



Private Sector Engagement for HIV Outcomes

Policy Options for Mozambique to Expand Public-Private Partnerships

HP+ POLICY *Brief*

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Background

Mozambique is reported to have the sixth highest prevalence of HIV of all countries in the world, with approximately 12.4 percent of the population living with HIV (Statista, 2021). The estimated number of new HIV infections per year decreased from 160,000 in 2010, to about 130,000 by 2019, with 60 percent of people living with HIV accessing antiretroviral therapy (ART) (UNAIDS, 2021a). However, the country has continued to have poor retention in care, resulting in mortality rates higher than would be expected for the size of the epidemic (U.S. Department of State, 2019).

Mozambique is experiencing programmatic challenges in its HIV response and, in addition, remains dependent on development partners. Most funds for the HIV response in 2019 came from external funders (96 percent), with an estimated 4 percent of the funds coming from domestic public expenditures and 0.1 percent coming from domestic private expenditures (UNAIDS, 2021b). The Government of Mozambique has evaluated several financing options, including a cell phone tax, a “sin” tax on tobacco and alcohol consumed in night clubs or bars, and a mandate for formal sector employers to pay for HIV treatment for employees, but none of these are currently being implemented. In addition, the government’s recent fiscal crisis limits its budgetary space for HIV response funding. Urgent action is needed to identify alternative and feasible financing solutions to increase internal resource mobilization and thus help Mozambique achieve its 95-95-95 goals by 2030.¹

Although Mozambique’s gross domestic product (GDP) is still chiefly generated by smallholder farming, the country’s economic growth has been diversifying, particularly through mining, manufacturing, electricity generation, water resources, and construction (Cruz et al., 2016). In particular, the extractive sector (minerals mining, petroleum, and natural gas) contributed 7.4 percent of GDP in 2018 (EITI, 2020). Although currently a small share, this contribution has been increasing and may offer opportunities for increased private sector engagement in the health sector.

An exploration of options to engage the private sector to support HIV services in the country may help address the reliance on external funders. By investing in employee health schemes, companies can also reduce the direct burden on the public sector. The Health Policy Plus (HP+) project, funded by the U.S. Agency for International Development (USAID), conducted an assessment of private sector companies located in high-HIV burden areas in Mozambique to identify opportunities and challenges to private sector engagement in the HIV response. This brief summarizes current corporate social responsibility (CSR) trends in Mozambique and highlights the individual contributions and perspectives of nine companies. HP+ provides here various policy options and recommendations that may enable Mozambique to increase private sector engagement and investment for HIV. These recommendations are informed by interviews with the companies and a review of the global CSR landscape.

¹ 95-95-95 refers to the Joint United Nations Programme on HIV/AIDS (UNAIDS)’s target for countries to reach by 2030: 95 percent of people living with HIV know their HIV status, 95 percent of people who know their status are on treatment, and 95 percent of people on treatment have suppressed viral loads.

Role of Corporate Social Responsibility in Private Sector Contribution

Some companies across sub-Saharan Africa are investing in HIV services for their workforce, thereby providing valuable services to a number of formal workers (Deane et al., 2018). The broad motivation for firms to invest in health and social programs includes innovation, cost savings, bottom-line sustainability, customer and/or employee engagement, and brand differentiation (ASH, 2014). CSR is an expression of a company's desire to create value by investing in its workforce, their families, and the communities where it operates. In 2014, the government of Mozambique mandated (by law) CSR in the mining sector (Kaufmann and Simons-Kaufmann, 2016). However, beyond the stipulation that revenue will be allocated to local communities, there is no national strategy to steward and engage the private sector to fully leverage their support above and beyond compliance to this law (Kaufmann and Simons-Kaufmann, 2016; ThinkWell, 2019).

Aside from the law, many companies in Mozambique are motivated to invest in HIV services because HIV poses health and socioeconomic risks to their workforce and their host communities. Workers living with HIV may face stigma and discrimination in their communities, which can affect morale and productivity. HIV can have broader effects on the sustainability and resilience of private sector workforces and production overall. While CSR can open the door to improved workplace health, efforts in Mozambique so far have been limited in scale. As the government considers various public-private engagement options for the health sector, assessment of the sustainability of potential options for the HIV program and the magnitude of impact possible through partnerships will be necessary.

Method for Company Selection

HP+ assessed the landscape of private sector CSR through a combination of mapping, desk review of literature, and interviews with

select companies. Prior to the interviews, HP+ reviewed industry lists and selected a short list of companies to engage. These companies were selected based on evidence of sustained health interventions for employees, CSR programs, or community engagement; and on an estimation of their capacity for involvement in HIV programs, based on size (revenue and number of employees) and strategic alignment of company missions and values. The proposed short list was shared with the Conselho Nacional de Combate ao HIV e SIDA (CNCS). HP+ and CNCS jointly agreed on a final set of 15 companies. Among the 15, 47 percent were from the extractive sector, 27 percent from the agriculture sector, and 26 percent from the industrial and beverage sectors. In November and December of 2020, HP+ conducted nine semi-structured key informant interviews with human resources and CSR professionals within the companies. Topics covered included workplace health and CSR programs, associated benefits and challenges, and the companies' experiences and interest in partnering with the government in the future. Because of challenges due to COVID-19-related lockdown policies, 6 of the 15 selected companies were not available for interviews.

Results

Summary of Health-Related Corporate Social Responsibility Programs and Workplace Health Activities

Among the nine companies assessed, CSR programs focused on 16 topics, including health. The three types of health-related CSR programs most often described during the interviews were: (1) disease-specific programs for HIV, malaria, and tuberculosis; (2) infrastructure support, e.g., funding directed at labs and hospitals; and (3) donations of medical equipment and personal protective equipment related to the COVID-19 pandemic. With respect to companies' workplace health programs, HIV was a frequently cited focus area. Of the key HIV services across the care continuum, prevention, testing, and treatment were covered by most companies, and counseling was covered by some.

Table 1. Company Characteristics and HIV Activities

Company	Company Type	Revenue (Mozambique)*	Total # of Employees (Mozambique)	HIV Activities
Coca-Cola	Multinational	US\$146.4 million (2014)	1,100	HIV prevention and awareness, testing, and treatment. Treatment covered for employees and their families.
Companhia Moçambicana de Hidrocarbonetos (CMH)	Mozambican	US\$88.4 million (2020)	25	HIV prevention and awareness campaigns. Treatment covered for employees and families.
Heineken	Multinational	€3.4 billion (Africa, Middle East, and Eastern Europe, 2019; Mozambique revenue is not disaggregated)	200	HIV prevention and treatment to employees and direct family members.
Maragra Açúcar	Mozambican subsidiary of Illovo Sugar Africa	US\$44 million (2017)	883 permanent workers (3,484 seasonal agricultural workers at peak periods)	Induction programs (including broader health education); HIV testing, counseling, and treatment; and food baskets to people living with HIV.
Mozal	Mozambican; owned by South32, an Australian mining and metals company	US\$508 million (2020)	1,250	HIV education, counseling, and community engagement. HIV prevention and treatment to employees and direct family members.
Mozambique Leaf Tobacco (MLT)	Mozambican subsidiary of Universal Corporation	US\$273.2 million (2014)	1,600 permanent workers (7,100 seasonal)	HIV treatment, condom distribution, voluntary counseling and testing, peer educator program, and HIV drama group.
Sasol	Multinational	US\$307.5 million (2014)	73	HIV prevention and treatment to employees and direct family members.
Total	Multinational	US\$214.6 million (2014)	78	HIV community awareness, counseling, and testing. HIV prevention activities among sex workers and their clients.
Vale	Multinational	US\$25.95 million (2019)	200	HIV prevention and treatment to employees and direct family members.

* Revenue is based on the most recent data available. If not available through interviews, public sources were used.

Most companies also covered dependents' treatment but rarely were any of these benefits offered to local communities. A summary of HIV activities and other company characteristics can be found in Table 1.

Benefits and Challenges

When asked about the benefits of CSR and workplace programs, companies said that

they value giving back to the community and take pride in enabling the community to implement locally developed solutions. These activities, in turn, result in community acceptance of the company, which was also mentioned as a benefit for companies. Workplace health activities differed in their value to companies; they were explained to have a more direct benefit to the bottom line.

Companies generally cited the importance of workplace health activities for boosting productivity and increasing morale—good for employees and for the business.

However, there were significant challenges for CSR and workplace programs. Budget constraints and dependence on donations from company headquarters often threatened sustainability of the interventions implemented. For example, several companies mentioned the difficulty of sustaining previous infrastructure investments, such as sponsorship of health facilities or medical equipment. For workplace programs, financial constraints were cited as well. Companies providing direct healthcare to workers also highlighted the instability of supply chains (e.g., difficulty accessing medications) and limited access to specialty care (e.g., high-level care needs often required medical evacuation to Maputo or outside Mozambique). Overall, companies faced challenges in scaling support to meet high demand in many places, with programs and services only available for individuals in areas where the company operates.

Private Sector Experiences Working with the Government and Implications for Partnerships

Companies cited largely positive experiences working with the government, although their engagement was primarily at the local level. Several companies worked with district and provincial governments when building local infrastructure, such as schools and hospitals. Most companies' interactions with government, however, were indirect. Companies mostly worked directly with nongovernmental organizations (NGOs) and multilateral or international organizations. Although most companies did not work with the national government, they expressed openness and interest in engaging at the national level around health programming. However, company representatives frequently expressed that such engagements were likely to be more fruitful if the government approached them with specific, concrete proposals for partnership. Companies also cited difficulties in coordinating initiatives

with their current implementing partners (chiefly with NGOs) that are engaged in similar activities. Government has an opportunity to play a role in helping partners avoid duplication of efforts and in identifying coverage gaps for communities.

Limitations of the Research

This research had several limitations. First, data collection during the COVID-19 pandemic was a challenge. Because most company representatives were working remotely, there was limited ability for in-person visits and contact information for individuals working remotely was not easily obtained. In addition, some companies judged the information requested to be sensitive, non-public information that could not be shared. Some interviewees did not want to misrepresent company priorities, especially if representing a large multinational company. Several of these factors may have influenced an individual's ability and willingness to engage.

Policy Options and Recommendations

Mozambican firms across industries can and do address the health concerns of their employees and families to mitigate social risks and maintain productivity. However, the interviews conducted made apparent that health and HIV efforts are typically small in scale and that a path to working with the national government to bolster these efforts has yet to be defined. Additionally, only companies offering the most active CSR programs were selected and interviewed for this effort. Many medium-sized companies have yet to devise a strategy to contribute to the HIV response. To evaluate the potential to standardize any national strategy for engaging the private sector, it would be beneficial to look at engagement models among a wider ecosystem of private sector efforts. In this section, HP+ highlights various approaches and case studies for a private sector response to HIV that may provide insight into what may be possible in Mozambique.

Option 1. Corporate Fundraising for Philanthropy

Corporate fundraising for philanthropic purposes largely consists of fundraising among employees, corporate matching of employee donations, and annual corporate donations. Fundraising may be done annually as part of an ongoing agreement/partnership or as a one-off donation. Donations are often earmarked to a specific recipient or to a broader cause (e.g., children’s health).

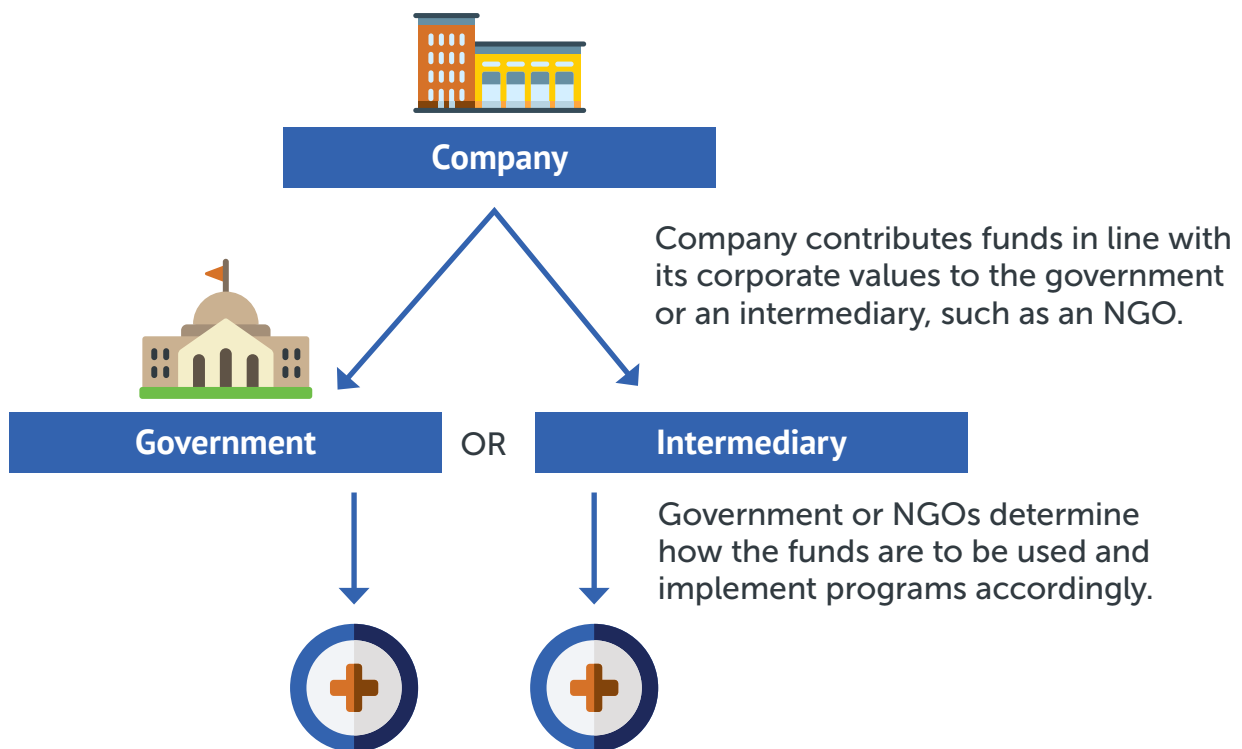
Example: The Brazilian mining company, Vale, has contributed funds to improve health indicators for malaria and HIV in Moatize, Mozambique. The company donated US\$3 million to the Global Fund to Fight AIDS, Tuberculosis and Malaria, demonstrating a willingness to use its private financial resources to improve the lives of communities (Vale, n.d.).

Opportunities and challenges for implementation: Corporate fundraising offers the Ministry of Health an opportunity to increase revenue provided to public HIV services. However, it is not customary for companies to donate directly to the government. Straightforward solutions involve having a third-party stakeholder

or intermediary, such as an NGO, join the partnership or receive and manage the funds. Implementing a more complex mechanism, such as establishing an AIDS trust fund, would require a broad level of government support. Given that companies may require a tangible recipient for fundraising, the Ministry of Health should identify where the funds will be targeted and earmark those funds accordingly. Continuing to engage and motivate the company’s senior management to fund the donation over time will be important to the sustainability of this approach.

Recommendations to move forward
To encourage private sector donations to support HIV services, the government can identify ways to directly channel corporate donations for such services. For instance, the government can identify a number of public health outposts that provide HIV services to communities in high-burden areas near corporate operations and propose them for corporate sponsorship. The government can stimulate a sense of long-term “ownership” over these clinics through co-branding.

Diagram of Option 1. Corporate Fundraising



Option 2. Direct Service Provision for Workers and Communities

Direct service provision to employees is a common model in which companies, either through on-site clinics or medical aid packages, finance healthcare for employees and sometimes for their families. Significant health and productivity results can be achieved for companies with large workforces who receive prevention, testing, counseling, and/or treatment for HIV.

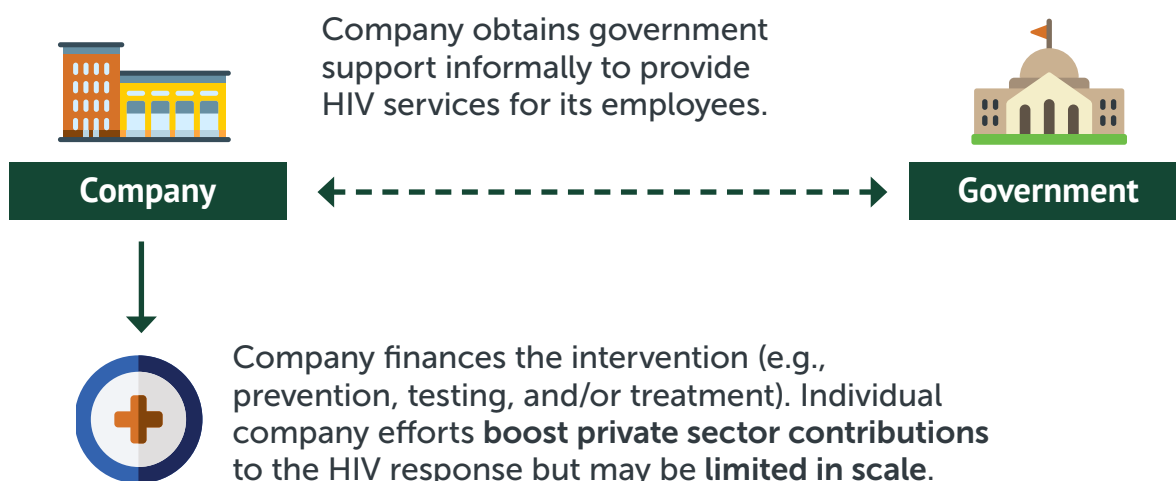
Example: In southern Africa, including in Mozambique, several multinational companies are supporting and operating HIV services for their workforces. Anglo American is a British mining company operating in 15 countries (not including Mozambique), employing around 90,000 people worldwide. Within its safety and health program, Anglo American operates a long-established HIV program and is recognized as a leader in HIV management. It launched its HIV program in 2002 when it became one of the first companies in southern Africa to offer free antiretrovirals to its employees. This benefit was later expanded to include employees' dependents. In 2011, more than 110,000 Anglo American employees and contractors in southern Africa (90 percent) received HIV testing. Anglo American additionally offers a wellness program for employees living with HIV, plus education and awareness programs, condom distribution, and early diagnosis and treatment of sexually transmitted infections. The company stated in 2019 that 94 percent of its employees knew their HIV status and

92 percent of those identified as positive were receiving ART. This program has been studied and has demonstrated a positive impact on the health and well-being of employees and on business performance (Anglo American, 2020, 2021).

Opportunities and challenges for implementation: Generally, companies can act on their own terms to operationalize this model and set their own workplace policies and investment levels in the workplace program. This requires less balancing of priorities and coordination than a multi-partner arrangement, but also puts the onus on the individual company to define its priority interventions and develop and operationalize its own program. Although minimal coordination is needed with external stakeholders, there is also a downside to working alone. Typically, a finite number of staff and families are reached year after year, and it can be difficult to scale up. Companies will vary in terms of the investments they can make up front. However, the national impact would be significant if HIV prevention services were offered by most mid-to-large sized companies across Mozambique.

Companies that want to invest to achieve larger impacts in their communities could leverage their corporate workforces to scale prevention activities to nearby communities through outreach programs, campaigns, or peer educator programs or they could invest in more comprehensive testing and treatment programs, such as Anglo American's. Rather than viewing these programs as donations or

Diagram of Option 2. Direct Service Provision for Workers and Communities



CSR initiatives, companies could consider this an investment in their core business. While calculating return on investment can take extra time and resources, sharing the social and financial benefits to employees, community members, and the company's bottom line with corporate decisionmakers helps make the case for continual re-investment in employee and community health.

Recommendations to move forward

The government can influence the reach of each individual workplace HIV program and/or expand the number of companies involved in such programs by promoting them via success stories; by making the business case known to employers that may be hesitant to make the upfront investment in employee health; and by disseminating guidelines to advise organizations on how to introduce these types of programs. For employee engagement programs, the government can share approved information, education, and communication materials with companies to vet key messages that would be shared with staff and communities.

Option 3. Co-financing for Scale

Company HIV programs typically serve employees and their dependents even as the broader community may experience gaps in coverage for key health services. Companies currently providing HIV services

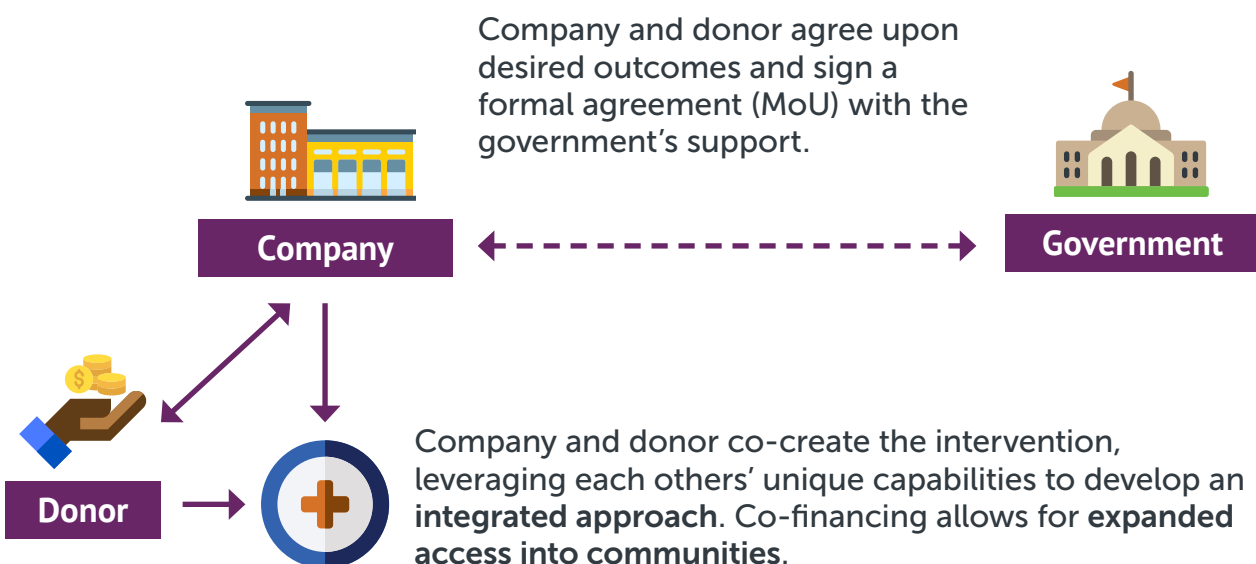
in the workplace can multiply their impact through co-financing initiatives—for example, experienced companies with high-quality programs might find donors to co-finance activities so they can expand their reach more deeply into communities.

Example: The recent US\$10 million agreement between USAID and Total to improve adolescent health and women's empowerment in Cabo Delgado is a powerful example of multiplying impact through co-financing. Total's global social responsibility program already focused on sustainable development of the communities where they work, especially on health, education, and youth. They leveraged their existing capabilities and their US\$5 million commitment to community health to mobilize an additional US\$5 million from USAID for greater impact (USAID, 2020). Together, USAID and Total are taking an integrated health programming approach to do more than would have been possible otherwise, working in additional sectors— such as economic, social, and education—that enable better health and well-being.

Opportunities and challenges for implementation:

Existing programs can be used to mobilize additional funds from donors and foundations, which can cover difficult-to-reach communities surrounding mines, other production sites, and beyond. While increased funding will allow companies to generate greater impact, companies seeking

Diagram of Option 3. Co-financing for Scale



and mobilizing additional funds to grow their programs will need to balance their objectives and preferred approaches with those of the co-funder. Both parties will benefit from formalizing expected roles and responsibilities. In order to maintain program scale beyond the original contract period, companies will want to have a sense of the potential for the co-financing to continue and, if not, what the strategy will be to secure additional funding to sustain their expanded efforts.

Recommendations to move forward

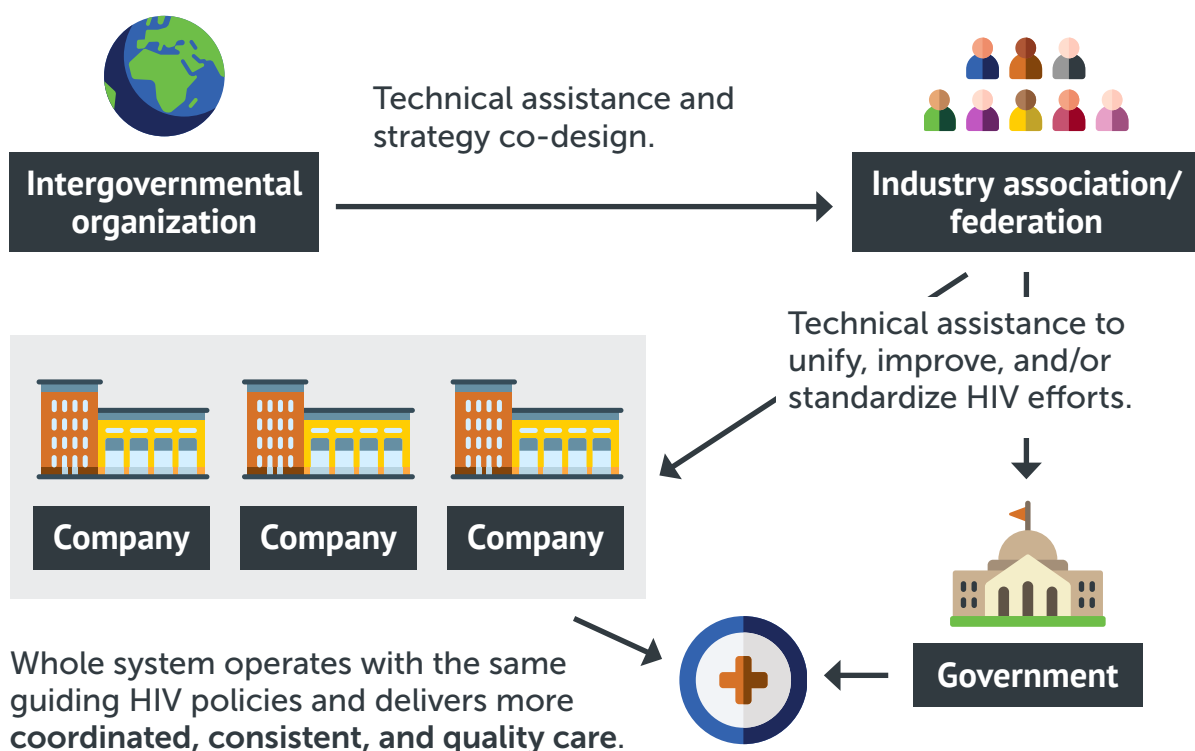
The government can provide technical recommendations and help steward a successful programmatic approach for this model. It can serve as a matchmaker between programs and funders, identifying communities with a high need for HIV services and highlighting the credibility of the private sector in delivering quality HIV services. It may also choose to evaluate potential gaps in otherwise strong company programmatic operations and can suggest co-funders that will help round out an approach or bring a complementary perspective to drive impact.

Option 4. Systemic Private Sector Engagement

A systemic approach to driving sustainable engagement in the response to HIV involves a third-party organization—typically a worker’s union, professional association, or federation—leading an engagement with the goal of driving a common private sector agenda. Leveraging a market-leading industry association to catalyze corporate engagement in the HIV response can leverage the full power of the private sector to accelerate and sustain positive impact.

Example: In 2008, the global union of International Federation of Chemical, Energy, Mine and General Workers’ Unions worked in India through its affiliate, the Indian National Mineworkers’ Federation, to form a comprehensive response to HIV and AIDS (ILO, 2013). They sought technical assistance from the International Labour Organization (ILO) to develop a strategic plan, design a training of trainers program, and support the engagement of employers and India’s State AIDS Prevention and Control Societies. They co-designed the strategy with people living with HIV and representatives from Coal India Ltd, the National AIDS Control Organization, and the Delhi State AIDS Control Society.

Diagram of Option 4. Systemic Private Sector Engagement



Opportunities and challenges for implementation: This approach involves driving systemic change across a sector without a requirement of long-term financing. It requires limited operational engagement of the government beyond the start-up phase. Furthermore, ILO technical guidelines are available to guide a step-by-step approach for formulating HIV policies and programs for the mining sector (ILO, 2013). It is, however, the most complex of the four options and poses challenges to kick-start implementation. That is because it requires a concerted focus from a lead organization that has the full support of the government, requires targeted technical assistance, and relies on continued motivation and engagement from the private sector.

Recommendations to move forward

The government can conduct a series of discussions with key stakeholders involved in the mining and other sectors to determine how corporate engagement can be modeled with participation from industry associations, federations, unions, and domestic and multinational companies. They can then identify the key stakeholder who will drive the approach and garner technical assistance and government support.

Conclusions and Next Steps

All the companies interviewed for this effort were involved in HIV activities to some extent. Beyond the efforts that companies were already driving, primarily within their own workforces, there are realistic opportunities for companies to make changes that benefit both the community and the business. While multinational-led HIV services and efforts to raise funds have undoubtedly helped sensitize communities and increase access to ART services, these efforts are predominately designed and operated at the enterprise level and focus on the employee base. These factors limit the extent to which they can drive community-level responses that could lead to systemic improvement in access to these services.

HP+ has recommended four options for the Mozambican government's consideration. These aim to stimulate a broader private sector involvement in HIV response efforts while not requiring considerable time investment by the government. The options range from increasing funds from the private sector (either directly or indirectly through trust funds); expanding efforts already underway by a number of companies; leveraging an enhanced level of private sector engagement through external investment; and catalyzing systemic change through various market actors. The four options span the spectrum of opportunity to engage the private sector and to leverage its experience in operating and supporting HIV services. The options are accompanied by recommendations on how to move them forward in alignment with the government's desired objectives for private sector engagement in HIV.

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