



## MEDIA RELEASE

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### **Development impact bonds to be used to prevent blindness in Cameroon**

The Cameroon Cataract Development Impact Loan, a new way of funding health care in low and middle income countries, will be used to prevent blindness through the provision of as many as 18,000 cataract surgeries in Cameroon over the next five years, by bringing together public and private investors, health donors, and eye care delivery experts.

This is a type of Development Impact Bond, a results-based contract in which investors provide financing for social programs upfront, and donor organizations repay investors their principal plus a return based on realized performance in delivering social outcomes. In an environment where the need for international development funding often outstrips the resources available, these instruments offer a promising new solution for more effective, efficient financing.

The Overseas Private Investment Corporation (OPIC) has committed a USD \$2 million loan in support of this project. OPIC, the U.S. Government's development finance institution, is one of the first development finance institutions to commit funding to a project using this kind of innovative financial instrument. The Netri Foundation, a private foundation that fights poverty through social impact investments, will also be providing upfront financing for this project.

The funding will support the Magrabi ICO Cameroon Eye Institute (MICEI), which has been established by the Africa Eye Foundation. MICEI will not only provide comprehensive, high-quality and affordable eye care procedures, but will also play an important role in strengthening health care systems by developing healthcare talent for the region by providing certified (through the University of Yaoundé) training to grow the next generation of African eye care experts.

This Cameroon transaction is anchored by a diverse coalition of partners. Those who will repay investors upon meeting performance goals include The Conrad N. Hilton Foundation, The Fred Hollows Foundation, and Sightsavers. The Africa Eye Foundation is the implementing partner and service delivery expert. D. Capital Partners is the financial intermediary who helped structure and raise this funding.

The primary donor and founder of the hospital, Dr. Akef el-Maghraby, internationally renowned ophthalmologist and Chairman of the Magrabi Hospital Group says, "My goal is to make high quality eye care accessible to the people of Cameroon regardless of their ability to pay. MICEI is the first of AEF's three projects in sub-Saharan Africa as we aim to construct and operate a network of integrated and self-sustainable eye hospitals, across Africa."

As the main financial contributor to the outcome funding pool, "We are thrilled to be part of an innovative approach to addressing cataract presented in the Cameroon Cataract Performance Bond," said Peter Laugharn, President and CEO of the Conrad N. Hilton Foundation. "This pioneering financing mechanism



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will help build greater eye care capacity and contribute to the financial sustainability of MICEI's operations, providing vital services to those needlessly suffering from avoidable blindness both now and into the future."

"In Sub-Saharan Africa, the rate of blindness and vision impairment is twice the global average, with 80 per cent of cases preventable or treatable. Half of those living with avoidable blindness are affected by cataract, a clouding of the lens which can be easily treated with a simple 20-minute surgery. Investors will have the unique opportunity to positively influence the lives of some of the world's most vulnerable people," said Brian Doolan, CEO of The Fred Hollows Foundation.

Cataract surgery is one of the most cost-effective interventions available as it delivers high quality treatment with consistently high success rates.

"Cataract remains the single biggest cause of avoidable blindness and making eye health services accessible to all, including the world's poorest people, is essential if we are to prevent millions losing their sight unnecessarily," says Sightsavers' CEO, Caroline Harper. "Impact bonds are a new way of financing eye health care in low and middle income countries and we are keen to learn how such schemes can be scaled up and sustained in the long run as they have the potential to unlock resources, not only to provide cataract surgery, but also to strengthen eye health systems through improving health care infrastructure and the training of ophthalmic staff."

An estimated 48,000 surgeries are needed each year in Cameroon to treat new cases of cataracts as well as the current backlog of people who need cataract surgery, estimated to be 115,000.

"OPIC understands that investment is essential for addressing major challenges like access to healthcare in the developing world, and we are committed to using innovative financing structures to help ensure resources are used efficiently and results are tracked," said Ray W. Washburne, OPIC President and Chief Executive Officer. "The use of development impact bonds will bring both efficiency and accountability to this important project to reduce preventable blindness in Cameroon, which disproportionately affects women."

"Netri is excited to support MICEI's implementation of the 'Aravind Model' in Cameroon, first demonstrated as an effective cross-subsidization model in India, where paid eyecare services are used to subsidise free and discounted cataract surgeries for low-income patients. Thousands of people will regain their eyesight who otherwise would not have had the means to receive such treatment" says Josephine Ragni, Social Investment Manager at Netri.

There are just three ophthalmologists per one million people in Cameroon, compared with a global average of around 31 ophthalmologists per one million people.



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“D. Capital believes innovative financing mechanisms like this impact loan can be a powerful tool to tackle pressing social challenges and we are privileged to play a role in making this landmark transaction a reality” says Lily Han, a Principal at D. Capital.

At present, around 15,000 cataract surgeries are performed each year in Cameroon, less than a third of what is needed. MICEI could enable Cameroon’s cataract surgical capacity to increase by around 40 per cent in 5 years.

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### The Africa Eye Foundation

Africa Eye Foundation (AEF) is a not for profit organization whose goal is to promote and advocate for better eyesight and the prevention of needless blindness and visual impairment across Africa. The Foundation has already mobilized more than USD \$8.2 million to operationalize the MICEI, which was inaugurated in March of 2017.

### The Conrad N. Hilton Foundation

The Conrad N. Hilton Foundation is a family foundation established in 1944 by the man who started Hilton Hotels. It provides funds to nonprofit organizations working to improve the lives of disadvantaged and vulnerable people throughout the world.

### The Fred Hollows Foundation

The Fred Hollows Foundation is an international development organisation established in Australia which works in 25 countries and has restored sight to more than two million people worldwide. The Foundation believes in a world where no person is needlessly blind and Indigenous Australians exercise their right to good health. It is inspired by the life and work of Professor Fred Hollows, an internationally acclaimed eye surgeon and activist for social justice who championed the right of all people to high quality and affordable eye care.



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### Sightsavers

Sightsavers is an international organisation that changes lives for the long term. Sightsavers works in more than 30 developing countries to prevent blindness, restore sight and advocate for social inclusion and equal rights for people with disabilities. [www.sightsavers.org](http://www.sightsavers.org). In the six decades since its foundation, Sightsavers has:

- Supported over 873 million treatments for neglected tropical diseases (of which 480,239,508 are for the potentially blinding diseases trachoma and river blindness)
- Carried out over 9.39 million operations to restore sight
- Trained more than 522,000 primary eye care workers
- Carried out rehabilitation training for 210,889 blind or low vision beneficiaries
- Supported 46,573 blind or low vision children to gain a school education

### OPIC

The Overseas Private Investment Corporation (OPIC) is a self-sustaining U.S. Government agency that helps American businesses invest in emerging markets. Established in 1971, OPIC provides businesses with the tools to manage the risks associated with foreign direct investment, fosters economic development in emerging market countries, and advances U.S. foreign policy and national security priorities. OPIC helps American businesses gain footholds in new markets, catalyzes new revenues and contributes to jobs and growth opportunities both at home and abroad. OPIC fulfills its mission by providing businesses with financing, political risk insurance, advocacy and by partnering with private equity investment fund managers.

OPIC services are available to new and expanding businesses planning to invest in more than 160 countries worldwide. Because OPIC charges market-based fees for its products, it operates on a self-sustaining basis at no net cost to taxpayers. All OPIC projects must adhere to best international practices and cannot cause job loss in the United States.

### Netri Foundation

The Netri Foundation is a Spanish private charitable organisation, whose main focus is contributing to alleviate extreme poverty. Since 2006, Netri has been providing financing to socially motivated institutions in the areas of financial inclusion, rural development, education, health, and sustainable energy solutions.

### D. Capital Partners

D. Capital Partners is an investment advisory firm facilitating the placement of impact capital into underserved communities. As a mission-driven investment company, it uses the incentives and instruments of disciplined finance and investing to provide transparent and efficient capital solutions to human development challenges.