

8TH CONFERENCE ON MENSTRUAL
HYGIENE MANAGEMENT IN SCHOOLS

menstrual
health
IN THE
PACIFIC

**The Case for Trade Finance in the Pacific:
Creating Inclusive MH Markets Using Innovative Finance**

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PROJECT SCOPE

To explore how innovative financing can be used to support inclusive MH markets and improve MH outcomes for women and girls.

Objectives

- Understand the MH opportunity in the region including actors, innovations, approaches and challenges in delivery models.
- Explore where finance can be used to create a more inclusive market
- Identify what types of financial instruments could be used to invest in local actors
- Map what market conditions, terms and key players (private and public) are needed to expand or shift investments in MH at an eco-system level.

PHASE 1: UNDERSTANDING THE MARKET



a) Findings from an enterprise perspective

- MH enterprises in the Pacific are **community based-** and often women-led
- Market-based activity is viewed as an avenue toward **sustainability, rather than profitability**
- **Pacific women are driving** the reusable demand
- Limited access to consistent, affordable, quality creates an **unreliable supply chain**
- NGOs and enterprises are **operating in the same contexts**
- **MH education is core** to both customer acquisition and product uptake
- MH enterprises are viewed as not investable, or **the market has no potential to scale.**

b) Findings looking at the MH ecosystem

- Pacific-led and **Pacific-specific solutions**
- Products need to **prioritised as an item worth spending money**
- NGOs can play a **central role as major buyers**, and market facilitators
- **Market and non-market actors** are central to the response
- Short-term and long-term **collaborative planning**
- **Innovative and intentional investment** designs are needed.

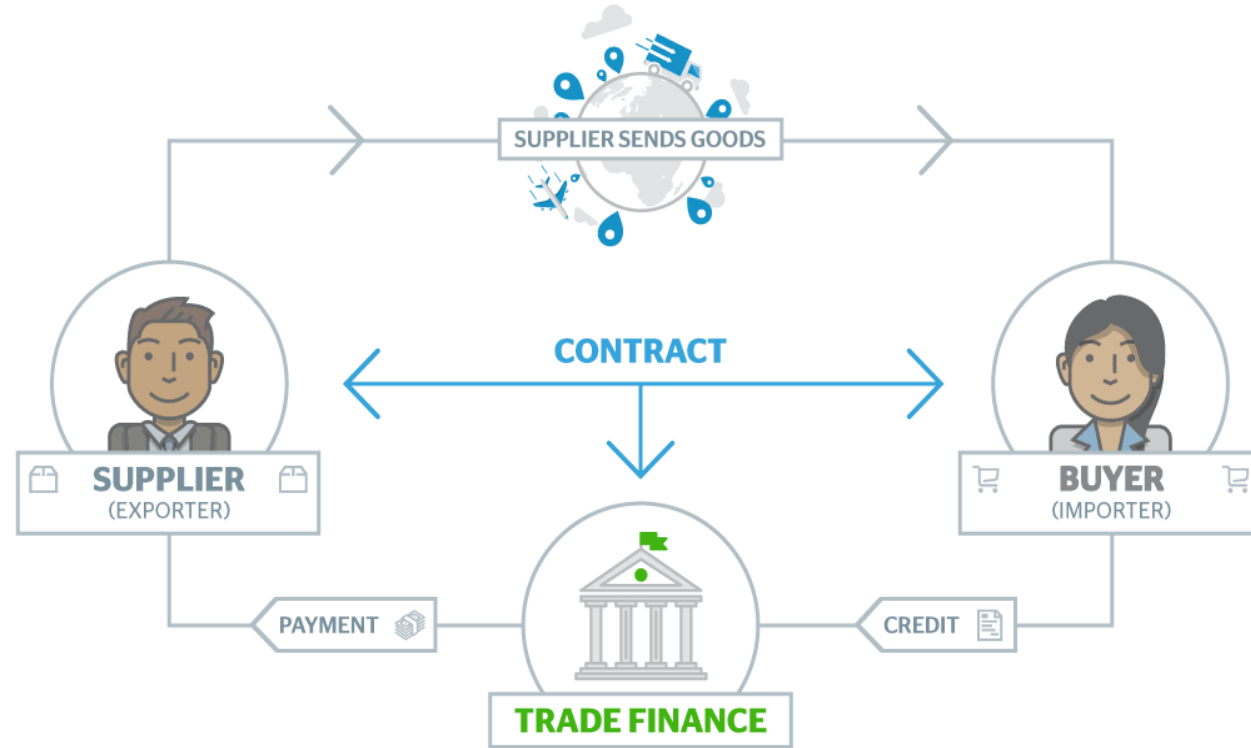
PHASE 2: IDENTIFYING OPPORTUNITIES FOR INVESTMENT

1. Direct-enterprise level investment through early-stage financing

2. Ecosystem-level coordination and investment.

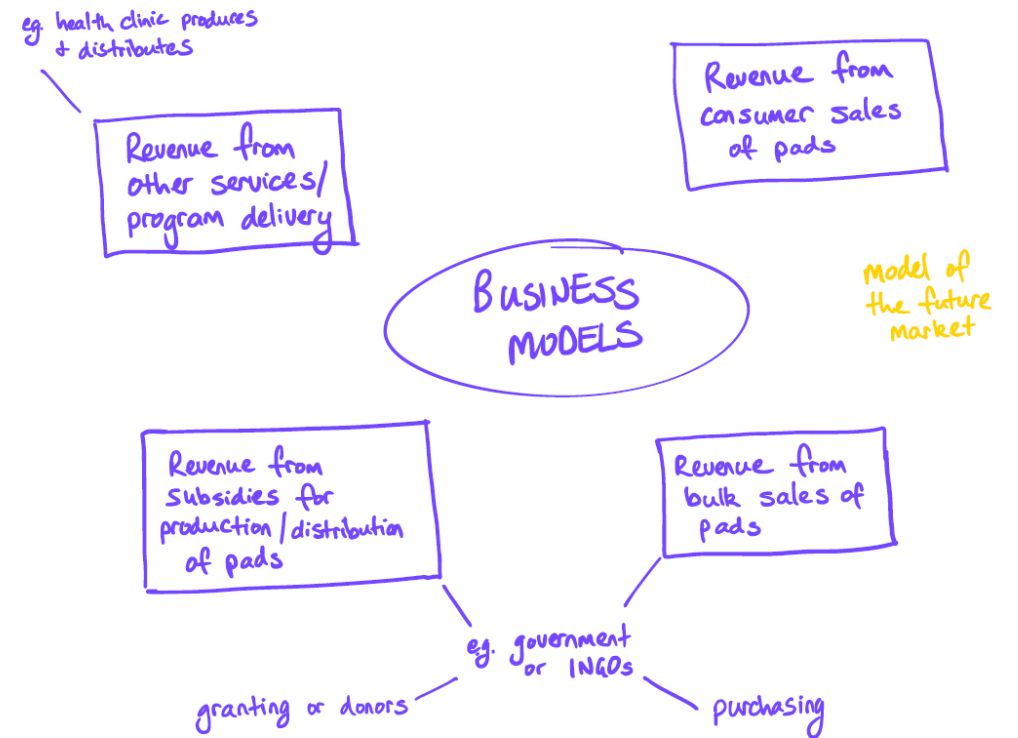
a) The case for trade finance

Trade finance makes it easier for importers and exporters to transact business through trade. The primary function of trade finance is to introduce a third-party to transactions to remove payment and supply risk.



b) Applying trade finance to the Pacific

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c) Design assumptions

- **Solve for the supply chain** issues and not work to “fix” the enterprise.
- Producers should not **bear the risk of the financing**
- Improve the **market position** of enterprises in their community
- **Informal enterprises and should not have to formalize** to participate
- MH and **expanding to other SRH related products** such as nappies, urinary incontinence products etc.

d) Investing using trade finance

Approach 1: Financing aggregated demand of the materials direct from wholesaler or manufacturer to lower unit cost.

Approach 2: Financing the logistics of receiving materials through transport

Case Studies



Queen Pads,
Anne Shirley
Papua New Guinea



Mana Care,
Isabella and Angelica
Samoa

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PHASE 3: DESIGNING & IMPLEMENTING AN INVESTMENT VEHICLE

- **Lotus and Red Hat Capital are the two financial intermediaries** who have been selected to completely design and implement the vehicle (Feb, 2020)
- They have **18 months to complete** a full demand analysis of the market, design and establish the trade finance vehicle, secure investors and have capital moving through the vehicle
- An **advisory board of diverse actors** based in, or with expertise in the Pacific will be providing technical support to the intermediaries
- A **Pacific Community of Practice was established** by WaterAid (2019) as a result of this project (funding through DFAT) which the trade finance vehicle will work closely with to strengthen the local MH ecosystem beyond market activity.

KEY LEARNINGS

- **Greater interaction and collaboration** between the public and private approaches
- Mobilize new funding from both **public and private sources**
- **Market-based approaches** can improve MH outcomes for women and girls
- The intersection with a **women's economic empowerment agenda.**
- **Diversify funding streams** and innovative finance can provide different avenues to do so.
- Reduce **the duplication of efforts** by forging new partnerships and approaches.



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THANK YOU

Any questions or comments

CRITERION INSTITUTE



Pacific RISE is managed by Coffey, a Tetra Tech company, on behalf of the Australian Government.