20 by 20

Report of the Second 20 by 20 Workshop

A UNFPA Initiative to increase the access, usage, and availability of 20 billion condoms in low- and middle-income countries by 2020

In collaboration with USAID, The World Bank, ILO & the Reproductive Health Supplies Coalition

19 – 21 October 2015
Hotel Safari
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Acknowledgements

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The team would like to thank the many individuals who contributed their time to participate in the conference call as Steering Committee members,1 draft the agenda, and plan this second consultation.

Thanks to the more than 80 participants who travelled from over 20 countries to attend this productive multi-sector meeting. Many were national stakeholders we were meeting for the first time, and others were returning members of the 20 by 20 coalition formed in Bangkok earlier this year. We appreciate everyone’s commitment to exploring new public-private partnerships and outlining concrete actions plans to dramatically increase the supply and uptake of male and female condoms in Sub-Saharan Africa by 2020.

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Executive Summary

In January 2015, more than 70 commercial condom manufacturers, donors from the international development community, and representatives from NGOs, government, and multilateral organizations met in Bangkok. There, they agreed to form a multi-sector coalition to meet a bold target: to increase the number of condoms in low- and middle-income countries to 20 billion by 2020.

The “20 by 20” initiative, spearheaded by the United Nations Population Fund (UNFPA) in collaboration with The World Bank, USAID, the Reproductive Health Supplies Coalition, and the International Labour Organization (ILO), is expected to significantly lower new HIV and STI infections and unintended pregnancies, and make universal access to sexual and reproductive health a reality. The focus of the initiative in 2015 is Sub-Saharan Africa, where condoms are in shortest supply and the needs are most urgent.

The second 20 by 20 consultation, held 19–21 October in Windhoek, Namibia, brought together returning members of the Bangkok coalition and national stakeholders from government, Africa’s regional economic communities (RECs), the private sector, NGOs, and social marketing organizations. The purpose of the meeting was to develop a better understanding of African markets, explore government and private sector interest in forging new partnerships, and define the terms for commercial penetration or expansion in select target countries.

Discussions focused on five key areas:

- National and regional policies and regulations on the import and distribution of condoms
- Examples of private and public sector collaboration in Africa
- The size, value, and potential of Africa’s condom markets
- Using a total market approach (TMA) to meet condom needs and grow the market
- Challenges and opportunities for the local production and distribution of condoms

The meeting produced four concrete action plans—drafted by the private sector, the government representatives, the regional economic communities and the donors—to facilitate commercial entry and expansion in Sub-Saharan Africa. Six markets with the most potential were selected to become the first set of target countries for the 20 by 20 initiative: Botswana, Kenya, Namibia, South Africa, Zambia, and Zimbabwe. The action plan activities will be implemented in these countries by the time the group convenes again in Kenya in October 2016, hosted by Kenya’s Ministry of Health.

This report captures the discussions, recommendations, and outcomes of the second 20 by 20 consultation in Windhoek.
Introduction

The second “20 by 20” consultation was held in Windhoek, Namibia, 19–21 October 2015, bringing together commercial condom manufacturers and national stakeholders committed to increasing the uptake and supply of 20 billion condoms by 2020. The 20 by 20 initiative was launched by UNFPA (the United Nations Population Fund) and partners in Bangkok in January 2015, where condom manufacturers and marketers agreed to form a multi-sector coalition to meet the 20 by 20 target and expand into new markets, beginning in Sub-Saharan Africa.

The Bangkok meeting generated keen interest in African markets and forging public-private partnerships, but manufacturers had questions:

- Which countries have the largest potential markets?
- What are the regulatory requirements in different countries and can they be simplified, harmonized, and made more transparent?
- What are the social, cultural, and religious issues affecting the sale, marketing, and distribution of condoms?
- Is there room for commercial condoms in markets where people are used to getting public sector condoms for free?

The group agreed to form a steering committee to explore these and other questions, and meet again in October in Namibia with national stakeholders. Over the next several months, the steering committee identified 10 markets with the most potential for commercial penetration or expansion: Zambia, Zimbabwe, Botswana, Namibia, South Africa, Kenya, Nigeria, Côte d’Ivoire, Democratic Republic of the Congo (DRC), and Ethiopia.

Criteria for selection:

- High-income population
- High proportion of people living on more than $1.25 a day
- Large population
- Large young and urban population
- High HIV rate
- High teenage pregnancy rate
- High literacy rate
- Low donor dependency for condoms
- Large health budget for HIV and STIs
- Interest in building a significant national HIV prevention program

USAID, a member of the 20 by 20 Steering Committee, commissioned a retail environment analysis and intention to pay study in two of the selected markets: Kenya and Nigeria.

The objectives of the second meeting in Windhoek were similar to the Bangkok workshop: develop a better understanding of African markets, explore interest in public-private sector partnerships, and define the terms for commercial penetration or expansion in select markets. The difference was the audience. Whereas the Bangkok meeting was primarily a gathering of donors and condom suppliers, the Windhoek meeting included a much broader range of stakeholders. More than 80 individuals attended the meeting, representing:

- Private sector
- Ministries of Finance (focal person in charge of public-private sector partnerships)
- Ministries of Health (focal person on condoms)
- Regulatory authorities
- Regional bodies and economic communities: SADC, SARPAM, IGAD, EAC, COMESA
- Social marketers (regional networks)

“In Bangkok, the private sector said yes, we want to consider Africa as a market, but they had questions. This Namibia meeting will give them a chance to understand the markets.”

— Bidia Deperthes, UNFPA
• Civil society representatives
• Business coalitions, including trade unions
• Organizers: UNFPA, USAID, UNAIDS, ILO, and the Condom Steering Committee

Presentations and talk show-style panel discussions focused on five key areas:

• **Policies and regulations of governments and the African Economic Community**: The regulatory requirements and processes in place, examples of regulatory alignment in the region, the challenges and opportunities for harmonization and flexibility.

• **Private and public sector collaboration**: The experiences of condom manufacturers that have entered or expanded in African markets and collaborated on national HIV response.

• **Market characteristics**: The volume and value of select condom markets in Africa, a total market approach (TMA) to assessing and building the condom market, shifting from social marketing to the private sector, and condom needs assessment.

• **Local production and effective distribution of condoms in Africa**: Examples of local production of quality condoms, making condom manufacturing more competitive, assessment of the retail environment, and opportunities for last mile distribution of condoms.

**Meeting outcomes**

**A 4-pillar partnership created to advance the 20 by 20 initiative**

The meeting concluded with four strategic partners—government, the private sector, regional economic communities, and the international development community—developing concrete action plans and committing to work together and in parallel to achieve the 20 by 20 target.

**First group of 20 by 20 target countries selected**

The following countries were selected in a general vote as the first group of target markets for the 20 by 20 initiative: Botswana, Kenya, Namibia, South Africa, Zambia, and Zimbabwe.

![Image](image-url)

**Background**

Male and female condoms are the only devices available now that offer **triple protection** against HIV, other sexually transmitted infections (STIs), and unintended pregnancies. Condoms are also now being recommended for survivors of the Ebola virus to prevent potential sexual transmission, as recent studies have found traces of the virus in semen nine months after the onset of the disease.

While familiarity with condoms is high in most regions of the world, condom usage, access, and availability is hugely inadequate for both men and women. Despite considerable support from the international
development community, only **8 male condoms per man** and **1 female condom for every 8 women** are available *per year*. The quantity of condoms procured and supplied by the public sector over the past 10 years has fluctuated between 2.2 billion and 3.4 billion per year. Of these, 60% to 80% go to Africa.

**The condom gap is widest in Sub-Saharan Africa**, where most people rely on free condoms provided by governments and social marketing organizations (SMOs), which in turn are heavily dependent on the international development community for funding. Wide-scale public sector distribution of condoms has certainly helped to increase access to condoms in Africa, particularly in urban areas, but it has made consumer demand and consumption difficult to measure. Condom manufacturers can find it difficult to gain a foothold in markets where most people get their condoms for free, and many wonder whether there is a business case for entering African markets.

**But Africa is changing.** With rapid overall economic growth and many countries registering above-average, the whole world is looking to Africa. Fertility rates are high, and the continent’s young, growing, and increasingly affluent and urban population is an enticing potential new market for commercial condom manufacturers and marketers. More and more of the population is willing and able to buy their own condoms, and governments want to move away from reliance on international donors, which have been shifting away from funding prevention and condom procurement to HIV treatment instead.

**What does the private sector have to offer Africa?** The private sector is a flexible, innovative, consumer-oriented, and user-friendly supplier of condoms. The general public, and youth in particular, perceive commercial condoms as more attractive and higher quality than free public sector condoms, and are therefore more likely to acquire, carry, and use them. Reaching new condom users, encouraging them to use a condom every time they have sex, and promoting condom use as a positive lifestyle choice rather than a protective health measure, are all expected to drive sales and uptake of male and female condoms.

**Every sector has a role to play in the condom market.** Rapid economic growth and grinding poverty exist side by side in many countries of Africa, and while significant health gains have been made, governments and donors cannot do it all. A total market approach (TMA) (see Section 4) will be critical to identifying where the private, public, and NGO sectors can have the most impact on increasing the number of condoms available in Sub-Saharan Africa and meeting the reproductive and sexual health needs of all men and women.

**Key takeaways from the first 20 by 20 workshop in Bangkok:**

1. There is a significant condom gap in Sub-Saharan Africa—in 2013, there were only **8 male condoms per man** and **1 female condom for every 8 women available per year**.

2. International donors are shifting funding away from condom procurement, which could impact rates of HIV and STI infection and unintended pregnancies, but it could also create opportunities for the private sector to enter new markets.

3. Sub-Saharan African markets are very diverse and need to be analyzed individually to identify consumer needs and determine how the private sector can enter and operate in these markets.

4. Access to condoms is no longer seen as an entitlement—many people are willing and able to pay for them, particularly in countries that have seen strong economic growth.

5. It has been challenging for manufacturers to enter African markets where there is wide-scale distribution of free condoms. International donors, government, and social marketers need to make space for the private sector and strategic partnerships need to be forged.

6. There are a number of other challenges and barriers to entering African markets, such as different regulatory requirements between countries, in-country testing requirements, and weak infrastructure and distribution systems.
One of the biggest challenges for condom manufacturers in African markets is that regulatory requirements for medical products differ from country to country, requiring them to register their products multiple times. This creates delays and ultimately increases condom costs. Condoms must be regulated, but can the requirements be simplified and harmonized while still ensuring they meet stringent quality standards?

In this session, representatives from four of Africa’s regional economic communities (RECs) laid out the regulatory challenges they face and what they have been doing to simplify and standardize regulatory requirements, remove trade barriers, and facilitate the free flow of goods and services between member states. They also discussed how member states are trying to strike a balance between attracting global investment and supporting their local economies.

Regional snapshots: IGAD, SADC, COMESA & EAC

The regulatory environment in IGAD
IGAD (Intergovernmental Authority on Development) is a regional economic community of eight countries in the Horn of Africa:

Kenya, Uganda, Sudan and South Sudan, Ethiopia, Somalia, Djibouti, and Eritrea. Fatuma Adan, Regional Advisor on Commodities, Medicines and Health for IGAD, explained that regulation in member countries is uneven. Kenya, Uganda, and Ethiopia have national policy regulations in place, but Somalia, Djibouti, and South Sudan do not have systems for regulating commodities and other drugs. “We cannot have a harmonized regulatory system or develop a common regulatory framework without supporting these countries first,” she said.

For the private sector, the main challenge is that member countries have their own regulatory requirements, making it expensive and time-consuming to register products in different countries. However, reducing multiple registrations and payments for the industry would also eliminate a source of revenue for member countries.

IGAD is seeking to create “a like system” to avoid multiple registrations and payments, and has been laying the groundwork for regulatory harmonization in the region. It has conducted commodity security assessments in member countries, partnered with UNFPA to establish the Interregional Economic Community Partnership on Commodities, and held a conference with UNFPA, WHO, and Ethiopia’s Ministry of Health to discuss harmonizing national regulations. These efforts have produced a number of recommendations, which now need to be implemented by member states. A Medicines Regulatory Unit for Commodity Security will soon be established in the IGAD secretariat, which will provide a central platform for addressing regulatory issues in the region.

The regulatory environment in SADC
Regulation of medical devices like condoms in Southern African Development Community (SADC) countries is uneven, in part because responsibilities are
spread across different regulatory authorities. Distribution and quality standards for condoms in most of the countries are typically controlled by national Bureaus of Standards, not national medical control authorities, which focus primarily on medicines rather than medical devices like condoms. This has a broad impact because medical control authorities tend to be more proactive than Bureaus of Standards, and are on the ground at ports of entry to prevent unregistered products from entering a country. Bureaus of Standards, meanwhile, tend to respond only when a quality issue arises with a product already on the market.

It is frustratingly difficult for condom manufacturers to bring their products into the regional market where there is either no regulation or standards and requirements vary from country to country. Paying for multiple product registrations is expensive and another barrier for the industry, but it is also a source of revenue for the regulatory authorities. In SADC, regulatory authorities will continue to require separate registration fees to maintain products on their own national registers.

In SADC, condoms enter the market primarily the same way ARVs do—supplied to national governments by UNFPA and other large donors. As long as international donors continue to drive the quality agenda and governments actively promote the consumption of WHO-prequalified (PQ) products only, panelists said, local manufacturers without WHO PQ factories and testing laboratories will find it difficult to sell to their own and neighbouring governments.

SADC is promoting the harmonization of product registration among member states based on international best practices and encourages collaboration among countries. For example, four countries—Zambia, Zimbabwe, Botswana, and Namibia—have formed a regional initiative called ZaZiBoNa that conducts joint assessments of dossiers and inspections of manufacturers. Although a product registered in Zimbabwe would not yet be automatically registered in the other three countries, a manufacturer only needs to prepare and submit a product dossier in the same format when applying for registration in all four countries. The ZaZiBoNa initiative has now been approved by SADC to extend to all SADC member states.

The regulatory environment in Kenya and the EAC

In Kenya, most goods enter through the Port of Mombasa and are then distributed throughout the EAC (East African Community). The Kenya Bureau of Standards (KBS) regulates reproductive health commodities, including condoms, following the ISO/TC157 standard for male condoms. KBS conducts conformity assessments, post-shipment testing, quality assurance and inspections at all ports of entry, as well as market surveillance to identify sub-standard products entering the market through other entry points. A pre-shipment inspection program, PVOC, is another step in the approval of imported condoms, and has had very positive results.

KBS is also harmonizing standards: once products are tested in Kenya, they can be accepted in Uganda, Tanzania, Rwanda, and other EAC countries (as long as they comply with the national standards of these countries as well). It is currently working with international product testing programs (FHI 360 and USAID) on proficiency skills to ensure testing results are accepted across the region, and it is also working towards WHO PQ accreditation for condom testing laboratories.
The regulatory environment in COMESA

COMESA (Common Market for Eastern and Southern Africa) is a 19-member economic community. In June 2015, COMESA joined SADC and EAC to form a tripartite free trade area (TFTA) stretching from Cape Town to Cairo that will come into force once it is ratified by two-thirds of the 26 member states. This will create an integrated market with a combined population of almost 600 million people and a total gross domestic product (GDP) of about US$ 1 trillion.

COMESA has a standards and public assurance division that works with member states to harmonize and standardize the quality of goods and services traded in the region, including condoms and pharmaceutical products. With the new TFTA, the idea is to remove all trade barriers between member states and facilitate the free flow between goods and services, regardless of where a manufacturer’s product enters.

Voices from the RECs

**Q: Should we create an African mark of quality?**

*Geoffrey Ngwira, SARPAM:*

“Africa is not advocating coming up with a different standard than what the world community already recognizes. The challenge is how to ensure that manufacturers adhere to global standards and that regulatory authorities have the capabilities and capacities to check, conduct testing, and manage or regulate manufacturers based on those standards… We should build the capacity of regulatory authorities so that important buyers like UNFPA can be confident that a local regulatory authority in Southern Africa is capable of doing a good job and can trust that the product authorized on the market is of uncompromised quality. Regulatory authorities are independent, but if they apply the same regulatory standards then we can be confident across the board.”

**Q: How can global manufacturers engage with Africa’s regional bodies?**

*Fatuma Adan, IGAD: “A lot is happening in Africa—we have the structures, we have the systems, we have the standards—from member states to the RECs and all the way to the African Union Commission. EAC has a directorate of five countries for medicines regulation, we have ZaZiBoNa, we have the NEPAD African Medicines Regulatory Harmonization (AMHR) Programme, which are all in compliance with global standards. There are commitments across the continent to ensure the free movement of goods, people, and commodities. To move this discussion and address issues of quality and efficiency, companies have to come to these forums, see how we can work together, and learn how people in Africa access healthcare and commodities.”*

**Q: How can local manufacturers be supported and partner with global manufacturers?**

*George Proctor, Gemi Rubber (audience member): “We are talking about bringing products in, but SADC and EAC are talking about closing the market to outside products. The biggest push is to support and promote local manufacturers, and a lot of the policies for pharmaceuticals and medical products will become more biased towards local manufacturers. In SADC, we are huge consumers of medicines, but almost zero producers, so the region is trying to create an enabling environment in which global manufacturers can be competitive, market their products, and create demand for condoms while local manufacturers are getting established. I think this is the better way forward.”*
Local condom production and distribution in Africa

Josephine Nkosana (Alpha Access), Clive Kohrs (RRT MedCon), Dr. Amit Thakker (Kenya Private Sector Alliance – KEPSA), George Proctor (Business Botswana), Zeinab Cole (Private Sector Health Alliance of Nigeria) & Landry Medegan (i+Solutions)

In this Q&A session, condom manufacturers from Botswana and South Africa pointed to the challenges they face in the markets where they sell (hint: it’s not production), and how local and global manufacturers might work together to grow these markets.

Where are we with the local production of quality condoms in Africa?
Manufacturers in the room agreed: production is not the issue. High-quality condoms are manufactured in Africa every day, they are reaching a growing market, and the cost of production is comparable to overseas markets like Malaysia.

- **Alpha Access** has been manufacturing male condoms in Botswana for two years and wants to expand into the larger South African market.
- **Gemi Rubber** manufactures male latex condoms in Botswana, where it opened a second factory in 2010. It sells to governments and total production is about 350m units (150m in Botswana, 150m in South Africa, 50m in Namibia).
- **RRT Medcon** has been manufacturing male and female condoms in South Africa since 2000. It has sold in Lesotho and Swaziland in the past, and is looking to re-enter these markets.

If production is not the problem, what are the main challenges?

**Tapping into government procurement.** When governments are involved in the business of procurement, one panelist suggested, the process is not necessarily transparent for the private sector. The rules of the game need to be clear for local manufacturers to understand how to get a tender and become a supplier. Wide-scale distribution of free condoms from international donors can also create barriers for local manufacturers: “The truth is, for two to three years UNFPA was donating 100% of condoms to the Botswana market and we had to close one of our factories.”

**Compliance with global standards and requirements.** One problem governments and international procurers have with sourcing locally is that although local manufacturers are often ISO-certified and have other accreditations, they cannot be approved as suppliers if they are not WHO prequalified. George Proctor of Gemi Rubber said he was willing to become WHO prequalified if there was a guarantee that the market is there, but procurers like UNFPA do not guarantee orders.

**The cost of raw materials.** For Alpha Access, the challenge is getting the raw material, which comes from Malaysia. “Distance puts a cost pressure on us. Pricing is also an issue. When we get the raw material we pay VAT, but when you get a finished product you are exempted, so prices are lower for an imported finished product. This doesn’t make sense for local manufacturing.”

“**I hear a lot of concerns about regulatory issues and barriers to getting condoms into markets, but I don’t think this is the issue – I can get all the orders I want, but I can’t get the funding to meet those orders. What’s needed most is someone who will buy products upfront.”**

George Proctor, Gemi Rubber

“**PSI sells just under 90 million condoms a year and if we could, we would source locally. The issue is compliance with global standards.”**

Guy Rogers, PSI

“**What about using different raw materials – those that are available in Africa – and can we produce them differently? Are we stuck with the normal ABC of condoms or can we do something different?”**

Dr. Amit Thakker, KEPSA
Finding a market in the gap: What is needed to create an enabling market environment and make condom manufacturing in Africa more competitive?

**Partnerships between local and global manufacturers.** Some African countries are looking for ways to encourage global partners to come in and fill the condom gap, such as partnering with local condom manufacturers and other companies that are already familiar with local markets, regional trade rules, the regulatory processes in place, the challenges and opportunities, and where there may be room for flexibility.

**Creating manufacturer associations.** One of the panelists suggested that African manufacturers look at the market from a health systems perspective, rather than from just their own commercial interests. For example, when a VAT was introduced for raw pharmaceuticals imported into Kenya, manufacturers came together as an association and were able to cancel and reverse the VAT. “To be organized in a way that brings results is critical. “This is how we will create an enabling environment that is viable and global.”

**Incentives for manufacturers.** The private sector is driven by incentives that the government can provide, such as tax-free status, land, or making water and power available in remote areas. In Nigeria, there is a growing appetite to mitigate barriers such as licensing.

**Reaching the last mile**
How can the private sector build a brand and work with local government and companies to distribute condoms in hard-to-reach areas? Landry Medegan of i+ solutions discussed its Wings for Health project, which brings products to very remote targets through private partnerships. Reaching the last mile, he said, requires manufacturers to:

**Get to know the market.** It is important to increase engagement at the country level to understand who the stakeholders are, who is manufacturing what, and who has the ability to pay. By surveying actual needs, manufacturers can also ensure they are serving different populations (middle class and poor, urban and rural) properly, improving access in hard-to-reach areas, smoothing the supply chain, and avoiding duplication of products.

**Create social marketing partnerships.** It is easier to distribute and create demand under an existing, recognized social marketing brand. When i+solutions brought FHC and Cupid female condoms to Cameroon through the Universal Access to Female Condoms (UAFC) Joint Programme, the condoms were renamed, the price was aligned with the male condom, and they were distributed through hair salons, which generated enthusiasm for the products, particularly in remote areas. “The question we heard was, you are here supplying condoms to us now, but when you leave, where will we get them?”

Mr. Medegan encouraged manufacturers to explore its information portal on female condoms, FCMi+, and to engage with i+solutions to penetrate new markets and improve their visibility in hard-to-reach areas.

FCMi+ is an information portal on female condoms hosted by i+solutions and the Universal Access to Female Condoms (UAFC) Joint Programme. The portal provides market intelligence for those interested in the supply or procurement of female condoms, including product and pricing information and an interactive map of key stakeholders. [www.fcmi.org](http://www.fcmi.org)
Finding the right market: Condom manufacturers tell their stories

Cynthia & Guy Chingaya (Elecare), Clive Kohrs (RRT Medcon), Sam Stembo (Mitko Group)

This Q&A session heard from local and global condom manufacturers about why they selected certain African markets to do business, and the successes, challenges, and opportunities they see.

Like any business, condom manufacturers tend to establish themselves in their home market first and then look to other markets as they grow. But what drives their market choices?

HIV prevalence
For Clive Kohrs of RRT Medcon in South Africa, the decision to begin manufacturing condoms came from the fact that many of his company’s workers were contracting HIV and dying from AIDS every year. With almost 20% of Africa’s population living with HIV, he is passionate about being in the condom industry and making more and more condoms available. “I honestly believe that we as a group can take it to the next level.”

For practical reasons, Guy and Cynthia Chingaya of Elecare chose to operate in Zimbabwe because it was their home and easy to manage from there, but they selected South Africa as a market because of their concern for youth and HIV/AIDS. “Before we opened in 2009 we recognized that Africa had one of the highest levels of HIV and we wanted to do something about it.”

Financing
For RRT Medcon, financial constraints and investments in technology have put a cap on production capacity and delayed expansion into nearby markets (Lesotho and Swaziland). The South African government, a huge supplier of free condoms, currently purchases all of the products they can produce.

Financing has also been a major challenge for Elecare, which spent its early years investing in promoting the brand, advertising, convincing consumers to buy condoms instead of getting them for free, and confronting societal beliefs that prevented people from wanting to sell their product. All of these challenges have delayed expansion into other markets; the brand has only recently moved into South Africa.

Policy and regulatory environment
Amy Goh of Karex Malaysia pointed to the importance of local partnerships in navigating the policy and regulatory environment in different countries. For Om Garg at Cupid, regulatory requirements have been the biggest challenge and cause of delays. Cupid exports male condoms to 12 African countries through UNFPA, MSI, and other organizations, and spends $50,000 to register just one product.

Distribution
Distribution was not perceived to be a major issue, but policies depended on a country's laws and societal beliefs about sexuality education, gender roles, and the acceptability of condoms. The Female Health Company relies on local third party contractors to assist in the distribution of its commodities. In markets like South Africa, where Clive Kohrs of RRT Medcon operates, “Condoms are bought at tiny outlets on a daily basis, often at high prices, but still people make the choice to buy it at retail locations, which tells you something about the market. The future might be bright.”

“Local partners are the reason why we supply condoms to over 38 countries in Africa. We can't go through the bureaucracy directly—we don't have the expertise and it is very complex and hard to manage, so we always work with a local partner. The partner's willingness determines our commercial sales and where we will work.”

Amy Goh, Karex Malaysia
Characteristics of condom markets in Africa

Assessment of condom markets in Kenya and Nigeria: Preliminary findings

Clancy Broxton (USAID AIDSFree Project) and Ramakrishnan Ganesan (AIDSFree Project)

At the first 20 by 20 workshop in Bangkok, manufacturers wanted a better understanding of the market and retail environment in Sub-Saharan African countries, what the distribution system looks like, and how much consumers are willing to pay for condoms. It became clear to the Steering Committee that in order to size potential markets, it needed data on willingness to pay and pricing structures. USAID asked the AIDSFree Project to conduct some assessment studies and address these questions.

In this session, Ramakrishnan Ganesan of the AIDSFree Project presented preliminary findings of initial research, which had begun three weeks earlier in Nigeria and Kenya. If manufacturers and marketers find the data helpful, the research will expand to three additional condom markets in Sub-Saharan Africa and will study:

- Market characteristics and the retail environment (regulation, market size, competition, distribution, and advertising)
- The price elasticity of condom use and condom brand use
- Pricing trends for social marketing brands.

**SUMMARY OF RESEARCH FINDINGS**

- The share of free condoms is much higher in Kenya than in Nigeria.
- However, in both countries:
  o There are a large number of mid-priced brands
  o International brands are currently in the super-premium segment
  o Brand advertising is being done largely by social marketing organizations
  o There is anecdotal evidence of unregistered brands, particularly in high-risk venues
  o Generic / SBCC campaigns to promote condom use are in decline
- Social marketing organizations in Kenya have recently adjusted prices to keep pace with rising incomes and inflation rates, but this has not happened in Nigeria.
- New entrants seem to be stirring up the market in Nigeria, potentially expanding the market.

Clancy Broxton of USAID explained that the USAID AIDSFree Project is funding this research to provide useful data for manufacturers and marketers seeking to enter or expand into African markets, and requested feedback on the relevance and direction of the research.

“I applaud USAID for funding this data collection—this is absolutely what we need. I would like to see more granular data, which I’m sure you’re working on and would recommend expanding. The most valuable information is supplier margins and pricing structures.”

Susan Ostrowski,
Female Health Company
How big is the market? What is the size of the commercial market vs. the public market? How much free distribution is there?

KENYA: Dominated by free distribution with a very small commercial segment

- Annual market value and volume approximately **$6.5 million and 120 million pieces**
- Imported (and higher priced) social marketing brands have a significant share, possibly growing
- Free distribution has become ‘more targeted’

*From PS Kenya – retail audit and Kenya Medical Supplies Authority

NIGERIA: Dominated by social marketing with a large commercial segment

- Annual market value and volume approximately **$60 million and 400 million pieces**
- Distribution of free condoms may be declining; possible shift to retail

* From Nigeria Condom Strategy 2015–2020 (draft)

What are the price points for condoms?

Consumers are paying quite high prices for condoms, and they are paying more for what they perceive as a higher quality product, like Trojan and Durex.

KENYA: Most condoms are 5 to 25 cents
- Social marketing brands: under 20 cents
- Mid-price commercial: 20-50 cents
- International brands: 50 cents+

NIGERIA:
- Social marketing brands: under 20 cents
- Mid-price commercial: 20-50 cents
- International brands: $1
How do the prices of condoms compare to other products in the country?
In Kenya, the price of social marketing condoms (PSI’s Trust brand) has risen in line with GNI, so there is not as much competition for the private sector. The situation is different in Nigeria. The price of social marketing (Gold Circle) condoms have not kept up with the high inflation rate or rising GNI, so socially marketed condoms are at a very low price point right now.

What is the regulatory environment like in Kenya and Nigeria?

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<thead>
<tr>
<th></th>
<th>KENYA</th>
<th>NIGERIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration</td>
<td>3-6 months, $150</td>
<td>6 months, $1,800 (12x more expensive than Kenya)</td>
</tr>
<tr>
<td>Testing</td>
<td>Pre-shipment testing is necessary and sufficient (conducted for each lot of brand imported). Companies will not be asked to do post-shipment testing (a major advantage).</td>
<td>Post-shipment testing required, $1,500 per batch. In practice, once the post-shipment charge is paid, the company can start selling. Any problems are dealt with down the road.</td>
</tr>
<tr>
<td>Import duties &amp; taxes (commercial)</td>
<td>19.75% CIF (Cost, Insurance &amp; Freight)</td>
<td>15% CIF</td>
</tr>
</tbody>
</table>

What are the religious and cultural issues involved in promoting male and female condoms? How do we advertise and get our message across?
It seems that only social marketing brands are investing in brand advertising. There is high acceptance of condoms in Kenya and southern Nigeria. Stakeholders voiced concerns over declining investments in generic/SBCC campaigns. In Kenya, there is currently no advertising, but this could change. In Nigeria, advertising requires approval, but it is a quick and streamlined process.

What products are available and how are people getting them?
A number of commercial brands are already present in both markets—at least 40 in Kenya and 30 in Nigeria. There are anecdotal reports of non-registered brands, particularly in entertainment venues, likely because they are less regulated than supermarkets or pharmacies.

Stirring up a sleepy market in Nigeria
In 2010-11, DKT entered the Nigerian market with Kiss and Fiesta condoms. The National Agency for Food and Drug Administration and Control (NAFDAC) has reported that the total value of condoms imported into Nigeria has tripled since DKT arrived. It may not always work the same way it did in Nigeria. This was a market that had not seen much action and energy—the widely distributed social marketing brand had not been refreshed in several years and the market was ripe for a new approach.

Questions still to explore:
• Is there a market for the private sector in countries where condoms are free?
• What impact would price changes have on condom access and availability? If free condoms were less available in Kenya, would people switch to a priced condom or stop using them? Would higher priced social marketing brands in Nigeria lead to brand switch (higher priced commercial brand) or lapsing? Is there potential for higher volumes of international brands at lower prices?
• Are there restrictions or sensitivities when it comes to the distribution of products? Can they be sold at pharmacies and convenience stores? Can they be displayed prominently or not?
• What is the percentage of buyers in each price category?
• Forecasting – what is the market size spread over different areas and timelines?
• How is trade structured and what are the distribution channels?
• How do consumers purchase products now and how do we get our commodities to them?
**Profit for purpose: PSI’s transition to the commercial condom market**

*Guy Rogers, PSI*

In 2010, PSI was enjoying 75% volume share with its two socially marketed condom brands—Trust and Lovers+—and losing money on every condom it sold. Then, two things happened that put PSI on the path to becoming a profit-making enterprise. Guy Rogers of PSI told the story of this transition and then answered questions from a curious audience.

The first thing that happened was that the Society for Family Health (SFH), a leading social marketing organization in South Africa that sold PSI’s Trust and Lovers+ brand condoms, had its tax-exempt status threatened because it was running a commercial business. Although it was not making profits from the condoms and would not pay taxes on it, the association with a social marketing and commercial enterprise was too close. Second, the funders of Trust and Lovers+—SIDA and the Dutch government—saw that PSI was doing so well that they began to phase out their funding, which ended in 2015.

In 2012, PSI began the transition to “an efficient, financially sustainable condom social marketing model serving the total market… operating at regional scale by 2015.” Guy Rogers was appointed as commercial head and began implementing efficiencies. In 2013, the new business was registered as Company 158, a non-profit external company. It has no restriction on business activities and pays 28% income tax.

**What is Company 158?**

Company 158 sells Trust and Lovers+ condoms in four countries: South Africa (96% of sales), Botswana, Swaziland, and Lesotho. However, it considers itself a consumer healthcare company that delivers “profit for purpose”, and it aims to expand beyond condoms in case sales fluctuate.

The company has three main aims:

- To be a market leader – the company will not enter a market where it cannot become the #1, #2, and #3 brand;
- To model commercial best practices; and
- To roll 100% of profits into SARA, an archetype PSI uses to describe the work it does around the world.

**How well is Company 158 doing?**

Company 158 has made a very successful transition from the social marketing sector to the private sector in South Africa, even in a challenging economy, and it wants to emulate this model in other parts of the world, applying its lessons, systems, and processes (forecasting, reporting, etc.)

“We are making money and are fully sustainable and pushing money back to PSI. The products have shifted from entry level to the mid-tier of the market. We want to see higher volumes, but we have had to make pricing adjustments to be profitable.”
Why was the transition so successful? Mr. Rogers identified four critical success factors:

- **Staffing**: Staff was reduced from 36 to 13.
- **Business forums**: A robust forecasting system was implemented and there has not been a significant stockout since. Management also began focusing heavily on financials.
- **Systems and processes**: Implemented an annual budget process based on monthly forecasts that were updated quarterly, and tracked P&L, balance sheets, and cash flow on a monthly basis. This is the primary performance benchmark for staff and the business.
- **Re-launching the brands**: A market segmentation study assessed consumer response to “emotional need states”, which helped to refine target audiences, position the brands, and improve packaging. It also looked at pricing data to see how far prices could be pushed and prices were aligned regionally.

**Re-launch of the Trust brand**:

Communicated a rational message of protection using outdoor advertising and soccer imaging to communicate the message and target affluent consumers. This look and feel was transferred to indoor advertising.

Still very recognizable as the old brand, but with more modern imagery and packaging.

**Re-launch of the LoversPlus brand**:

Introduced a huge brand change, unrecognizable from the original. Moved from an emotional/caring need state into a playful need state communicating the idea, “It’s playtime.”
A conversation with Guy Rogers, PSI, South Africa

Q: What price increases did you implement?

A: The Trust brand was a 115% increase and LoversPlus 49% over a four-year period. This kept pace with inflation or was slightly ahead of it. With Trust, we won’t make any more price increases beyond inflation. We’ve pushed the current price point as far as we can for both brands. We’ve already seen a shift from Lovers+ (mid-tier) to Trust (lower). It’s not really a gamble – we’ve pushed it as far as we can and there is now acceptance from the trade.

Q: What percentage of sales did you spend on marketing and rebranding?

A: It was about 25% of sales, which is on par with other commercial products. For a launch this was ok, but we wouldn’t have spent this much if we didn’t still have donor support.

Q: You were operating in a market flooded with choice. What made you think you would still have a viable business, especially in a market as small as Swaziland?

A: Historically we have been in these countries so it made sense to regionalize, and it was also a big ask from the funders in the last phase of funding. In terms of competing with government-supplied free condoms, our research showed that people believed in the brand and would pay more for it.

Q: Where do you get your condoms? Do you think having them available at the country level from local manufacturers would be good for your business and the social marketing model?

A: We source through Malaysia, China, and PSI in Washington, DC. I have not looked at this closely from a business perspective, but because of the high volume we procure through Washington, we are not likely to get lower prices. With local manufacturers the issue is quality credentials (complying with WHO prequalification, etc.) – if they have them, then we would certainly look at them.

Q: What are the top challenges you faced in expanding this initiative?

A: The challenges in expanding across Africa are related to managing different countries remotely. Some countries have regional hubs and people on the ground, but we don’t have commercial people on the ground. We would have to look at our operations there if we expand and look at third party distributors that could sell on our behalf.

Q: How did you manage to implement such a huge transition when your donor funding was ending?

A: We had five to six years before funding ended and we had to be profitable.

Q: By 2020, where do you see yourself in terms of revenue, volume, and perhaps others’ expectations of PSI, and what can you do by then to significantly grow your business?

A: Purely from a commercial perspective, our volume growth has stabilized so if we were to stick with the two brands, I’d be comfortable with 2% volume growth. To expect more is probably unrealistic. It may make sense eventually to have a high-end brand in “income tolerant” brackets, but the top-end is tied up right now. We would have to convince our trading partners they need another brand.

Q: Are you interested in creating partnerships with manufacturers here?

A: My critical issue is ensuring the profitability of the business. Going forward, with exchange rate fluctuations it will be difficult to maintain costs, so we would need to look at whether we could work with local manufacturers and maintain our volumes and values. We are already working with RRT MedCon on packaging, but not with local manufacturers of condoms.
UNFPA/PSI case studies: A total market approach for male condoms

Scott Billy, PSI

In 2012, UNFPA and PSI had a critical look at six condom markets where both play an active role: Botswana, Lesotho, Mali, South Africa, Swaziland, and Uganda. These countries were selected for their large condom social marketing programs, the effect of the HIV epidemic, and high maternal morbidity and mortality relative to economic development. Data collection and analyses were completed in 2013 and the findings were presented in this session, with a special focus on South Africa and Uganda.

What is a total market approach (TMA)?

PSI used a total market approach (TMA) to analyze these six markets. A TMA recognizes that many different players are involved in creating demand and supply for health products—manufacturers, distributors, wholesalers, retailers, international donors, UN, government—and that the actions of one market player can affect another, in both positive and negative ways. The goal of a TMA is to grow a market sustainably, and this requires understanding the roles of all stakeholders, identifying the barriers to market entry and expansion, and figuring out how to create incentives for market growth.

The case studies looked at market breadth (condom products, prices, places, promotion) and market depth (total volume and value of condoms). For each country, PSI asked:

- How many condoms are needed to cover every risky sex act in the country? (i.e. universe of need)
- What is the current condom usage in the country?
- How many condoms are distributed by social marketers, government, and the private sector?
- How much are consumers paying for condoms?
- How many brands are in the market?
- How subsidized is the condom market?
- What about equity? How much more access do wealthier people have to condoms than poorer people?

“One success from the case studies was that Ministries of Health really came to see themselves as part of the market. They hadn’t really considered how their activities had influenced market dynamics before.”

– Scott Billy, PSI

How can we close the gap between condom use and condom need?
Highlights and major findings

We are not meeting the need for condoms in either South Africa or Uganda.

**SOUTH AFRICA**

![Image of market volume graph]

800m to 850m condoms are needed for HIV prevention. We are not close to meeting that need.

**Market volume:** South Africa’s condom market is highly subsidized—even though it is a middle-income country, 83% of the population receive free condoms. Even those who can afford to pay for them, middle aged men for example, don’t see why they should pay for them. The commercial sector is therefore small, but healthy: there are 58 brands on the market and there has been more than a 10% increase year on year between 2008 and 2013.

**Condom use:** In South Africa, condom use in almost every age group dropped by 20% from 2008–2012. It is not certain why, but less attention was being paid to condoms as efforts shifted to treatment and circumcision.

**UGANDA**

![Image of condom use graph]

110m to 120m condoms are needed for HIV prevention. In 2006 it exceeded that need, then declined a bit.

**Market volume:** In Uganda, free public sector condoms account for 93% of the market and distribution is extremely erratic. Sales of socially marketed condoms increased from 2006 to 2008, but have been steadily declining since. In 2011, condom sales were 10 million less than they were in 2006.

**Condom use:** In Uganda, condom use is not equitable—wealthy people are much more likely to use them.
Recommendations for all markets:

**Increase informed demand:** We want more people to adopt safer behavior and use condoms for HIV prevention and preventing unplanned pregnancies. There is no point flooding a market with condoms if there are no consumers for them.

**Equitable distribution:** Our goal is to reach the poor, but we also want to ensure that subsidies reach the poor (and aren’t being used by the wealthy). In South Africa, distribution is being scaled up to non-medical outlets and venues where risky sex takes place, in order to target those most vulnerable to HIV and STIs.

**Reporting:** To prevent stock outs, we need to forecast the number of condoms required. Suggestions: create a data repository with up-to-date information about condom stock, and improve data collection on target populations by including questions about dual protection on behavioral surveys and other TMA metrics.

Recommendations for select markets:

*Lesotho, South Africa, Swaziland, Uganda:*

**Improve coordination between key stakeholders**—condom suppliers, distributors, and government entities—to prevent stock outs and clarify the roles and responsibilities of each stakeholder.

*Lesotho, Mali, Swaziland, Uganda:*

**Pricing** – A price increase for Lovers+ and Trust brands has made socially marketed condoms in Lesotho and Swaziland quite a bit more expensive, and the market needs to continue to open up for the commercial sector. In Mali, socially marketed condoms are long overdue for a price increase and the government will need to lift price controls. Otherwise, there will be no motivation for the commercial sector to enter the market. In Uganda, prices for socially marketed condom should be set high enough to improve sustainability and encourage competition from the commercial sector, as well as keep up with inflation.

Manufacturers need market information to understand the regulatory environment and how the trade works in different countries. Mr. Billy suggested that PSI could be an in-country partner since it is already working in every country in Africa. He urged manufacturers to contact him so he could put them in touch with the right people in each market.
Market research: Assessing condom need and improving the viability of condom markets

Ashley Nguyen, Clinton Health Access Initiative (CHAI)

UNFPA, USAID, and other partners have been working with the Coordinated Supply Planning Group (CSP) to understand the gap between the number of condoms required and actual supply. Ashley Nguyen of the Clinton Health Access Initiative (CHAI) has been looking at country data in 19 markets to assess condom needs and supply, and reported on the preliminary findings.

The Coordinated Supply Planning Group (CSP) & UNFPA have worked together to develop market analyses to quantify the unmet need in select countries by 1) estimating the number of condoms required, and 2) calculating and forecasting the total number of condoms supplied.

19 focus countries: The initial market analyses focused on 19 countries in Eastern and Southern Africa (ESA) with a generalized HIV epidemic. These countries were identified as high HIV impact countries, and comprise over 80% of current and new cases of HIV. The analysis may expand to West African and Sub-Saharan countries with concentrated epidemics in the future, if data is available.

A simple methodology for estimating condom need: CSP used 2015 UN population data (updated mid-2015) and actual data from 2011 and 2014 and growth rates. Condom supply data varies between male and female condoms. It relied on UNFPA databases like RH Interchange (RHI), Global Fund PQR (GF volumes), SMO stats via DKT, and supplier data. Data was aggregated to protect confidentiality.

Preliminary results:

To reach 30 male condoms per male per year in focus countries, an additional 2.4 billion condoms would need to be purchased annually.
Why 30? For 2011–13, supply was 3.6 billion and grew to 3.88 billion. Extrapolated to 2020, supply will be 4.81 billion. The difference between these two—the number of condoms needed—is 2.4 billion. However, this number likely underestimates what is needed because it only includes donor-funded and SMO data.

Next steps
The existing data likely underestimates the number of condoms that are actually needed. For example, there are government-affiliated purchases from Namibia and South Africa that are not captured in this data set. UNFPA has reached out to Country Offices for data, which CSP has found very helpful, and it is now trying to triangulate global and country data. Country-reported data varies widely and there is a significant gap when compared to global level estimates. Additional data and support from countries will be needed to improve condom market visibility and in turn, market analyses. The best data, Ms. Nguyen said, usually comes from suppliers, and CSP can use this data to conduct strong and rigorous market analysis and forecast production and supply planning.

Questions to answer next:

1. Understanding current condom supply:
   - How can we gain visibility into commercial sector sales?
   - How can we reconcile global and country-reported data?

2. Identifying and responding to gaps in condom supply:
   - How can these analyses support the entrance of the private sector to meet supply gaps?
   - How can these analyses support programming and funding decisions for future condom needs?

3. Linking condom supply with consumption:
   - How do we link procurement and distribution relates to actual consumption?
   - How can we quantify condom usage?

Q: How did you decide on 30 male condoms?
A: For male condoms, 30 is just a preliminary number and it is up to the countries to define their goals—it could be 40 or 50. We decided on 30 based on condom availability in the 19 focus countries in 2011 and where there are less than 10 male condoms available per year. We will continue to meet and examine the methodology and perhaps adjust/raise the target. This is the first analysis and a baseline for estimating.

Q: From a programming point of view, I think it makes sense because you are giving us the gaps. But maybe it would make more sense to use country-level data.
A: Yes, over the next couple of days we can open up country-by-country files. The reason I did it in an aggregated manner is because there is a lot of variability between countries and it allows me to cross out errors between countries. But yes, we will be making more effort to show supply and gaps by country and the model allows for that. This is the next step.

Q: I’m not sure if we should use the term ‘consumption’ when we talk about condom data. All we really know is distribution.
A: Yes, that’s a really good point. CHAI, RHSC, and FP2020 have a supplier visibility project that allows us to aggregate data across industry, and by offering confidentiality this has allowed the private sector to participate anonymously. But this is largely distribution data, and linking actual supply and usage will be a challenge.

Q: Is your data based on shipments or what’s being distributed?
A: Condom shipments coming into the country (supply). We don’t have a handle on procurement and distribution yet.
Debating the big questions

Two and a half days of meetings generated rich discussions and debate on how to create an enabling market for male and female condoms in Sub-Saharan Africa, forge partnerships that would attract global manufacturers to condom markets, while simultaneously meeting public health goals and supporting local and regional economies. Below are some of the questions and ideas to come out of this diverse multi-sector meeting, and the perspectives of those from two of the new 20 by 20 target countries.

Is the commercial market in Africa really too small?

One participant summed up the concerns of many manufacturers at the 20 by 20 meeting in Bangkok: “Africa is not the easiest place to do business. Condoms are perceived to be free, so why go into the market if the majority are getting a subsidized product? It is not about production – the private market is small.”

But is the commercial market in Africa too small? With regional groupings, African countries form a large market. Manufacturers from Botswana and South Africa say they can get all the orders they want; what is keeping them from expanding is the same barrier most companies face taking their business to the next level: inadequate financing. Below are some of the concerns voiced by global manufacturers about market size, followed by responses from national stakeholders.

“We understand that people are willing to buy condoms, but the fact is that the quantities we are supplying and shipping to Nigeria that are bought commercially is less than 10%. So we hear about appetite, the market, and demand, but for us it just doesn’t click.”
– Amy Goh, Malaysia

“In Nigeria there is a conundrum: there is a high level of knowledge about contraception, especially in northern states, but it is not translating into usage. I think this is because of access. There is a high fertility rate in rural areas, but pharmacies and other shops are not located there. So the Nigerian government is pushing an innovative initiative with local and global partners to remove that access barrier and try to drive these commodities to rural areas. So we know there is a problem and we are actively trying to address that problem. We expect usage to go up when we improve access.”
– Zeinab Cole, Private Sector Health Alliance of Nigeria

“What the private sector needs is information to understand African markets. To get condoms into a market, we can’t think about manufacturing alone—we need to think about the whole supply chain and how the manufacturer can engage in both supply and distribution and get the commodities to communities where they are needed. There are huge opportunities across Africa for this, especially in Zambia. How?”
– Participant from Zambia

“There is not only a gap in the market but a market in the gap… Creating attractive incentives will help to ensure a company has a sustainable way to enter the market and stay there.”
– Dr. Amit Thakker, Kenya Private Health Sector Alliance
What’s next for 20 by 20?

The 20 by 20 meeting in Namibia was a forum for the private sector and national stakeholders, especially government, to define the terms for penetration or expansion in select African markets, discuss potential public-private partnerships, and develop an action plan. Below are the main outcomes of the meeting and next steps.

First group of 20 by 20 target countries selected

The following countries were selected in a general vote as the first group of target markets for the 20 by 20 initiative: Botswana, Kenya, Namibia, South Africa, Zambia, and Zimbabwe. As Clancy Broxton of USAID pointed out, “This is just the beginning. We’ve begun by selecting five countries to gauge where the most interest is, to gather data, and move forward.”

A 4-pillar partnership will advance the 20 by 20 initiative

The meeting concluded with four strategic partners committing to work together and in parallel to achieve the 20 by 20 target: government, the private sector, regional bodies, and the international development community. Group work was a major part of the 20 by 20 meeting. Participants split into two groups—private sector and public sector—to draft concrete action plans with short-term deliverables and identify the target audience, the lead person or agency, primary and secondary partners, the time frame, cost, and funding sources for each action point.

Each of the 20 by 20 partners have important and complementary roles and responsibilities in this effort, and they agreed to hold regular joint conference calls to share updates, review progress, and provide support. They also made plans to meet again:

**NEXT MEETING: October 2016**

The third meeting of the 20 by 20 initiative will be held in Kenya, hosted by Kenya’s Ministry of Health.

The action points and short-term deliverables for each of the four 20 by 20 partners are outlined on the following pages.
MAIN TASK:

Collaborate through a new condom trade association to advance the 20 by 20 initiative
This new trade association, called ABCD (Africa Beyond Condom Donation), will be made up of manufacturers, distributors, retailers, and others involved in private sector condom programming, and will collaborate with governments and the international development community to advance the 20 by 20 initiative.

ABCD met in January to complete its first tasks:
• Elect a steering committee
• Decide on a name and legal entity
• Determine the scope of work, vision, mission of the group
• Prioritize action items
• Identify potential sources of funding. Costs may be covered by association members, paid for through fees or foundation funding (TBD).

Leads: Susan Ostrowski (Lead, independent consultant), Sam Stembo (condom distributor, Mitko Group), Delight Murigo (civil society, Say What Organization), Clive Kohrs (condom manufacturer, RRT Medcon), Paul Whyte (lubricant manufacturer, Gel Works)

ACTION ITEMS & SHORT-TERM DELIVERABLES:

1. Seek tax exemption and regulatory harmonization from Africa’s regional regulatory authorities. A letter will be drafted to SADC, WAHO, ECOWAS, and EAC addressing these issues. PJ Reddy (Indus Medicare Limited) and Michael Proctor (Gemi Rubber) will work together to draft the letter.

2. Gather information about national strategies in 20 by 20 countries. PSI will lead this effort to determine whether there are national strategies and a condom coordinating committee/group in each country, the time frame for national strategies, and whether they include pro-business policies.

3. Generate data. Decide whether to hire a third party to generate more data based on work that UNFPA and USAID are already funding.

4. Consider a category growth campaign. Hire an advertising agency to conduct a brand agnostic advertising campaign aimed at condom consumers.

The ABCD Steering Committee will keep the 20 by 20 Steering Committee regularly informed of its activities.
MAIN TASK:

Work to remove import taxes
Ministries of Health will advocate for the removal of import taxes to encourage private sector entry into African markets. They will do this through parliamentary health committees and Ministries of Finance, partnering with UNFPA, National AIDS Commissions, and civil society organizations. Secondary partners will include national condom working groups, HIV prevention or reproductive health working groups, and technical advisory committees on prevention in the health sector.

This effort will be conducted in three steps:
1) Debriefing meeting
2) Advocacy and sensitization
3) Consultation meeting

ACTION ITEMS & SHORT-TERM DELIVERABLES:

1. Create a national portal on the regulation on medical devices, including information on post-market surveillance of public and private sector condoms. The target audiences for the portal will be Ministries of Finance, Trade, and Planning & Development. This work will be led by national Ministries of Health in partnership with Chambers of Commerce, UNIDO, ILO, WTO, COMESA, ECOWAS, IGAD, SACU, and NEPAD.

Steps:
- Create a website on registration processes, product registration, registration fees in every country
- Publish the tendering process on the website
- Publish information about post-shipment quality assurance
- Develop a generic tool for the post-market surveillance of condoms (like the Zimbabwe tool)
- Publish summaries of any condom market analyses, including testing
- Enhance capacity building of regulatory authorities

2. Strengthen regulations on medical devices, including post-market surveillance of public and private sector condoms. This will involve:
- Updating registration processes and the products (condoms) registered in the country and associated fees.
- Publishing the tendering process. National Ministries of Health and Drug Regulatory Authorities will lead this effort in partnership with other Ministries of Health and UN agencies.
MAIN TASK:

Work to harmonize regulations
At both country and regional levels, all actions on harmonization, regulation, tax exemption, and related issues will be defined and led by African regional institutions, such as the regional economic communities. These regional bodies, which already have relationships with national governments, will determine the best way forward and keep the 20 by 20 Steering Committee regularly informed of their activities.

ACTION ITEMS & SHORT-TERM DELIVERABLES:

1. Enhance regional and continental high-level advocacy to create an enabling environment for the private sector. This will involve:
   - Compiling a list of all high-level events in 2016
   - Identifying “champions”
   - Developing advocacy briefs
   - Organizing side events and ensuring champions have speaking roles at high-level events
   - Collaborate with Ministries of Health, Youth, and Finance, the Organisation of African First Ladies Against HIV/AIDS (OAFLA), Afriyan, Yplus, Champions for an HIV-free Generation, and the 20 by 20 Steering Committee.

2. Advocate for the creation of economic zones at the country level. Ministries of Health and the 20 by 20 Steering Committee will lead this work and partner with UN agencies and bilateral organizations to:
   - Conduct a desk review of regional economic zones (Uganda, Kenya, Namibia, etc.)
   - Develop advocacy briefs
   - Adopt existing frameworks

3. Harmonize regulations for medical devices. Regional economic communities will be responsible for this work, in partnership UNFPA, USAID, WHO, and the 20 by 20 Steering Committee.

4. Conduct a rapid assessment of the implementation status of the ESA commitment on comprehensive sexuality education (CSE) and undertake necessary actions to incorporate a condom component. The target audiences are Ministries of Health and Education, and regional economic communities (RECs) will take the lead on this in partnership with UN agencies, civil society organizations, and regional bodies.

5. Create a regional portal on the regulation on medical devices, including information on post-market surveillance of public and private sector condoms. The target audiences for the website are condom manufacturers and potential investors, and it will be developed by RECs in partnership with NRAs, MoH, UNFPA, USAID, and WHO. Steps:
   - Create a website on registration processes, product registrations, and registration fees in every country
   - Publish the tendering process on the website
   - Publish information about post-shipment quality assurance
   - Develop a generic tool for post-market surveillance of condoms (like the Zimbabwe tool)
   - Publish summaries of any condom market analyses, including testing
   - Enhance capacity building of regulatory authorities
MAIN TASK:

Commission studies to understand the attractiveness of multi-country markets and mobilize financial support

UNFPA and USAID will lead research efforts to help governments, manufacturers, and social marketers to understand the attractiveness of condom markets in several countries. This will involve continuing and commissioning new studies on:

1. Consumer willingness to pay
2. Market size and structure
3. Condom gap analysis and forecasting.

This work will be conducted in partnership with the AIDSFree Project, Abt Associates, CHAI, The World Bank, and the 20 by 20 Steering Committee.

UNFPA, USAID, and UNAIDS will also work to mobilize financial support for the 20 by 20 initiative, perhaps from the Bill & Melinda Gates Foundation and UNITAID. These efforts will be supported by the 20 by 20 Steering Committee.

ACTION ITEMS & SHORT-TERM DELIVERABLES:

1. Facilitate the establishment of ABCD, the newly created private sector condom trade association, to support the 20 by 20 initiative. This will involve: 1) Reviewing the TOR; and 2) Contributing to the development of country report cards on 20 by 20 progress. UNFPA will take the lead on this, in partnership with USAID and RECs. (Secondary partner: 20 by 20 Steering Committee)

2. Provide technical and financial support to advance the 20 by 20 initiative. UNFPA and USAID will lead this effort to support governments, manufacturers, social marketers, and RECs.
### Who was there? 20 by 20 meeting participants

<table>
<thead>
<tr>
<th>NAME</th>
<th>SECTOR</th>
<th>DEPT.</th>
<th>ORGANIZATION</th>
<th>COUNTRY</th>
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<tbody>
<tr>
<td>1 Elisabeth Koko</td>
<td>Government</td>
<td>MoH</td>
<td>Ministry of Health</td>
<td>Botswana</td>
</tr>
<tr>
<td>2 Mr Din Mohammad Shaen Haque</td>
<td>Government</td>
<td>NRA</td>
<td>National Drug Quality Control Laboratory (MOH)</td>
<td>Botswana</td>
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<tr>
<td>3 Mr Mompati Buzwani</td>
<td>Government</td>
<td>MoH</td>
<td>Public Private Partnership, MoH</td>
<td>Botswana</td>
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<tr>
<td>4 Mr. Kebalepile Francis</td>
<td>Civil society</td>
<td>Youth network MoF</td>
<td>Nkaikela Youth Group</td>
<td>Botswana</td>
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<td>5 Ndoa Jean Jacques Kanga</td>
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