

Developing a long lasting insecticidal net retail market in Nigeria



SuNMaP
SUSTAINABLE NIGERIAN MOSQUITO ABatement PROJECT

**malaria
consortium**
disease control, better health

Learning paper series

Since starting operations in 2003 (and in 2008 in Nigeria), Malaria Consortium has gained a great deal of experience and knowledge through technical and operational programmes and activities relating to the control of malaria and other infectious childhood and neglected tropical diseases.

Organisationally, we are dedicated to ensuring our work remains grounded in the lessons we learn through implementation. We explore beyond current practice, to try out innovative ways – through research, implementation and policy development – to achieve

effective and sustainable disease management and control. Collaboration and cooperation with others through our work has been paramount and much of what we have learned has been achieved through our partnerships.

This series of learning papers aims to capture and collate some of the knowledge, learning and, where possible, the evidence around the focus and effectiveness of our work. By sharing this learning, we hope to provide new knowledge on public health development that will help influence and advance both policy and practice.

Hanging mosquito nets in
Anambra state, Nigeria



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Citation: George S., Olayinka F., Okeowo B.,
Kolawole M. (2014). Developing a long lasting
insecticidal net retail market in Nigeria. Malaria
Consortium Learning Paper series:
www.malariaconsortium.org/learningpapers

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Malaria Consortium

PUBLISHED

December 2014

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What is the commercial net sector?

The long lasting insecticidal net (LLIN) commercial sector is the part of the LLIN market concerned with the production, importation, distribution and marketing of LLINs in Nigeria.

For many years prior to the launch of SuNMaP in 2008, insecticide treated mosquito nets were sold to the public in Nigeria through market stalls and pharmacies. Nets were also sold to institutional buyers, such as schools, hospitals and large employers. Local manufacturers, importers and traders were involved in the LLIN commercial sector.

Due to the overwhelming malaria burden in the country, there was a need to rapidly scale-up net ownership and use. Vast numbers of nets were needed to cover all those at risk of contracting malaria. An estimated 150 million people across Nigeria are in need of free LLINs.

The population can have access to LLINs through three ways: mass distribution, routine distribution and the commercial sector. The first two are designed for LLIN distribution to the most vulnerable groups, and others should be able to buy them through the retail market.

Routine distribution and the commercial sector are referred to as continuous LLIN distribution systems as illustrated in the diagram below.

SuNMaP

Support to the Nigeria Malaria Programme (SuNMaP) is an £89 million UKaid funded project that works with the government and people of Nigeria to strengthen the national effort to control malaria. The programme began in April 2008 and runs to August 2015.

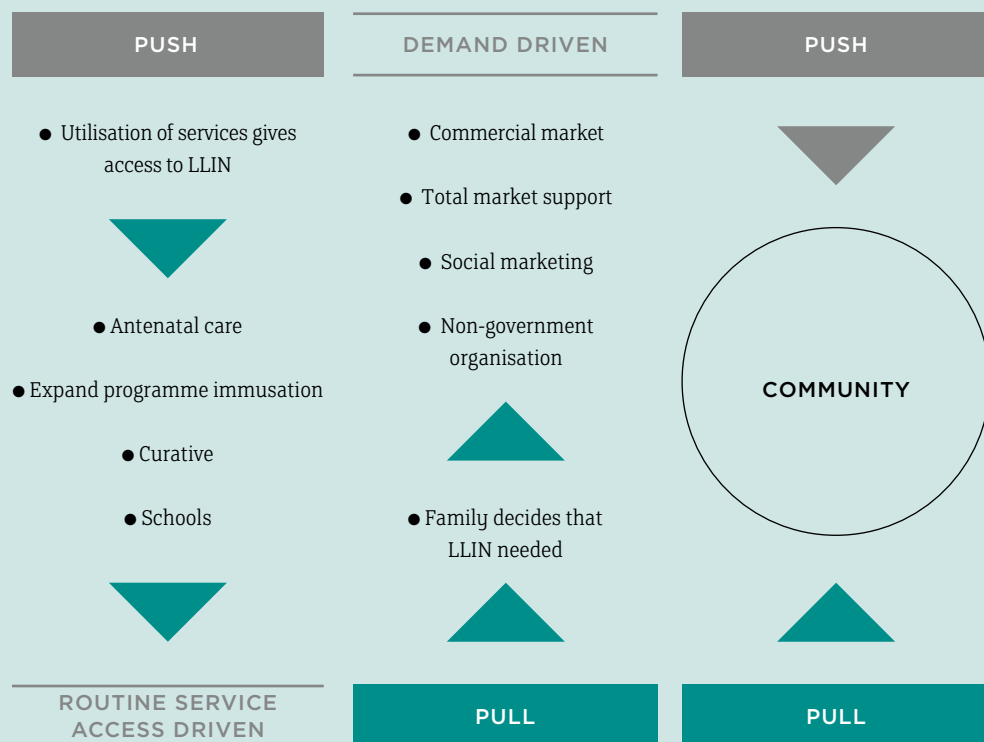
Malaria in Nigeria

Malaria kills around 300,000 Nigerians a year, 250,000 of them children. Nearly 30 percent of childhood deaths and 10 percent of all maternal deaths are caused by the disease. While children under five and pregnant women are particularly vulnerable, almost the entire population of Nigeria is at risk. According to the Nigerian government, the nation also loses around \$1 billion a year from the cost of treatment and absenteeism.

Source: National Malaria Indicator Survey Report 2010

Continuous LLIN distribution systems

Continuous distribution should combine push and pull systems



Source: Consensus statement CD work stream VCWG

A market vendor selling mosquito nets in Nsukka market in Enugu state
Photo: Susan Schulman



The mass distribution of LLINs, which started in 2009, aimed to ensure coverage at the rate of two nets per household. It was also designed so that households saw the benefits of net coverage, thereby encouraging the commercial sector to retail nets.

Those most vulnerable to contracting malaria – pregnant women and children under five – are given free LLINs as part of routine distribution at antenatal clinics. Everyone else can, in theory, buy LLINs through the retail sector. With an annual routine distribution of eight million LLINs at these clinics, and each LLIN lasting on average three years, routine distribution would cover 24 million nets or exactly 50 percent of the market.

According to a market assessment conducted in April–May 2011, the total size of the LLIN market in Nigeria could be around 48 million. This figure, based on around 30 million households, assumes 80 percent is interested in using LLINs at the rate of two nets per household. But while some families, such as those with children under five, might receive multiple nets through routine campaigns, others could receive none.

In addition, the nets distributed through campaigns are all of a standard size and shape, which are not appropriate for every individual or situation. The campaigns are also dependent on funds from donors, and so are unsustainable. The remaining demand for nets could be covered by retail and institutional sales. However, at present, there are leakages from all channels; LLINs and routine LLINs may leak into commercial markets.

Ideally, mass distribution campaigns, routine distribution and the commercial sector should work together harmoniously to ensure the highest possible coverage (universal coverage) of nets across the country and ensure that vulnerable groups are covered first and that others are able to access LLINs through commercial channels. This learning paper considers the extent to which this happened in practice, and how the situation can be built upon in the future.

	Advantages	Disadvantages
LLIN campaigns	<ul style="list-style-type: none"> ● Rapid scale up, meaning that the largest possible number of people are covered at no cost to those receiving the nets, and the most vulnerable are reached 	<ul style="list-style-type: none"> ● It does not cover all, not necessarily the most vulnerable or poorest (although this is the aim) ● It dependent on funds from donors ● Nets are of a standard size and shape, and not appropriate for every individual or situation
Commercial sector	<ul style="list-style-type: none"> ● Consumers have a choice (e.g. size and shape) and so encourages use ● Can fill in gaps of required LLINs to meet universal coverage ● It can be sold to institutions as institutional sales. These include schools, hospitals etc. ● Can have additional nets where needed, increasing intra-household coverage of LLINs ● Private investment drives innovation to meet different conditions and types of sleeping places 	<ul style="list-style-type: none"> ● It is not a free product ● Consumers often do not see LLINs as an important purchase ● LLINs are bulky items and storage can often be a problem ● Cheaper substitutes are available, e.g. sprays, untreated nets and mosquito coils

A woman receiving her free net during a mass distribution campaign in Kano state, Nigeria
 Photo: William Daniels



Planning to support the commercial sector

SuNMaP's commercial sector strategy is designed to increase access to nets across Nigeria through commercial sector (retail market) support.

This support has evolved in response to changes in the LLIN market in Nigeria.

Prior to SuNMaP, the nets that were sold were insecticide treated nets (ITNs) and the major source of ITNs was the commercial sector. A small amount of social marketing of ITNs was carried out between 2002 and 2004. From 2002, NetMark – a USAID-funded project aimed at reducing countries' malaria burden through increasing the commercial supply and public demand for ITNs – supported four, and then seven local distributors and net manufacturers, with the reduction of taxes or tariffs of ITNs. The project also began to work on free ITN distribution. Subsequently, the Nigeria National Malaria Elimination Programme (NMEP), and the country's Roll Back Malaria (RBM) partnership, began a state by state household LLIN distribution campaign. SuNMaP was involved in this distribution campaign from 2009 onwards.

There were both pros and cons to the LLIN campaign into which the commercial sector would have to take into account. For instance, mass distribution campaigns have standardised nets, which may not be suitable or useful for all. The large numbers of nets distributed has also not been sufficient to cover the entire population.

But the distribution of LLINs meant that ITNs were less in demand, particularly as they were no longer recommended by the World Health Organization. As opposed to ITNs, LLINs are WHOPEs-accredited (meaning that the World Health Organization approved their use for malaria control). As a result of this shrinking demand, the commercial sector shifted its focus from retail to institutional sales, primarily targeting government agencies and RBM partners.

As a result of shrinking demand of ITNs, the commercial sector shifted its focus from retail to institutional sales

From mosquito nets to long lasting insecticide treated nets

1. Before the SuNMaP programme, regular mosquito nets were used to prevent and control malaria. Many of these nets were made by local textile businesses.
2. The mosquito nets were later treated with insecticide (ITNs), which last for six months before re-treatment is needed. The nets were slightly modernised, for example, it had better stitching and plastic wrapping. They were initially packaged separately and later bundled together.
3. LLINs are the latest technology, which impregnates insecticide into the fibres. In-country manufacturers of ITNs became the distributors of LLINs manufactured internationally, selling to institutions and avoiding the retail market for fast turn around of investment and because of perceived reduction in sales due to free LLINs distributed through campaigns.

Preparing to distribute LLINs for a mass campaign in Kano state
Photo: William Daniels



SuNMaP's programme design recognised the importance of the commercial sector in developing its distribution network for LLINs. The project aimed to directly support the existing commercial infrastructure for LLINs in the Nigerian market and to help expand the capacity of the sector to meet the additional and replacement nets not covered by the public sector campaigns.

SuNMaP's original strategy (2008) for the commercial sector was based on price support for distributors to encourage them to stay in the retail market as this increases access to LLINs more than institutional sales. The strategy was revised in 2012 using the principles of Making Markets Work for the Poor (M4P). M4P looks at why markets, as they are currently organised, do not work for the poor, and how these markets might work more positively. An M4P project facilitates mutually beneficial arrangements between different parts of the market so that the poor can benefit from the improved functioning of market systems.

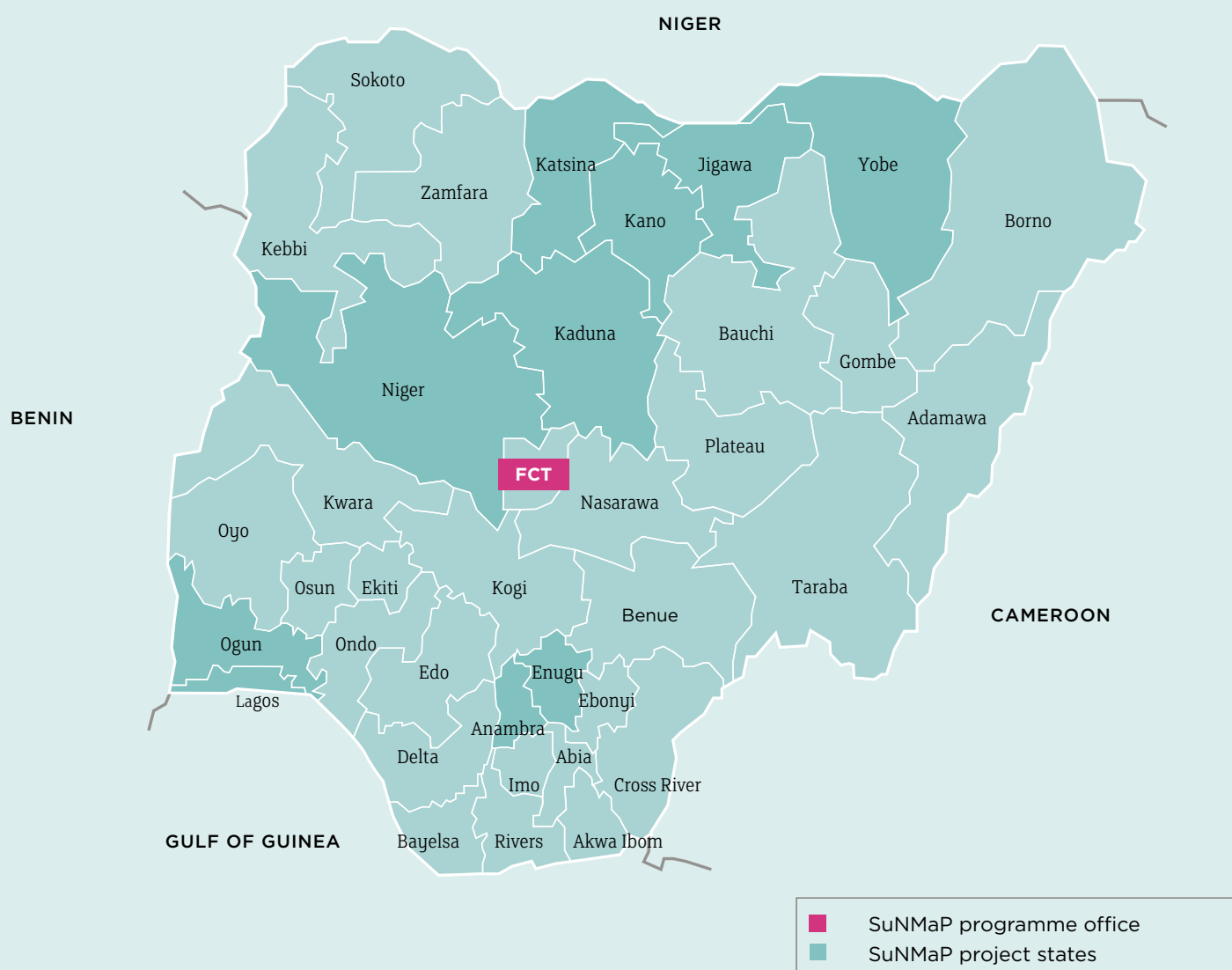
SuNMaP's strategy focuses on a 'total market approach'. This is a coordinated approach that aims to cover the health needs of an entire country by incorporating the different contributions of all sectors – public, commercial, and non-government organisations – and looks at individuals' ability and willingness to pay for goods or services. As addressed in M4P, an individuals' involvement in the market is intended to increase both their incomes and access to LLINs. The total market approach supports sustainability and value for money given that the commercial sector can maintain the high coverage achieved through campaigns.

SuNMaP expects that once the effect of the free distribution campaign has reduced, the LLIN market in Nigeria is likely to grow significantly. It estimates that institutional sales of around eight million LLINs per year and retail sales of between four and eight million nets per year will result. This would mean an approximate 10-fold increase in business for the LLIN market.

SuNMaP recognised the importance of the commercial sector in developing its distribution network for LLINs

1. Source: SuNMaP commercial sector strategy paper July 2012

States supported by SuNMaP in Nigeria



Catch-up phase

The catch-up phase uses a multi-channel distribution to rapidly achieve universal coverage.

SuNMaP's original strategy for the commercial sector in 2009 offered several types of financial support: price support – money given to distributors for each retail LLIN sold; distribution support – funds to distributors for seed stock, storage and distribution; branded promotion; and stock-purchase credit.

The aim was to encourage manufacturers to sell to retailers rather than solely to institutions, so that retailers would keep selling nets. As a result, 600,000 nets were sold.

However, there were issues around how price support worked in practice. These included difficulties in documenting how many nets were sold, at what price it was sold for or to whom they had been sold to.

Following review and extensive discussion with commercial sector partners, an LLIN market analysis was conducted in April to May 2011 to look at these issues. From this analysis, the most significant challenges facing the commercial sector were identified to be:

1.

LLINs were a slow-moving product so retailers may be reluctant to stock them:

As many households had access to free, subsidised or 'leaked' nets, demand for LLINs had been suppressed. LLINs, therefore, became an unattractive product to retailers and distributors. Additionally, as local importers and manufacturers have become increasingly reliant on donor-supported programmes and institutional sales, they had not developed a distribution and marketing network that would support a market for LLINs.

2.

Consumers were not clear about the value of LLINs:

Consumers were not aware of the advantages of LLINs and so those who could afford to buy LLINs were not doing so.

3.

LLINs did not meet the preferences of many consumers:

At the time the market analysis was carried out, larger-sized nets, which were more popular, were not available. The LLINs that were available were of a similar shape and size that were less preferred by customers.

4.

There was little scope for growth for the commercial sector:

Malaria prevention and control is highly prominent in Nigeria's public health agenda. As a result, there have been, and continue to be, mass distributions of LLINs, routine distribution to vulnerable populations, and subsidised social marketing of nets. Although the target populations for these interventions and those buying nets in the commercial sector were intended to be separate, in practice, there has been much overlap.

2. 'Leaked' means LLINs that have been stolen from storage, transport or distribution facilities, or sold by their intended recipients, and sold for a cheap price in retail outlets such as market stalls.

A shop owner in Nigeria shows one of his nets for sale
Photo: Akintunde Akinleye



INTERCEPTOR
with
FENDOXIN

Moustiquaire d'imprégnation longue durée
Long Lasting Insecticide treated Net

BASE
The Chemical Company

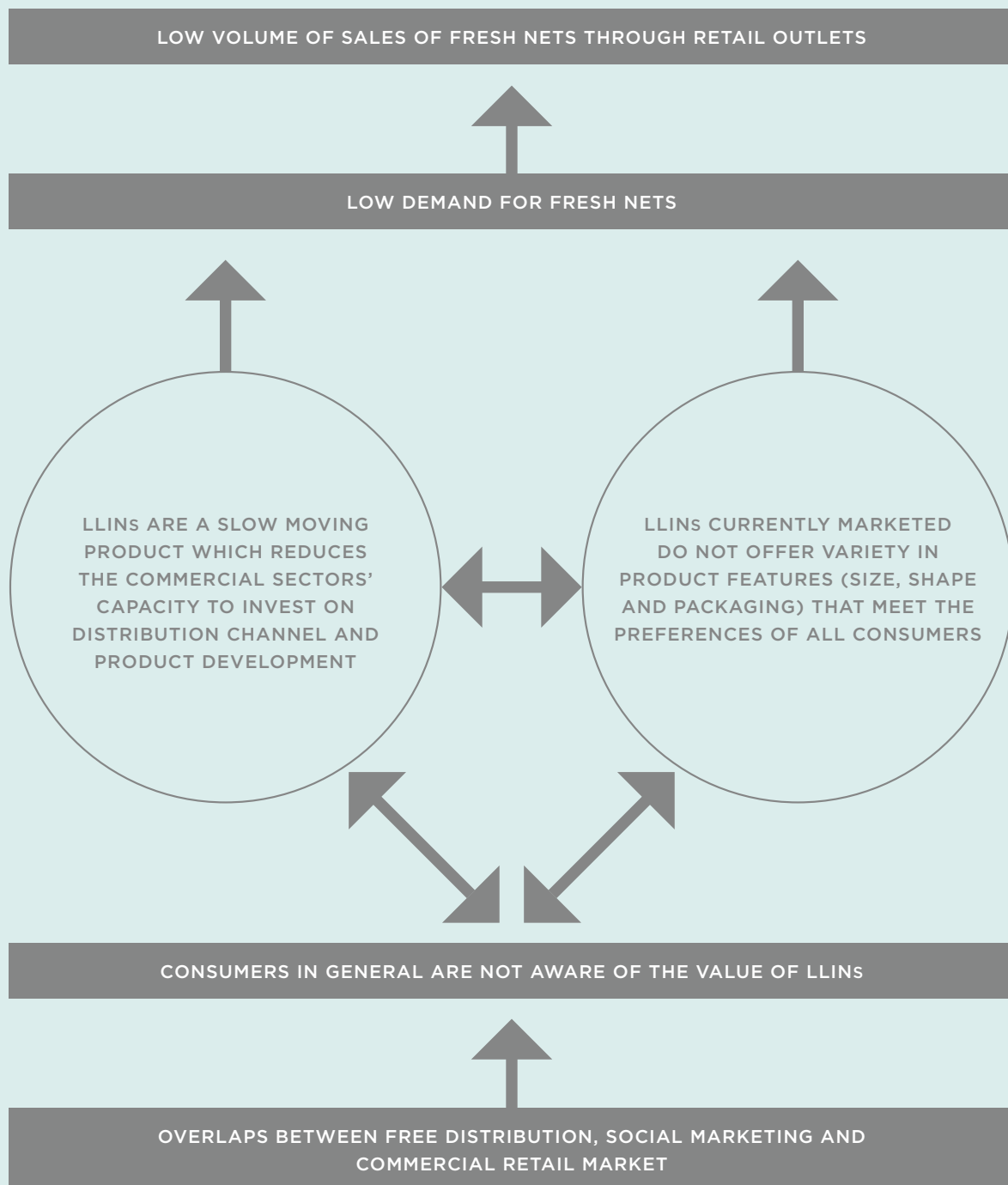
INTERCEPTOR avec
FENDOXIN protège
pendant la nuit contre
la transmission du
paludisme

Net weight: 1.5 kg (3.3 lb)
Gross weight: 1.8 kg (4.0 lb)
Net content: 1.5 kg (3.3 lb)
Gross content: 1.8 kg (4.0 lb)
Lot No. 123456789
Exp. date: 12/2015



Contenu: **1** moustiquaire
1.5 kg (3.3 lb)
Fourni avec 1 sachet de
FENDOXIN (100 mg)
pour la réimpression de
la moustiquaire.

Constraints in the LLIN market system



Case study #1

Fred Oduwole
Pharmacist and owner of Ofred Pharmacy
Alimosho, Lagos state

<i>"Around two years ago, I went to a workshop run by Teta Pharmaceuticals. At that time, I was chairman of the Association of Community Pharmacists of Nigeria.</i>	<i>The workshop was on preventive treatment through the use of LLINs and their benefits. There were lectures and it lasted one day.</i>	<i>Before the time of the workshop, this product was not readily available. I don't know why. Then, I had more stock and demand for the LLIN increased.</i>
<i>My pharmacy is in Alimosho, which is a local government area of Lagos state. Alimosho is a middle class area, urban and suburban, and the pharmacy has four employees. I am a community pharmacist with the responsibility of advising patients about medicines, including how to take them, what reactions may occur and answering patients' questions about most health related issues. I have been doing this for more than 10 years now.</i>	<i>"Seventy-five people were there altogether. The others attending were pharmacy owners and we also invited some health supervisors from the surrounding areas. This was to increase their knowledge as they are in charge of primary healthcare centres.</i>	<i>But for some time now, this product has been unavailable. There seems to be something wrong with the distribution and we hardly get the product from the company. So people can't get it when they want it. We don't source nets from the open market, we expect distributors to bring them. I would like to recommend the product. But the distributors aren't bringing LLINs at the moment in my own pharmacy, so the nets are not there."</i>
<i>The patients who come in are usually seeking treatment for malaria, typhoid and general pain-related issues. They come to me before visiting the doctor, and I can give them ACTs for malaria."</i>	<i>As a result of the workshop, my pharmacy began stocking more LLINs and improving the way they were displayed. After the training, we began to recommend using nets to prevent malaria, even when they came for treatments. I am now giving my patients information about LLINs as a result of the workshop. I encourage them to use LLINs and explain what the benefits are.</i>	
<i>Mr Oduwole attended the Teta Pharmaceuticals workshop specifically for pharmacists, which was supported by SuNMaP. Teta Pharmaceuticals runs workshops for different professional bodies. The workshops are designed to pass on information about the benefits of LLINs and how the professionals can tell their potential customers about them, thus increasing their sales and revenue.</i>		

Keep-up phase

In the keep-up phase, a multi-channel distribution is used to maintain and scale up universal coverage attained during the catch-up phase.

In 2012, as a result of what had been learned in its first years of work, SuNMaP changed its policy from direct price support to the market to stimulating the market through an M4P approach – a hands-off approach that did not involve direct intervention in the market.

SuNMaP's approach to M4P is organic – there is a plan for activities and ethos, which are continually built on and adapted based on events in the market. This revised strategy began in 2011, and became fully operational in late 2012.

The current aim is to bring about systemic change, so there are incentives and opportunities for businesses to continue to serve the market beyond the project's lifetime.

Market facilitators are currently being employed by SuNMaP to manage M4P interventions in project states.

SuNMaP's M4P approach is designed to be sustainable and to cover states where SuNMaP does not work, having an overall impact on the Nigerian net market. Sales of 400,000 have already resulted.

A sample of an LLIN by Teta pharmaceuticals, Lagos state
Photo: Susan Schulman



SuNMaP's M4p approach is guided by the following principles:

1.

It has a systematic view and objective:

Partners are given time-restricted support on various activities. These activities are intended to result in market systems change (retailers understand the market prospect for LLINs, there is an increased number of retailers, professional associations influence their members to retail LLINs) which are sustained by the follow-up actions (deeper market systems change like new LLIN distributors enter the market as a result of increased sales).

2.

It is grounded in local contexts:

The goal is not to impose external solutions but to strengthen existing market systems or pave the way for a new market system if it is found to be missing.

3.

It recognises the complexity of the different parts of the market

SuNMaP recognises the functions needed for effective and inclusive market development, including the role of, for example, the federal and state government of Nigeria and membership organisations. It is also able to incentivise behaviour change on supply and demand sides

4.

It looks at sustainability from the outset:

Interventions are dictated by the vision for the future or how the market will eventually perform without further project support.

5.

It focuses on appropriate solutions for local norms and resources:

For example, economic and cultural differences in the north and south areas of Nigeria affect consumption patterns.

6.

It uses innovative and flexible interventions:

Markets are continuously evolving in response to micro and macroeconomic factors, global trends, national policies etc. The interventions are kept flexible to accommodate these changes.



LLINs on display at Idumagbo market in Lagos

For the LLIN sector to become competitive, SuNMaP has been implementing interventions under the following strategic areas:

1.

Strengthening private sector capacity for market promotion:

Low consumer awareness about the value of LLINs and low market demand for LLINs are holding back the commercial market. The lack of awareness is being addressed through generic mass media campaigns and by professional organisations, business associations and civil society organisations who promote LLINs to their members. Suppliers can also promote LLINs themselves, and so need to have the capacity and resources to be able to do so.

2.

Strengthening retail distribution channels:

Only a few LLIN distributors are currently selling nets, with a limited stock covering a small number of local government areas. SuNMaP is supporting selected distributors to strengthen several types of distribution and retail channels including distribution through retail pharmacy networks. This is intended to reach the semi-urban and rural poor, the urban middle class, and those in rural areas who do not have access to free nets from campaigns and antenatal care channels. However, a lack of supply of nets in retail channels means this is not yet in operation.

3.

Strengthening institutional sales:

The commercial institutional market is more lucrative than the retail market at present. SuNMaP supports selected LLIN distributors to build their internal capacity to promote their brands to institutional buyers such as large corporations that supply LLINs to their workers.

4.

Enabling LLIN sales through targeted routine distribution:

SuNMaP also works with the NMEP and the state governments to ensure that the public sector opens up the market. This takes place through better targeting of vulnerable groups, better quantification of targets, transparent distribution, and a strengthened and reinforced campaign that will reduce the volume of leaked nets in the market. It will also help bridge the current information gap on when free LLIN distributions are planned, which has made it difficult for the commercial sector to plan and mitigate against the overlap between free distribution and the commercial market.

Low consumer awareness about the value of LLINs and low market demand for LLINs are holding back the commercial market

Case study #2

Clement Ogunleye
General Manager, Teta pharmaceuticals
Nigeria, Lagos

"We started importing LLINs four years ago, and are involved in their importation and distribution. We import them from France and Switzerland.	At the start of the business of LLINs, we were mainly operating in Lagos and Abuja. But because of the involvement of SuNMaP, we were able to extend to Kano, Kaduna and Ananmbra states. We cover close to 40 percent of the country now and our aim is for 100 percent.	As a way of moving the business forward, we realised we needed to offer an encouragement to buy the nets. So when people buy something and you give them a token, it encourages them to buy [more].
We have depots in four places across Nigeria. We import our LLINs, send them to the depots, and designated distributors go to pick up their stock. We also have six representatives in the field who take stock directly from the warehouse and sell it to patent medicine vendors, pharmacies, grocery stores, supermarkets and to open markets.	The profit margin [on LLINs] is very small because the government gives out free nets to some segments of society. As a result, you cannot increase your price, or people won't buy it, so we have to keep the margin at this level. Our business is not only LLINs, we sell other things, and because one is leveraging the other, you cannot say we are losing on LLINs.	We do this specifically for school students. When they are going back to school after the holidays, many buy new nets. So when they buy one net, we give them something free too.
When we started this LLIN business, awareness was very poor so the sales were abysmal, very low. But when SuNMaP began its interventions, people became aware of the LLINs and through interventions with different groups, we were able to increase our sales tremendously - by as much as 50 percent.	SuNMaP was involved in a massive advertising campaign on the television and radio. So people became more aware of [LLINs]. We also organised workshops for different professional bodies. SuNMaP assisted us in financing those workshops, so we could share the knowledge with business groups, community pharmacists, patent medicine vendors' schools.	We sell nets in different sizes - the minimum is 3x4 ft, the maximum is 7x7 ft. We have 3x6 ft nets for students... Beds are different, so we sell different sizes of nets. The government only gives out nets in one size."
Before the intervention of SuNMaP, we were selling 1,000 to 1,500 a month. Gradually it has increased to about 5,000 a month. If it could increase to 10,000 or more a month, that would be very profitable.	We gave lectures explaining the importance of LLINs, and this encouraged sales.	

What worked well

The commercial sector gives customers a choice of what kind of net to buy and allows for innovations. By opening up markets, nets available through campaigns, routine distribution and retail sales are not directly competing against each other.

While the outcomes of SuNMaP's revised commercial sector strategy may not be visible until 2015 and beyond, some elements of its M4P approach are already working well and showing signs of significant progress:

1.

M4P has allowed SuNMaP to understand the challenges in the market systems and look at the root causes of the problems within the private sector market by undertaking continued market analyses and responsive intervention support to market players, helping them to address identified constraints in the market.

2.

M4P has enabled the programme to facilitate links among those already involved in healthcare and the commercial sector. For instance, healthcare professionals have been linked to LLIN suppliers through workshops organised by SuNMaP to support demand creation and give information to doctors. Teta Pharmaceuticals, one of the major LLIN distributors in Nigeria, has held workshops for pharmacists and training for sales representatives, and as a result they have reported increase in their sales of LLINs, as well as overall improved networking and demand for nets.

3.

SuNMaP's activities have not involved significant expenditure, as expenditure focused on generating capacity and incentives for change. Costs have been shared with partners, who have a clear willingness to invest. The investment by partners and signed in agreement with SuNMaP have exceeded the programme's expectations.

4.

M4P has helped improve knowledge of consumers about LLINs in the states where SuNMaP works. This will enable SuNMaP to improve the targeting of its interventions.

5.

M4P has also helped SuNMaP to explore alternative channels for distributing LLINs. These channels go beyond pharmacies and cover places where fast-moving consumer goods are sold. For instance, there was a pilot project looking at selling mattresses and nets together. Another looked at merchandising in supermarkets.

6.

Since late 2013, there has been a focus on finding local manufacturers and distributors. While there have been challenges, given that nets manufactured locally did not have WHOPES accreditation, interim certification was granted to one manufacturer. SuNMaP is also facilitating partnerships between manufacturers and distributors.



Nets in storage at an LLIN distributor's warehouse

USE NO HOOKS WHEN HANDLING

Contract No. : 05-0115

Gross Weight : 127,900 Kgs

Net Weight : 11601

MAXIMUM WEIGHT OF BALE : 50 KGS

SUPPLIED BY : SHOBINKAA IMPEX
No. 17, Adur SDOO Industrial Estate, Warri Road
KABUR 639 006 - TAMIL NADU - INDIA

ONE BALE CONTAINS : 50 Numbers OF RECTANGULAR LLIMS
Lagos Nigeria.
Victoria Island

ADDRESS : British Deputy High Commission
CA : CLTH 02095 002

USE NO HOOKS WHEN HANDLING

Contract No. : 05-0115

Gross Weight : 14,000 Kgs

Net Weight : 11277

MAXIMUM WEIGHT OF BALE : 50 KGS

SUPPLIED BY : SHOBINKAA IMPEX
No. 17, Adur SDOO Industrial Estate, Warri Road
KABUR 639 006 - TAMIL NADU - INDIA

ONE BALE CONTAINS : 50 Numbers OF RECTANGULAR LLIMS
Lagos Nigeria.
Victoria Island

ADDRESS : British Deputy High Commission
CA : CLTH 02095 002

USE NO HOOKS WHEN HANDLING

Contract No. : 05-0115

Gross Weight : 114,000 Kgs

Net Weight : 11225

MAXIMUM WEIGHT OF BALE : 50 KGS

SUPPLIED BY : SHOBINKAA IMPEX
No. 17, Adur SDOO Industrial Estate, Warri Road
KABUR 639 006 - TAMIL NADU - INDIA

ONE BALE CONTAINS : 50 Numbers OF RECTANGULAR LLIMS
Lagos Nigeria.
Victoria Island

ADDRESS : British Deputy High Commission
CA : CLTH 02095 002

USE NO HOOKS WHEN HANDLING

Contract No. : 05-0115

Gross Weight : 14,000 Kgs

Net Weight : 11503

MAXIMUM WEIGHT OF BALE : 50 KGS

SUPPLIED BY : SHOBINKAA IMPEX
No. 17, Adur SDOO Industrial Estate, Warri Road
KABUR 639 006 - TAMIL NADU - INDIA

ONE BALE CONTAINS : 50 Numbers OF RECTANGULAR LLIMS
Lagos Nigeria.
Victoria Island

ADDRESS : British Deputy High Commission
CA : CLTH 02095 002

Challenges

SuNMaP's M4P approach has been able to address significant challenges connected to price support. There remain, however, challenges connected to the way the programme operates within the M4P approach.

- Many millions of nets have been distributed through mass LLIN campaigns, which have resulted to expectations that nets are provided free. The free distribution of LLINs also meant the commercial market for ITNs had dropped and there are very few ITNs available in the market.
- After the mass LLIN campaigns, there was some 'leakage' of nets, meaning that LLINs could be found on sale in street markets and other places, rather than being used by the intended recipients.
- LLINs are seen as a slow-moving product, which is a disincentive for retailers to sell them. It is also bulky to store.
- Consumers in general are not clear about the value of LLINs. For example, because LLINs can often generate heat, they are less appealing to consumers. It also often sold in international sizes that are unsuitable for households to use, and are difficult to hang up and fold away. Some consumers also prefer aerosol spraying of their homes. More demand creation is necessary and the private sector needs to invest in developing a product that is more user friendly for consumers.
- There have been critical challenges in getting other partners involved. Weak partner capacity and motivation, and identifying appropriate incentives to encourage involvement are challenges, as well as a lack of entrepreneurial drive of the partners and over dependence on government tenders which has had a negative impact on investment in the retail market.
- International manufacturers lack interest in local markets and distributors, and sometimes take a 'dump and move approach' towards market development.
- There needs to be a bigger market for LLIN manufacturers within Nigeria, however, no local manufacturer so far has WHOPES approval, which is needed to be able to get support from donors.
- Some of the nets on retail sale have been found to be 'fake', but are selling for the same price, or cheaper, as approved LLINs. Other, 'leaked', nets are available for cheaper than legitimately sold nets.
- As a result of all these, the commercial sector has lost confidence and interest in selling nets on a retail basis. Because the market is seen to be risky, the sector is required to invest significant amounts, and so companies are apprehensive. Consequently, they prefer to pursue bulk sales of 50,000 or more to institutions, or stick with public-sector tender sales.
- The net environment remains uncertain, so retailers are not sure if they will get a return on their investment. There is some confusion as to why this is, given that commercial sales of artemisinin combination therapy have worked well for pharmacists.
- Any sustainable change in the market requires time to build, and so will require continuous support. With the constraints facing the LLIN market, it may require more time for any of these changes to take place.

Any sustainable change in the market requires time to build, and so will require continuous support

Case study #3

Adedeji Coker
Market facilitator
Lagos state

"My work is based in Lagos, but sometimes it involves other SuNMaP states too.	In addition, LLINs are being procured by so many organisations that sometimes they end up finding their way to open markets - stolen - and it is difficult for partners to compete with the low prices they are being sold for.	We are also looking at ways the government can spell out to people that routine distributions of nets are for vulnerable groups - pregnant women and children under five - and those not covered should procure nets from pharmacies or supermarkets. At present, no one is telling them these free nets are only for certain vulnerable groups.
My job involves providing support to the anti-malaria commodity market and its key players. This means looking out for market opportunities, and providing linkages [to bridge the gap] between manufacturers, distributors and consumers. SuNMaP has connections with manufacturers outside the country and distributors who might be willing to take part in initiatives, so we link them with relevant associations, such as the Association of Community Pharmacists of Nigeria. We help them buy the best quality commodities at the best prices.	For instance, there was an intervention with the National Youth Service Corps, which is a year of mandatory military service for graduates, and our intervention meant that commercial sector partners put up stands in the camps. The people doing military service were able to procure nets at good prices. But at some camps, retailers were selling nets at a low price of 500 naira. The other nets were on sale for 1,500 naira, which made them very difficult to sell. To tackle these challenges, we need to go the extra mile, look at how to overcome them. Advocacy will help - for instance, asking the public sector to increase security when they are storing the nets.	We are also helping strengthen retail distributors, and there is advocacy for local procurement. We noticed partners complaining at the way the public sector procures nets from the Global Fund or Crown Agents. The local commercial sector wants to have a certain percentage of local procurement. We have people working on that so we can see how local procurement can come from local partners. Even if it is only 5 percent, local distributors want to be a part of it.
Some of my work entails visits to the open markets where nets are sold. We go there to try to understand what consumers and retailers are saying. The main challenge is still the price consumers are willing to pay. The mass and routine distributions of LLINs have meant that people consider nets as a product for which they do not need to pay; they think nets should be free.	There have been changes in the commercial sector over the 20 months that I have been doing this job. For instance, one of the challenges originally was that there was no awareness on what LLINs are. Consumers didn't know the product existed; now they are aware, following a campaign in the media and through advertising, and there is an increase in demand.	Our goals for the future regarding opening up the commercial market for LLINs are that there be an increased number of commercial sector players, an increased awareness of and demand for LLINs, and that there is advocacy for local procurement of LLINs from local commercial sector partners. These areas are what we work on now, and we are seeing positive changes."

Going forward

It is expected that by the end of 2015, SuNMaP's support to the commercial sector for LLINs will:

1.
Increase the availability of WHOPES-approved LLINs in the market
2.
Increase the distribution of branded LLINs
3.
Sustainably increase the sales of LLINs

This will be done through:

Public and private sectors working together

There needs to be a public-private sector dialogue, which will enable both sectors to reduce leakage and segment the market. It is estimated that in the next one to two years, sales could be 1.2 million nets per year to public sector institutions and through commercial retailing. As 'leaked' nets leave the market and is replaced by demand for LLINs distributed during free mass campaigns, public institutions increase their purchases via local tender, and demand could go up to eight million in public-institutional sales and four to eight million in commercial retail sales. It is also envisaged that local distributors and manufacturers will benefit from public sector procurement of nets that meet WHOPES standards for free routine distribution

Innovation

In order to attract customers, net manufacturers could develop new types of nets in various shapes, sizes, colours, and types. There could be pop-up nets, nets for windows, etc. This would both enable and require a change in the way nets are seen – no longer as a public health commodity requiring subsidy but as consumer products.

At present, manufacturers are only producing nets suitable for free distribution campaigns, but SuNMaP is currently exploring how to enable the manufacturing of larger nets, conical nets, etc.

Market constraints could be tackled by supporting different players to promote each others' work

Distribution

Manufacturers and importers need to make LLINs available through wider distribution. In particular, it is important that there be a holistic policy to address availability in rural markets. It may be possible to have a government subsidy to increase the affordability and penetration in those areas. At present, the penetration of legitimate LLIN in rural markets is patchy; they are generally mostly available in semi-urban and urban markets.

Market constraints could be tackled by supporting different players to promote each others' work. SuNMaP is currently in talks with mattress manufacturers, who have a wide nationwide distribution, to find out if they could import nets and sell them bundled with the mattresses.

Manufacturing

Manufacturing in-country makes sense as long as the potential market is growing. Currently, most procurement of nets is done internationally. If local manufacturers were brought in, that could help drive expansion in the market as well.

SuNMaP is currently trying to facilitate the use of LLIN technologies through locally produced nets and netting. At present, these have not yet been given WHOPEs approval, but possible partnerships and pilot models are underway.

Marketing and behaviour change communication

Behaviour change communication is an integral part of every stage of this work.

Consumers lack the knowledge that LLINs are the safest and cheapest long-term solution to malaria control. An interim step would be a project that builds capacity for long-term systemic change. This change would include individual companies marketing their products through a range of different strategies such as advertising, door to door selling, and at retail points.

Partnerships

SuNMaP can encourage partnerships at different levels, for example between importers and pharmacies. For instance, at meetings for pharmacists, importers could present their products and give pharmacists information about how they could sell LLINs most effectively through engaging their customers. Marketing can be further strengthened by giving pharmacists better point of sale information, and ongoing replenishing of stock.

LLINs could easily be sold through pharmacies. At present, they are only offered when specifically requested. But when artemisinin combination therapy drug treatment is bought, nets could be suggested at the same time.

Teta Pharmaceuticals are currently working well with pharmacists and other relevant bodies, but there is a need for others to be involved. For instance, at the same time as family doctors prescribe drugs to treat malaria, they could also prescribe LLINs, and suggest where they can be bought.

The expectation is that at the end of the SuNMaP project in 2015, consumers would have an increasingly favourable attitude towards purchasing LLINs from the retail market and the private sector would have the resources and skills necessary to cater to the market demand.

Malaria Consortium

Malaria Consortium is one of the world's leading non-profit organisations specialising in the comprehensive control of malaria and other communicable diseases – particularly those affecting children under five.

Malaria Consortium works in Africa and Asia with communities, government and non-government agencies, academic institutions, and local and international organisations, to ensure good evidence supports delivery of effective services.

Areas of expertise include disease prevention, diagnosis and treatment; disease control and elimination; health systems strengthening, research, monitoring and evaluation, behaviour change communication, and national and international advocacy.

An area of particular focus for the organisation is community level healthcare delivery, particularly through integrated case management. This is a community based child survival strategy which aims to deliver life-saving interventions for common childhood diseases where access to health facilities and services are limited or non-existent. It involves building capacity and support for community level health workers to be able to recognise, diagnose, treat and refer children under five suffering from the three most common childhood killers: pneumonia, diarrhoea and malaria. In South Sudan, this also involves programmes to manage malnutrition.

Malaria Consortium also supports efforts to combat neglected tropical diseases and is seeking to integrate NTD management with initiatives for malaria and other infectious diseases.

With 95 percent of Malaria Consortium staff working in malaria endemic areas, the organisation's local insight and practical tools gives it the agility to respond to critical challenges quickly and effectively. Supporters include international donors, national governments and foundations. In terms of its work, Malaria Consortium focuses on areas with a high incidence of malaria and communicable diseases for high impact among those people most vulnerable to these diseases.

www.malariaconsortium.org



Malaria Consortium is committed to a practical approach that integrates engagement between the community and health services, and national and global policy makers. It is an approach that is underpinned by a strong evidence base and driven by shared learning within and between countries

A family in Kano using a mosquito net





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