



Luxembourg Aid & Development

European Microfinance Award-Final Report

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Introduction

Haiti's economic and social development continues to be hampered by political instability, increased violence, unprecedented levels of insecurity, and heightened fragility. In 2021, Haiti had a per capita GNI coefficient of US\$1,420, the lowest in the LAC region, which averaged US\$15,092. According to the UN Human Development Index, Haiti is ranked 163 out of 191 countries in 2020. The Haitian economy has contracted for three consecutive years from -1.7% in 2019, -3.3% in 2020 and -1.8% in 2021. This situation is generated, among other things, by the persistent political and institutional crisis, by the high vulnerability to natural hazards, associated with the violence of gangs competing for control of certain neighborhoods. (World Bank ¹)

In 2022, the humanitarian situation in Haiti was influenced by developments in the country's socioeconomic, political, and security situation, particularly the continued violence by armed gangs. Insecurity and violence have potential consequences in terms of protection (including gender-based violence), displacement, food insecurity, malnutrition and access to basic services. According to the latest IPC evaluation, 4.7 million people experiencing high levels of food insecurity.²

In its effort to support Fonkoze's microfinance clients and their communities, one of the core challenges the Fondasyon Kole Zepòl (Fonkoze Foundation) addresses is the lack of access to quality and affordable health products and services in Haiti. In rural Haiti, the mortality rate for children under five is 81/1000 births; the stunting rate is 22% for children; and only 23% of the rural population uses improved sanitation. The main causes of morbidity in Haiti are preventable, yet the health services, infrastructure, and product market are poor.

Boutik Sante (Community Health Store) is Fonkoze's microfranchising initiative that brings access to health products, services, and information to some of the most rural parts of Haiti. Boutik Sante is meant to "address the lack of reliable and affordable health products and services in rural Haiti." It aims to accomplish this objective through a two-fold strategy:

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<https://www.banquemonde.org/fr/country/haiti/overview#:~:text=Le%20d%C3%A9veloppement%20%C3%A9conomique%20et%20social%20d'Ha%C3%Afti%20continue%20d'%C3%AAtre,les%20plus%20pauvres%20du%20monde.>

² <https://www.ipcinfo.org/ipc-country-analysis/details-map/en/c/1155963/?iso3=HTI>

- 1- Branch nurses train CHE (Community Health Entrepreneurs) to administer basic health screenings and deliver monthly community health education sessions in their Center meetings, and
- 2- Selling critical non-prescription health and nutritional products in remote areas where they are not otherwise available

Since the beginning of this initiative, Boutik Sante has received several grants to support its activities and various operating costs. Five years ago, the program received a grant from USAID, through a nutrition project called AKSYON, which allowed us to expand the Boutik Sante initiative to more communities in the country. But at the end of December 2021, the AKSYON project has ended and Boutik Sante had to more largely support its own costs. Fortunately, Boutik Sante has obtained the **European Microfinance Award**, which has helped us a lot.

Challenges

During the year 2022, the situation in Haiti was incredibly difficult for Fonkoze and the citizens as a whole. Many businesses have had to close their doors. Boutik Santé, while continuing to maintain and operate as much as possible to meet the needs of the population, has not been spared from tragedies:

- **Violence** and fighting between armed gangs that control the main roads out of the capital have made it difficult to carry out activities as planned. Often you cannot leave the Port-au-Prince area either to the North or the South to transport health products and materials or to supervise and monitor field activities. During 2 gang attacks, we lost 2 trucks of Boutik Sante products worth over 4 million gourdes (nearly \$ 27,000 Usd). The risks for the staff and for the population are increasing every day. Working in these circumstances is extremely difficult.
- In the past, the country experienced small fuel shortages for a few days or a week. But in the year 2022, this **fuel shortage** was unprecedented, lasting more than 6 months, and even now, fuel is only sporadically available at the gas station. To carry out our activities, we have to buy it on the informal market at greatly increased prices. As a result, operating costs have increased a lot, which has a significant impact on our budget. In the last quarter of the year, we had to stop our activities in some branches and ask some of the staff to take 1 to 2 months of unpaid leave. With support from our donors we were able to provide them with a stipend to tide them over.
- The phenomenon of **Peyi Lok (Locked country)** makes transporting goods and persons very difficult. In many parts of the country, the population suffers from insecurity, kidnapping, inflation, fuel shortages and increases in cost of living that go up to 88%. To express their anger, they sometimes use violence to block the roads and thus paralyze all activities and travel for several weeks. Thus, all businesses must close their doors for the duration of their anger, as the state authorities are often not capable of restoring order to allow the population to carry out their activities in peace.

Boutik Sante achievements in 2022

Community Health Entrepreneurs (CHEs) are microfinance clients that have been trained by registered nurses to conduct basic health screenings, deliver health education sessions and procure health products from Fonkoze that they resell in their communities.

Nutrition

The CHEs are trained in nutrition and malnutrition screening techniques. They sensitize the community on good nutritional practices, and under the supervision of the field nurses, they conduct malnutrition screening in their locality. CHEs accompany identified sick children to the hospital for appropriate treatment, they make home visits to the families of sick children until they are fully recovered, and these visits are accompanied by a nutritional support kit for the family.

The main results of our different nutrition interventions for the year 2022 were: 10,023 children under 5 years old and 1,198 pregnant and lactating women were screened for malnutrition. As a result of this screening, 567 malnourished children and 13 malnourished women were identified. The CHEs supported them to access the treatment they need in treatment centers registered by the Ministry of Health. CHEs and Boutik Sante nurses conducted 2,333 home visits and distributed nutritional support kits and achieved a cure rate of 79 %. The remaining malnourished children continue to attend their regular treatment appointments until they are fully recovered . We have distributed more than 7,000 Albendazole tablets, 8,500 vitamin A capsules and 950 bottles of prenatal vitamin. As a result of these interventions, 1,760 years of life have been saved.

High Blood Pressure screening and referral:

Studies have found that in Haiti, hypertension is responsible for 17% of adult deaths. Community awareness and screening for high blood pressure can help manage this disease and improve the lives of the Haitian population. In 2021, Fonkoze, aware of this public health problem, has reinforced its interventions on the prevention of this disease. All of our field nurses have been trained as trainers on the community management of hypertension by a local organization that specializes in the prevention and treatment of cardiovascular diseases and diabetes. The field nurses in turn trained the CHEs in the 38 branches of the program. To track blood pressure within the community, Fonkoze made digital blood pressure monitors available to CHEs. During the year 2022, 123 CHEs reported regularly on these High Blood Pressure screening activities in the community. 1,325 people took advantage of these services, and 213 of them (16%) were diagnosed with high blood pressure. 97 newly identified cases were referred to health facilities for appropriate treatment.

Trainings:

Training to build community capacity to adopt positive health behaviors is one of the most important aspects of FONKOZE's Health Program. We have developed a training curriculum with priority health topics as recommended by the Ministry of Health and regularly share information on nutrition and hygiene with our CHEs who in turn teach these concepts to their peers in the communities where they live. At the end of 2022, the cholera disease reappeared in the population, so all nurses and CHEs were mobilized to retrain Fonkoze clients and staff on this subject and make all of them aware of this renewed threat. During this year, in our cascade training logic, 2,063 people (CHEs and community

members) were able to attend at least one training session on one of the Ministry of Health priority health topics.

Selling non-prescription health and nutritional products in remote areas where they are not otherwise available.

During the year 2022, out of the 38 branches where we introduced Boutik Sante, there are 826 CHEs in 35 branches that conduct some health activities and regularly buy products from Boutik Sante to resell in their respective communities. We were not able to maintain operations in the remaining 3 branches essentially because we could not supply them with products and because nurses were unable to reach these areas. Even though the context was not too favorable to attract new CHEs, during 2022, we managed to integrate 78 new CHEs to Boutik Sante's operations.

At the end of 2021, Boutik Sante had 2 trucks and one Pickup to regularly supply all branches where the program is active. But with the growing demand of these branches, this small fleet could not meet the needs of the branches. Thanks to the European Microfinance Award prize, we were able to strengthen Boutik Sante's fleet by purchasing a third truck. We lost two trucks during the year: one was stolen by a gang at the north end of the city, and one was badly damaged in an accident in the North of the country. However, both trucks were covered by a private insurance, and we are thus able to buy one new and bigger truck to replace them. In addition, we contracted the services of an external transport company to help us supply as many branches as possible.

Thus, for the year 2022, despite insecurity, fuel shortages and other challenges that will be discussed later, Boutik Sante managed to make 185 trips to supply the branches to meet the needs of the CHEs. In this sense, Boutik Sante served 31,708 households that bought Boutik Santé products directly in the branches during 2022.

Collaboration with SFF (Fonkoze Financial Services)

Fonkoze's CHEs are leaders in their communities and within the SFF network. SFF, together with the Fonkoze Foundation, has consistently leveraged the role of CHEs to achieve greater impact. SFF partnered with mobile wallet service providers such as Digicel (Mon Cash mobile wallet) and Natcom (Nacash mobile wallet—recently launched) to expand access to these services in rural Haiti. Indeed, rural communities have the most to gain from mobile banking due to their distance from financial service providers and the opportunity costs associated with reaching them, particularly in times of instability and crisis. Fonkoze is coordinating with Digicel, Natcom and other providers to register and train CHEs as mobile wallet agents in their communities, facilitating the proximity of rural, isolated communities to the nearest agent. Not only will this improve rural communities' access to savings opportunities, but it will also serve as a supplemental source of revenue for the CHEs. This activity promotes last-mile financial inclusion through a win-win strategy. Effectively, this activity becomes a mutually beneficial business partnership between the mobile wallet service provider and CHEs which will ensure its sustainability after the end of the project.

Satisfaction of Boutik Sante services

To improve the service and the various Boutik Sante interventions, at the end of each year, Fonkoze's Monitoring and Evaluation Department conducts a survey on the use of Boutik Sante services in the communities served by the CHEs. 450 community members were randomly selected and interviewed.

Only 14% of them do not know the existence of Boutik Sante activities in their region. Among those who know Boutik Sante, 94% testify that they have purchased at least one Boutik Sante product during the year 2022. More than 90% of people surveyed say they are satisfied with Boutiks Sante's services and products.

Use of the European Microfinance Awarded

As announced in the award application, we planned to use the funds for the following purposes:

- The Fonkoze Foundation will receive \$75,000 which will constitute a significant contribution towards the funding needed to support Boutik Sante's operations during the year. Specifically, the funds were to support additional CHE training, the procurement of delivery vehicles and/or warehousing.
- The remaining \$25,000 of the \$100,000 award was to support SFF's development/tailoring of a financial product(s) that meet the needs of CHEs.

As you can see in the table below, we used 100% of the funds to cover the following expenses:

- Purchase of a truck to reinforce the fleet of Boutik Santé
- Annual payment for the Boutik Sante operations management software (Salesforce-TAROWORKS)
- Supporting a percentage of the cost of transporting nurses to the field to supervise the Boutik Santé CHES in the communities.
- Cover a portion of the transportation costs when we use the services of outside companies,
- Support SFF in their efforts to help CHEs become mobile money agents.

European Microfinance Award Used Funds report		
	Description	2022 Expenses
Foundation	Administrative support	
	Accountant	\$362.70
	Fringe benefits BS team	\$173.15
	<i>Sub-total administrative support</i>	<i>\$535.85</i>
	Operational expenses	
	Vehicle	\$49,500.00
	ERP license software	\$9,900.00
	Transport for nurses	\$6,046.10
	Car transportation	\$25,020.50
	<i>Sub-total operational Expenses</i>	<i>\$90,466.60</i>
SFF (Fonkoze Financial Services)	CHE trainings/Mobile phone /Internet services	\$22,750.00
Total Expenses		\$113,752.45

Next steps

These are the main activities that Boutik Sante's team has planned for 2023:

- Regularly supplying the branches with essential Boutik Sante products while we try to use several forms of transportation (Private transport, boats, cargo etc..) in order to bypass the insecurity and the traffic jams caused by the gangs at the entrance and exit of the capital;
- Training of community members on various health, hygiene and nutrition topics;
- Malnutrition screening and referral for children under 5 years old and pregnant or lactating women;
- Blood pressure screening in the community and referral service;
- Research and test new essential health products for the Boutik Sante basket, including at least one product related to traditional medicine.
- Establish partnerships to ensure the availability of Family Planning inputs in Boutik Sante network (capsules, pills, injections, or other methods).
- Work with the Haitian Cervical Cancer Association (HSCC) to test a new way for women to self-test for Human Papiloma Virus, to better identify those at risk for cervical cancer and facilitate treatment.



Miss Marcellus supervising Pierre Charles Kena, a CHE in Bainet, South East