

## ***ELEADING ARTICLE***



17.3 billion dollars: the amount the US Federal Government alone allocated to the fight against AIDS at the national level in 2005. In the United States, thanks to the measures that have been taken, the number of deaths from this illness has been reduced to 15,000 per year (1% of Americans infected with HIV).

11 billion dollars: the amount that has been made available to UNAIDS in 2008. While the amount required to cover needs in the fight against AIDS in the Third World this year is estimated at 22.1 billion dollars. In Sub-Saharan Africa; the region worst affected by the pandemic, more than two million people will die in 2008 through lack of adequate treatment, 10% of whom will be HIV positive.

These figures, among many others, indicate the fracture that separates “developed” countries from “developing” countries. The story, however, is not yet finished. Times will change, just as the balance of power will change.

Over the course of these last few years, the African mutualist movement has gradually been taking shape. At the local level, solidarity groups are forming within each community, taking the structure of mutual-based community health organisations. Regionally, grassroots organisations are becoming federated in the form of a mutualist movement, capable of putting pressure on public authorities to set up healthcare systems based on collective solidarity.

The 2007 Forum fitted closely in line with this dynamic, not only by raising the question of the role of networks of mutual health organisations in the extension of social protection, but also by heralding the General Constitutive Assembly of the African Union of Mutual benefit societies. The Forum has been a real success for the mutualist movement, with more than 300 participants arriving from 25 countries, and with for the first time the participation of Anglophone African countries, (Ghana, Liberia, Tanzania, Kenya, Uganda) and Portuguese-speaking African countries such as Cape Verde. Various organisations such as the World Bank and several international NGO's were also present.

In this issue you will find a review of the different speeches that were given over the two days of the conference, following which we offer a panorama of the development of mutual health organisations. The new method for carrying out an inventory represents a major advancement for those who are concerned with identifying mutual health organisations in Africa, and following their developments.

**By A. C.**

### ***Summary***

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## ⊙ The Dakar Forum

Dakar was host to the Fourth Coordination Network Forum, held on the 26th and 27th November 2007. The Dakar Forum, like the previous forums, upheld the mission of the Coordination Network by bringing together various actors involved in the development of mutual health organisations in Africa in order to allow the exchange of experiences and knowledge, the development of partnerships and of concrete strategies for the improvement of conditions of access to healthcare services.

The 2007 Forum saw for the first time the participation of Anglophone countries (Ghana, Liberia, Tanzania, Kenya, Uganda) and Portuguese-speaking countries such as Cape Verde along with international organisations and NGOs such as the World Bank and USAID.



The Dakar Forum provided a platform for actors to discuss the theme, “The contribution of networks of mutual health organisations to the extension of social protection and the fight against poverty”. Within this broad theme, the following questions were debated, shedding more light on the subject:

- Is the formation of networks of mutual health organisations a relevant and efficient strategy for the improvement of access to health care, the promotion of the extension of social security as well as the fight against poverty?
- What kind of strategies can mutual health organisations use to gain recognition, enhance their credibility and ensure their development?
- Can the State play a role in accompanying the mutualist movement in general and in particular in supporting the formation of networks of MHOs?

These different enquiries helped the speakers to reflect on the global theme; that of, “The contribution of networks of mutual health organisations to the extension of social protection and the fight against poverty”. The dialogue between participants not only helped to emphasise the potential impact of MHOs on the extension of social security but also drew attention to the potential role of the State in creating a framework for the mutualist movement.

Indeed this year’s Forum saw the participation of state structures from various countries, testifying to the support of African states in the development of mutual health organisations.

Furthermore, several speeches were based around the presentation of networks; of their experiences, objectives and strategies, thus demonstrating that networks are an important mechanism for the extension of social protection.

Saïbou SEYNOU (Director of Social Protection at the Ministry of Employment and Social Security in Burkina Faso) in his speech drew attention to the difficulties faced by mutual health organisations in Burkina, the role that his Ministry plays and the objectives of the project, which include:

- Ensuring the juridical security of members
- Supporting development, the development of MHOs
- Recognising the role played by the mutual health organisations in social security extension policy

He therefore recommends participation at the regional level and the drawing up of a community based legal framework for mutual health organisations.

Ibrahima DIA took up the same theme using the example of Senegal and the “Strategic Document on Poverty Reduction” in view of the Millennium Development Goals.

Acknowledging health as a fundamental right and seeing that access to healthcare is inscribed in the framework of the MDGs, the SDPR implemented by the Senegalese State aims to meet the following objectives (among many others):

- To strengthen MHOs and improve the health insurance system
- To set up systems for the treatment of illness in vulnerable people
- To set up systems for prevention /awareness

His speech shed light on the role of the State in supporting mutual health organisations.

In the same vein but through the example of another country, namely the Democratic Republic of Congo, Dieudonné MUFWANKOLO, Director of the National Programme for the Promotion of Mutual Health Organisations (an initiative of the Ministry of Health)

highlighted the key role played by this Programme in the rapid expansion of MHOs, which is moreover contributing to the improvement of the accessibility and equity of basic healthcare through solidarity and mutual-aid mechanisms. The main objective of the State-run programme is to promote mutual health organisations and mutualist associations thus encouraging a collective approach to healthcare.



Issa SSISSOUMA, Director of the Technical Union of Mutuality (UTM), raised the question of the role of the mutualist movement in Mali where health insurance is obligatory. He told us about the work of the UTM and about the development plan for obligatory health coverage that is included in the Decennial Programme for Health and Social Development (PDDSS). Through this programme the Malian State has put into place the following health financing strategies:

- The development of the mutualist movement
- The establishment of obligatory health insurance
- The creation of Medical Assistance Funds

The surplus value that the mutualist movement could bring to the Obligatory Health Insurance scheme is well perceived by all of the actors involved, however it is yet to be defined exactly how this arrangement will be set up in practice.

From another angle, the Director of the European and International Affairs of the National Union of Socialist Mutual Benefit societies in Belgium, Alain Coheur spoke of the precariousness of social protection coverage for 80% of the population of Sub-Saharan Africa as well as in several Asian countries; the most affected being informal economy workers and rural populations. He proposed the following solutions:

- The extension and reinforcement of linkages between statutory social security systems and community-based forms of social protection.
- The rapid expansion of social protection systems initiated at the grassroots level (bottom up): mutual health organisations, microinsurance, co-operatives, micro-credit etc.

The extension of social coverage is therefore an urgent matter and the linking of different mechanisms within integrated strategies can have a positive impact on the advancement of social protection coverage.

François SINDIMWO for his part gave the example of a Mutual Scheme for Civil Servants in Burundi (MFP) for whom the major challenge is access to medicine. He has implemented several strategies to try to respond to this challenge, including:

- The creation of mutualist pharmacies
- The promotion of generic drugs
- Exemption from customs duties and from transaction tax
- Raising premiums

The example of MFP Burundi shows that networks are important advocates of the extension of social protection.



Another example of a network that was presented during the forum: the OYOFAL PAJ network of the Kaolack region of Senegal. Indeed Lobé CISSOKHO, through his presentation of the history and birth of the network, demonstrated how the role and missions of the OYOFAL PAJ fit into the durability strategy of Kaolack. The principal strategy of the network is the alliance of mutual health organisations with mutual savings associations; the two organisations working in partnership with an autonomous administrative and financial management to allow them greater strength.

Another organisation that benefits from such a partnership is SALID; the Support Service for Local Development Initiatives based in Cameroon. Eric MBENOUM told us that SALID contributes to the improvement of living conditions and to the raising awareness of peasants and their communities in Central Africa through the promotion of mutual health organisations. The main strategy of the organisation is the setting up of mutual health organisations connected to savings banks; an alliance that helps to overcome the difficulties encountered by

the two entities by strengthening the capacities of members, i.e. by lowering premiums, facilitating access to health services and reducing the need to spend savings on healthcare.

The positive outcomes are:

- The alliance allows members of the savings bank to pay their premiums more easily; hence the mutual health organisation observes a high level of coverage among members of the mutual savings bank
- Premiums can be collected much more easily in MHOs that are joined with savings banks
- The savings banks did much more business because of the health insurance product they were able to offer their clients

Other no less important speeches became the object of numerous discussions during the Forum (see the Coordination Network website).

The Forum also provided the occasion for the presentation of a new method for carrying out inventories. In 2006 a new inventory mechanism reliant on Internet technology was devised. This technique relies on the filling in of a form by the mutual associations themselves or by their support structure. The objectives of the permanent inventory are the following:

- To track the development of mutual health organisations in Africa
- To give increased visibility to MHOs, networks of MHOs and their support structures

- To provide selected information immediately available online and updated each year
- To support the case in favour of mutual health organisations

The Coordination Network Forum (held every two years) certainly lived up to its reputation this year. As an international conference, the Forum consolidates the constructive dialogue instigated by actors involved in the development of mutual health organisations in Africa and also allows these actors to exchange their analyses and to identify areas for joint or synchronized action.

To be underlined; the great initiative of 2007 that is the creation of the African Union of Mutual benefit societies (UAM), welcomed by all the actors involved in the mutualist movement.

*By Bercy KANEIère NGONGANG  
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## ☉ Panorama of the development of mutual health organisations in Africa

Since 1998, the Coordination Network has been carrying out inventories in order to monitor the development of mutual health organisations in Western and Central Africa. As from 2007 this inventory has become permanent and is reliant on Internet technology.

The introduction of this new mode of carrying out censuses of mutual health organisations has the following objectives:

- To follow the quantitative development of mutual health organisations in Africa
- To give increased visibility to mutual health organisations and their support structures
- To provide selected information immediately available online and updated each year
- To support the case in favour of mutual health organisations

Objectives relating to the efficiency and participation of mutual health organisations:

- To keep a permanent track of developments, updated every year, instead of every two years
- To provide a consistent and durable means of monitoring the movement, using a standardised form each year
- To directly involve mutual health organisations and support organisations in the inventory process. Rather than using consultants to “seek out” mutuals, this new method invites mutual health organisations to make themselves known and to participate themselves in the inventory.
- To register only those mutuals that are fully operational in the inventory. The previous inventories actually counted some mutuals that were still under development and others that were “in difficulty”. As of 2007 the monitoring process has become sharper and more precise, recognising that the boundaries between “under development”, “operational” and “in difficulty” can sometimes be vague.
- To incorporate the inventory of mutual health organisations in Africa into a wider framework on the global level. The innovative technique used for this inventory should be taken up by other platforms in Latin America and in Asia. In the long run a global database would allow the creation of a panorama of mutual health organisations and micro health insurance schemes at the international level.

High performance mechanisms for the obtainment and processing of information

The inventory relies on the submitting of a registration form by the mutuals themselves or by their support structure. This form may be:

- Filled in online on the Coordination Network website
- Downloaded in Word document format from the Coordination Network website, filled in offline and then sent to the Coordination Network by e-mail or fax.

Information entered via the online form automatically feeds into the database. An automatic processing system periodically manages the database and enables the Coordination Network website to offer an initial interpretation of the results of the inventory, in the form of different graphs displaying results based on the global inventory or per selected country.

Following the inventory period and the process of clearing the database (checking, correction of errors), an in-depth analysis exploring different variables of the inventory is conducted and provides the basis for an analysis report distributed by the Coordination Network.

Furthermore, the database can be downloaded by any user who wishes to conduct his or her own analysis of different variables as part of a study, article or other research purpose. This download is free, on the condition that the Coordination Network is acknowledged as the information source in the document concerned.

The Permanent Inventory has its own precise calendar:

- The inventory of Year N-1 is carried out during the year N.
  - Thus mutual associations can update the data of the inventory from year to year
  - -Mutual associations that are operational during N-1 can register for the first time and can submit their first inventory form
- Following the registration period during the Year N, the database is cleared and the Coordination Network provides an online system for searching results and for the production of graphs summarising the results of the Year N-1 Inventory.

An analysis report of the Year N-1 Inventory is produced and disseminated by the Coordination Network.

The Permanent Inventory began in April 2007 and therefore provides information on the year 2006.

Without going into the specific details of the results of the inventory, which are available online, we wanted to draw attention to certain results in order to

demonstrate the different possibilities for analysis of the data.

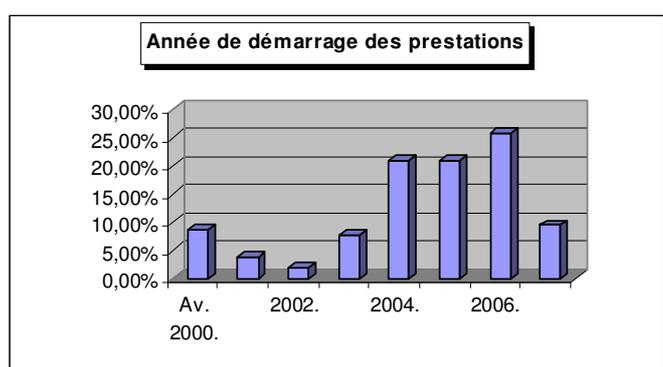
However, we would like to express certain preliminary reservations regarding the interpretation of the graphs below. Although the inventory was launched in 2007, not all of the schemes deemed capable of responding submitted their information or in other cases it was not possible to contact them. Accordingly, certain countries that are heavily reliant on support structures were able to register fully, providing the complete set of information required for the inventory.

This bias in the census and in the information gathering process should be gradually straightened out, notably when the 2008 inventory gets underway.

Graph 1 shows the age of the population coverage schemes. Before the year 2000 and up until 2003, the creation rate was relatively low, but after that point we can observe a spectacular increase, reaching a peak of 25% in 2006. By working with the date that providers first started providing insurance benefits we avoid registering schemes that have been formed but are not yet providing benefits, recognising that the time lapse between the launching of a scheme and the provision of insurance benefits can sometimes be quite long.

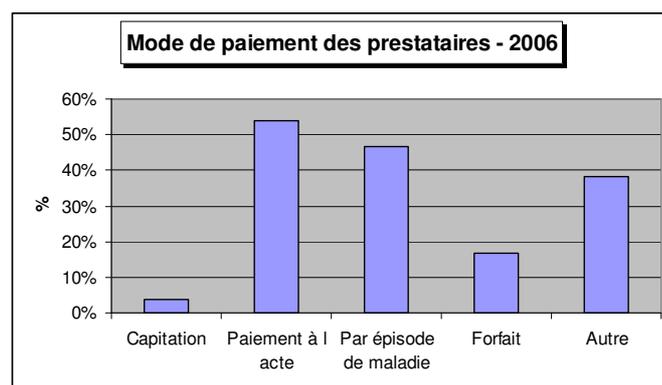
The impact of work put in by international organisations, NGOs and others to support the emergence of mutuels from the year 2000 becomes manifest in the results from the year 2003 and continues to have an effect on the results of the following years.

Graph 1 Start up year of the provision of insurance benefits



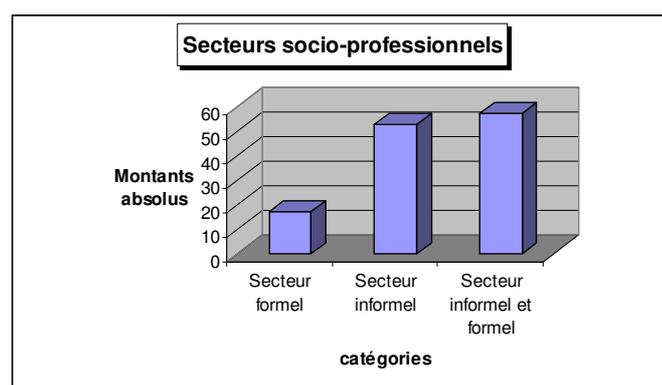
Graph 2 shows the most common different methods of making payment to providers. It is clear that the most widely practised method is fee-for-service payment, with more than 50% of payments to the schemes that took part in the inventory made in this way, followed by payment per episode of illness.

Graph 2 Method of making payment to providers -2006



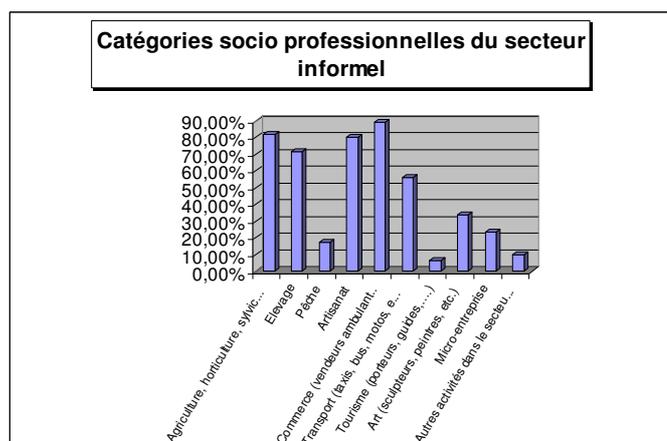
Graph 3 highlights the importance of the informal sector for the activities of mutual associations, however we shouldn't neglect the formal sector, which although inferior in total figures to the informal sector, represents a much higher number of people covered.

Graph 3 Socio-professional Sectors



Finally the graph below sheds light on the different categories of people covered in the informal sector. It's hardly surprising to note that the agricultural and silvicultural sector in rural areas, and the commercial categories (travelling salespersons, street sellers...) along with artisans in urban areas constitute the sectors most commonly covered by the mutual associations.

Graph 4 Socio-professional categories in the informal sector



In conclusion, the database that the Coordination Network is developing for the greater visibility and awareness of the mutualist movement in Africa is unique in its genre. Greater attention should be given to the registration of data during future inventories, thus giving greater legitimacy to the status of mutual organisations in Africa.

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A programme supported by WSM,  
 ANMC, ILO-STEP, GTZ health  
 insurance, PHRplus, AIM, UNMS,  
 RAMUS, MFP, MGEN and  
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*The promoters support the activities of the Coordination Network both financially and technically. As a way of providing a space for collaboration and to encourage the coordination of aid strategies, each Coordination Network Newsletter invites you to get to know one of the promoters.*

## ⊙ PlaNet Finance at a glance



### PlaNet Finance: what kind of world do you want?

PlaNet Finance is an international solidarity organisation, whose mission is to advance the development of microfinance worldwide. Over the last ten years, thanks to its strong dynamism and growing international implantation, PlaNet Finance has been working relentlessly to give individuals the means to build their own future.

#### International Network

PlaNet Finance operates in nearly 60 countries, with permanent bases in more than 30 countries in Latin America and North America, Europe, Asia, Africa and in the Arab World. PlaNet Finance has worked with more than 1,000 microfinance institutions to date.

#### The PlaNet Finance Group

The PlaNet Finance Group aims to answer to all the needs of microfinance actors, providing them with a range of services via independent and specialised entities:

- \* **PLANET FINANCE:** non-profit organisation which offers a complete range of advisory and technical support services, to all types of microfinance operator: microfinance institutions and networks, governments, banks, insurance companies, APEX institutions and micro-entrepreneurs.
- \* **PLANIS:** entity specialised in microfinance-based financial services. PlaNIS offers advisory and debt management services, advice and management of private equity funds and the setting up of financial activities.
- \* **PLANET RATING:** credit rating agency specialised in microfinance, one of the leaders in the market. More than 300 MFIs rated in 80 countries.
- \* **MICROCREC:** capital investment in a network of microfinance banks. MicroCred is a holding of 17 million US dollars which invests in the creation of microfinance banks.
- \* **PLANET GUARANTEE:** society specialising in recently created microinsurance schemes, which aims to provide technical assistance to MFI, to banks, to insurance and reinsurance companies and; in order to protect micro-entrepreneurs against life's accidents, to develop microinsurance and micro-guarantee products.
- \* **FINANCITIES:** solidarity-based capital-risk society designed to support micro-entrepreneurs based in disadvantaged areas of France, to whom the society offers a contribution in capital to support their development. The aim is to improve living conditions in deprived suburbs and to contribute to the lowering of unemployment by strengthening the durability of micro-enterprises. FinanCities is one of the leading MFIs in the world in terms of providing capital to micro-entrepreneurs instead of debt financing.



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