

| | INDICATOR | BASELINE 1990 | 2003 | 2004 | 2005 | 2206 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------------|-----------------------------------|---------------|------|------|------|------|------|------|------|------|------|
| GOAL | MALARIA MORTALITY RATE / 100K POP | 1.5 (PHS) | 0.27 | 0.24 | 0.21 | 0.18 | 0.14 | 0.11 | 0.08 | 0.05 | 0.05 |
| ACTUAL PERFORMANCE | | | 0.08 | 0.07 | 0.17 | 0.14 | 0.08 | 0.06 | 0.03 | 0.03 | 0.01 |
| GOAL | MALARIA MORBIDITY RATE / 100K POP | 118.7 (PHS) | 47 | 43.7 | 40.4 | 37.2 | 33.9 | 30.6 | 27.3 | 24 | 23 |
| ACTUAL PERFORMANCE | | | 51 | 53 | 55 | 41 | 41 | 26 | 22 | 21 | 10 |

The above achievements have seen changes in the malaria map of the country. By 2011, 33 provinces have achieved pre-elimination status.

