



**MINISTRY OF FOREIGN AFFAIRS
OF DENMARK**
Danida

STRATEGY FOR DENMARK'S SUPPORT TO MARIE STOPES INTERNATIONAL

2018 – 2022

1. OBJECTIVE

This strategy for the cooperation between Denmark and Marie Stopes International (MSI) forms the basis for the Danish support to MSI and is the foundation for Denmark's partnership and dialogue with MSI. It establishes Danish priorities for MSI's performance within the overall framework of MSI's own strategy, "Scaling Up Excellence" (annex 1). In addition, it outlines specific goals and results in the MSI strategy that Denmark would like to pursue in the cooperation.

The overall objective for Denmark's engagement with MSI is to promote women and girls' sexual and reproductive health and rights (SRHR). It is the core of MSI's mandate, both as a frontline organisation delivering SRHR services, including provision of contraception and safe abortion, and as a national and global advocate for women and girls' rights.

Denmark's vision is a more secure, free, prosperous, sustainable and just world where everyone is able to take charge of hers or his own life. Denmark's strategy for development cooperation and humanitarian action, the World2030, is informed by four strategic aims: 1. Security and development – peace, stability and protection, 2. Migrations and development, 3. Inclusive, sustainable growth and development and 4. Freedom and development – democracy, human rights, and gender equality.

The World2030 reflects the commitment to the United Nation's Sustainable Development Goals (SDGs) and recognises the interdependency between the goals. It places gender equality and SRHR of women and girls at the centre of development and key to sustainable growth and prosperity and acknowledges that it is cross cutting and has to be mainstreamed in order to achieve the SDGs. MSI growing focus on protecting and promoting sexual and reproductive health and rights in fragile and humanitarian settings align well with Danish priorities. I.e. MSI's core mandate and activities are in full convergence with the Danish priorities, especially strategic aim 4, and will contribute directly to Denmark achieving its objectives.

The partnership with MSI adds to the large number of organisations that Denmark supports in the promotion of women and girls' SRHR. MSI joins organisations such as the UN Population Fund (UNFPA), the International Planned Parenthood Federation (IPPF), the multi donor SRHR fund AmplifyChange and the Danish Family Planning Association (Sex & Samfund).

This strategy covers the period 2018 – 2022 with 2018 being the year MSI initiates development of the next strategic framework towards 2030. The possibilities for Danish influence in the development of the new strategic framework will be discussed in this strategy note. Denmark will work closely with likeminded countries and donors towards achieving the results.

2. THE ORGANISATION

MSI is a leading sexual and reproductive health and rights (SRHR) organisation with more than 11,000 employees worldwide and operating in 38 countries. MSI's mission is "Children by Choice, Not Chance". MSI is one of the world's largest providers of high quality, affordable contraception and safe abortion services, with a strong focus on global and national advocacy for women and girls' right to access safe abortion. 26,9 million people are today using a method of contraception provided by MSI.

MSI is a not-for-profit entity and registered as a Charity Organisation in UK, operating in 38 countries. Four of the 38 countries have commercial operations and run income-generating activities (UK, Australia, Romania and Austria). The remaining 34 countries are all on the DAC list for ODA recipients.

MSI's Global Partnership comprises of MSI and its branch offices in 22 countries and 45 locally registered "Marie Stopes"- organisations¹. MSI branches and local organisations are known within the partnership as "Country Programmes". The relationship between MSI and the local entities are documented in a Partnership Agreement outlining the relationship, roles, and responsibilities of the members and of MSI as the lead partner. When entering into the Partnership Agreement the country programme is committing to MSI standards and policies, including clinical quality, procurement and prevention of fraud and bribery.

The MSI Global Support Office is based in London where the Chief Executive Officer (CEO) and the executive team are also based. They provide the global leadership and guidance to the country programmes and monitors the overall performance through robust data collection and tracking of progress through country programme dashboards and dashboards for specific priorities such as clinical quality, youth participation and uptake of services.

The Global Support Office has 199 employees across five directorates: International Operations, Technical Services, External Affairs, Finance and Human Resources. In addition, it includes the Medical Development and the Communications teams. MSI also has support offices in the United States and in Australia, which serves as a fundraising hub and operational support centre respectively.

MSI runs five Regional Offices who support and oversee the Country Programmes. The Regional Offices are staffed with a Regional Director (RD) and a Regional Finance Director (RFD). There is an RFD for each of the five regions and they have regional finance advisors that support them in their role. The regional finance directors (RFDs) report into the regional directors, who report up to the Chief Operating Officer. The number of staff depends on size and complexity of the region.

MSI has social franchising networks in 18 countries, comprising some 3,600 franchisees. Franchisees usually operate under the Blue Star Brand and are supported by MSI with a package that includes ongoing training and supportive supervision on SRHR services, infection prevention, counselling, and client centred care. It also includes support with demand generation and branding, and often access to free or subsidised commodities. Franchisees are required to meet MSI quality standards and must provide their services within an agreed pricing structure

2.1 GOVERNANCE AND ACCOUNTABILITY

The Board of Trustees is the highest decision-making body in MSI. It consists of eight members who all have senior leadership experience and are leaders in their field. There is no term limit for the Trustees. As the organisation evolves, the Trustees consider the skills and experience needed for the Board to carry out its role responsibly. If there is a need for a new skill and Trustee or if a Trustee is being replaced due to retirement, the Board of Trustees will initiate a search for potential candidates with the assistance of recruitment experts.

The Trustees make decisions about the strategic direction, clinical practices, policies and processes, financial management, and institutional integrity. To support the oversight and decision making the Board of Trustees has subcommittees for high priority areas: Audit, incl. internal audit, international clinical governance, remuneration and nomination, and finance, all of which have clear terms of references outlining the roles and responsibilities.

¹ Branches are local offices of MSI and affiliates are independently registered national organisations that are affiliated to MSI and have independent national boards. In India there is both a branch and affiliation hence there are 39 offices/organisations in 38 countries.

There are no donors represented in the Board of Trustees and consequently Denmark's possibility to exert influence has been carefully considered.

MSI hosts an annual donor meeting where the organisation discusses strategy, performance, global trends, and priorities with the donors and partners. Denmark will participate in the donor meetings and it is a solid forum for donors to get insights into MSI, to engage, and give recommendations. In addition to this, Denmark will have annual bilateral donor consultations with relevant MSI leadership (this could be in the margin of the annual donor meeting).

MSI is further currently initiating the process to develop a new organisation strategy, which will replace "Scaling up excellence" in 2020. Denmark will have consultative status in the development of the new strategy and have the possibility to contribute during the entire process as a partner. This will be in addition to the annual donor meetings and bilateral donor consultations.

2.2. FINANCIAL RESOURCES

MSI's total annual income in 2017 amounted to approximately DKK 2,4 billion² (GBP 296,124,000). Marie Stopes operates with two ways of donor funding:

1. Restricted grants or contracts are received from donors, these funds include specific requirements on how and where the funding will be used.
2. Unrestricted funding agreements are received from donors, that have no or very limited (such as geographical region) requirements on how the funding is used. These are managed through the MSI Investment Committee, an internal funding mechanism, which allocates funding to country programmes (this is only ODA money as the four commercial country programmes do not receive this funding).

MSI's financial management systems is set up to differentiate clearly between the different income sources and expenditures. The system is able to track expenditures by donor and thus ensure that donor funding for development is allocated for the intended purpose in developing countries and not subsidising commercial programmes.

MSI operates a social business model with diverse financing approaches. Any surplus the organisation generates is reinvested in the international programmes. Discretionary funds, which include MSI's high-income/commercial country surplus, are used to invest in reaching underserved communities and in organisational priorities geared towards long-term impact in developing country programmes. Country-level income (for example, from product sales or non-core services) is also reinvested to mission-driven activities.

Table 2.1 presents a breakdown of the income based on source for the duration of Scaling up Excellence. The 2018 accounts are pending at the time of preparing this strategy.

² MSI presents its annual accounts in GBP and the DKK value is based on an average exchange rate for the year.

TABLE 2.1: MSI INCOME BY SOURCE, 'GBP 000 (DKK ESTIMATED AVERAGE VALUE)³

	2015	2016	2017
Donations and gifts	2.838 (23,7 million)	2.138 (17,9 million)	3.721 (31,1 million)
Grants, including equipment and supplies	158.224 (1,322 million)	174.250 (1,456 million)	170.014 (1,421 million)
Service income, including waived fees	101.586 (848 million)	108.422 (906 million)	116.765 (976 million)
Other income	3.649 (31 million)	5.152 (43 million)	5.624 (47 million)
Total	266.297 (2.225 million)	289.962 (2.423 Million)	296.124 (2.474 million)

While the main income source is from grants, the largest single income stream is the MSI clinic network, mainly from the UK network. In average, the service income is around 38,3% of the total income with the total grants from all donors averaging 60% of the total income. The service income is channelled into MSI's broader service delivery channels to provide services where the need is greatest. The largest donor is the Department for International Development (DFID), who predominantly provides restricted funding. The second largest donor is a Large Anonymous Donor (LAD), which is also restricted income. The United States Agency for International Development (USAID) has been a large donor of restricted income in the past amounting to almost 17% of MSI's donor income. However, with the introduction of "Protecting Life in International Health Assistance", better known as the Mexico City Policy (or Global Gag Rule) in 2017, the USAID funding has been phased out, which has had grave influence on MSI's operations. According to MSI it has been most severely felt in some of their work with the poorest and most marginalised communities where there is no other way of accessing contraception (also see under section 6.0 Risks and assumptions).

3. KEY STRATEGIC CHALLENGES AND OPPORTUNITIES

3.1 PRESENT AND NEW CHALLENGES

Women and girls' right to accessing comprehensive SRHR services, including safe abortion is in general under pressure at the global level. This is to a large extent caused by the MCP. The current version of the MCP has further reach and therefore more far reaching implications than previous iterations.

This version expands to the entire health sector and blocks US funding to any non-US organisations that inform on, promote, or performs abortion services with its own funds or with other donor funds. This makes it harder for organisations like MSI that provides essential SRHR services⁴, very often in remote and hard to reach places, to offer lifesaving services to women and girls in need. In many cases, frontline organisations like MSI also offer other kinds of services, such as primary health care, HIV/aids treatments and prevention. For this reason, organisations like MSI, who have a presence in the hard to reach areas and multiple service channels, play a vital role to ensure services are offered on a continuous basis via outreach, social franchising or via the MSI clinic networks.

³ MSI presents its annual accounts in GBP and the DKK value is based on an average exchange rate for the year.

⁴ "Accelerate progress—sexual and reproductive health and rights for all", report of the Guttmacher–Lancet Commission, May 2018, defines the essential package of SRHR services interventions to include: 1. Comprehensive sexuality education, 2. Counselling and services for a range of modern contraceptives, with a defined minimum number and types of methods, 3. Antenatal, childbirth, and postnatal care, including emergency obstetric and new-born care 4. Safe abortion services and treatment of complications of unsafe abortion. Denmark does not expect MSI to fully deliver all services included in the definition.

While the MCP is a global challenge, it also represents an opportunity to reduce the dependency on USAID for SRHR services in many parts of the world. It is a unique opportunity to explore new ways and new partnerships to ensure women and girls have access to essential SRHR services in general and to safe abortion, in particular to medical abortion through outreach where the legal framework is conducive to it.

In the majority of countries, where MSI works, there are strong movements to limit access to SRHR services and in some countries, groups or organisations are actively trying to change the legislation regulating SRHR by reversing policies. Women and girls' possibilities for accessing safe abortion are particularly scrutinised and there is a need for strong and focused advocacy initiatives to ensure the legislation is not reversed, but rather reviewed with a view to improve women and girls' right to choose.

Denmark finds it important that organisations like MSI and its global partnership are able to continue to advocate for the rights to safe abortions as well as for women and girls' rights to access comprehensive SRHR services by qualified health workers, e.g. through task sharing.

The current political environment offers an opportunity to continue the work and build on the results previously achieved without having to be concerned about individual donors. MSI has demonstrated a will to evolve and adapt to new fora and initiatives by keeping focus on its core business.

With the support from Denmark, MSI has strengthened its advocacy work and thus the focus on the rights component of SRHR. Through the Danish-funded project "Results-based Advocacy for Sexual and Reproductive Health and Rights⁵", the organisation was able to scale up and institutionalise advocacy to remove policy restrictions and create a more enabling environment for the fulfilment of SRHR. It further secured over 30 policy changes, including in countries as Afghanistan, Myanmar, and Madagascar. The project transformed MSI's capacity to deliver rights-based advocacy; harnessed the service delivery expertise, partnerships and national presence to remove restrictions, strengthen health systems, and ultimately increase access to SRHR.

3.2 THE RELEVANCE AND EFFECTIVENESS OF MSI IN RELATION TO THE INTERNATIONAL DEVELOPMENT AND HUMANITARIAN AGENDA.

The SDGs provides the global framework for international development and the Danish strategy for development cooperation and humanitarian action, the World 2030, is aligned with the SDGs and recognises the interdependency between the goals.

SRHR is a critical component to achieve the SDGs. While it is indirectly linked to several of the SDGs, it is directly linked to **SDG 3**, Good Health and Wellbeing, ensuring healthy lives and promoting well-being for all at all ages. The associated targets aim to reduce global maternal mortality, to ensure universal access to sexual and reproductive health care and achieve universal health coverage. Furthermore, it contributes directly to **SDG 5**, Gender Equality and the advancement of women and girls and to **SDG 10**, Reduced inequalities.

MSI is a main contributor to progress with results within SRHR. MSI's contributions and impact for 2017 were:⁶

- 26,9 million women using modern contraception provided by MSI
- 23,900 maternal deaths averted
- 5,4 million unsafe abortions averted

⁵ January 2014-December 2017

⁶ For more information please refer to IMPACT Report 2017, <https://mariestopes.org/our-impact-2017/>

- 8,2 million unwanted pregnancies averted
- GBP 337 million, approximately DKK 2,8 billion, in additional health costs saved
- 17 policy restrictions removed

The overall MSI strategy is aligned with the global agenda and is working closely with a variety of partners, also subscribing to **SDG 17**, Partnerships for Goals. Beside the work with the private sector, MSI also works with key partners such as Every Women, Every Child, IPPF, UNFPA, WHO, and the Global Financing Facility as well as regional bodies such as the African Union and the West African Health Organisation. In addition, MSI is a member of FP2020's Reference Group; until recently co-chaired the Advocacy and Accountability Working Group of the Reproductive Health Supplies Coalition; Steering Group member of the International Conference on Family Planning; and founder of the Population and Sustainable Development Alliance. MSI also works in close partnerships to provide on-going support and capacity building to regional advocacy networks including the Asia Safe Abortion Partnership and the African Network for Medical Abortion.

As MSI is increasingly working in fragile settings (see below in section 4.0), the organisation is an associate member of the Global Health Cluster, founding and current steering committee member of the Reproductive Health Response in Conflict Consortium and an associate member of the Inter-Agency Working Group on Reproductive Health in Crisis.

A DFID assessment of MSI in March 2017 found that: *“MSI has a well-articulated system of governance and internal control. The Board is maturing and currently expanding its means of control through new skills acquisition and a more systematic role for its four standing committees. Risks are very well elaborated and mitigation strategies are in place. The anti-fraud and bribery programme is thorough, comprehensive and has been rolled out to all employees through a creative and effective training programme. Internal and external audit and other control mechanisms are well developed and properly implemented.”*

Norad conducted an assessment of MSI in May 2017 that had similar conclusions. The main conclusion was that MSI has solid global and local track record of performance in the challenging, sensitive thematic areas of family planning and SRHR. It assessed that MSI is strong within governance, financial management, legal aspects, and daily operational policies and routines. It recognized that while there had been isolated incidences of misappropriation of funds, MSI has systems in place that can manage the incidences appropriately.

The Norad assessment also found that MSI works very closely and effectively with governments and civil society partners/stakeholders of all types at all levels in very different contexts and manages the sensitivities and challenges related to the SRHR services and commodities, advocacy, attitudinal changes, abortion laws, and women and girls' rights to choose in a manner that enables the organisation to continue operations without significant impact on service delivery.

4. PRIORITY AREAS FOR DANISH SUPPORT TO MSI AND EXPECTED RESULTS

The priority areas and results to be achieved are based on the linkages between the Danish and the MSI strategic priorities. Four Danish priority areas, which correspond to two MSI priority areas, has been selected with advocacy being cross-cutting. Below is a short description of each areas linking the Danish priorities to MSI's priorities.

Gender Equality and Women's Rights – a human rights and social gain. Having placed SRHR centrally in its strategy, Denmark confirms the position as a strong and leading global advocate for SRHR, a position Denmark wishes to maintain. Denmark firmly believes that everyone is entitled to information and access to all SRHR services, including modern methods of contraception and legal and safe abortions. This lies at the centre of MSI's mission and mandate. MSI's advocacy work will continue to support the Danish objectives to ensure gender equality, the rights of women and girls and ensuring the hardest to reach and most vulnerable women and girls can freely access the modern methods of contraception of their choice, including access to safe abortion.

To complement the advocacy efforts, MSI has diverse service delivery channels, where the outreach channels are particularly well positioned to ensure the poorest and most remote women and girls' access to choose if and when they want children and with whom they want them. Recently MSI has started to develop models for the inclusion of safe medical abortion and post abortion care on outreach, based on MSI's safe abortion/post-abortion care continuum of care principles⁷ (annex 5). A further development of success models that respects the national legal frameworks will support the Danish objectives and make full choice available for many more women and girls.

The global youth is a key cross-cutting Danish priority. The world is currently the home of the largest generation of young people. It is critical that the young people are engaged in health and education, in particular through SRHR services. MSI has a particular focus on young people and is capturing youth engagement through an adolescent dashboard that is monitored as part of country programme performance. This includes behaviour change communication that includes engagement with young men and recognises the need of involving men in SRHR to make transformative change. The dashboard was introduced in 2017 and is increasingly informing the leadership at all levels about progress and in the development of success models.

A partnership approach to development. Denmark has a broad experience in involving the private sector and considers private actors to be increasingly relevant in the future to solve sustainability challenges in areas such as health. MSI is engaging in the development of innovative health financing models, social business franchise model, which is convergent to the Danish objective to support private-public partnerships that will promote inclusive and sustainable growth models for health financing with the potential to be scaled up and serve as inspiration for other organisations.

Working in the humanitarian-development nexus. A relatively new area for MSI is the work in fragile and humanitarian settings. MSI does not consider the organisation as a humanitarian agency, but acknowledges that many of the countries where they operate are experiencing ongoing instability and are vulnerable to conflict, political insecurity and/or natural disaster. MSI is working in the humanitarian-development nexus in several of Denmark's priority crises such as Yemen, Mali and Afghanistan. SRHR in humanitarian settings is a Danish priority, why this work by MSI is both welcomed and encouraged.

⁷ The Safe Abortion/Post Abortion Care Continuum of care strategy is based on a principle to ensure that women and girls have access to gold standard care and having centres as referral hubs and support mechanisms for women and girls.

MSIs core mandate complements Denmark’s strategy. Thus, the strategic priorities in the MSI’s strategy can be directly linked to the Danish strategy together with the expected results of the Danish support to MSI. The priority areas and the identified results and monitoring are aligned with MSIs global strategy, Scaling Up Excellence, as shown in the below table 4.1. For the complete MSI strategy and results framework reference is made to annex 1.

TABLE 4.1: STRATEGIC PRIORITIES AND RESULTS

Results	Focus areas	Indicators	Link to Danish Policy
MSI Strategic Priority 1: Scale and Impact. Doubling the health impact through contraception and safe abortions service delivery at scale			SDG5 and especially SRHR is central to the Danish strategy and seen as central to reaching all the other SDGs.
Double the number of annual MSI contraceptive users from 20m to 40m	Advocacy for women and girls’ right to choose and removal of policy restrictions and barriers for women and girls to access contraception.	Number of MSI users by 2020. Number of policy restrictions and advocacy initiatives.	Women and girls’ right to choose is a fundamental human right, also in humanitarian settings.
Target MSI services at high impact clients and correct imbalances in service provision, including adolescents aged 15 – 19 years and the poor.	Advocacy for adolescents’ right to access modern contraception regardless of marital status or number of children. Make services available for young women without stigma or provider bias. Develop success models for reaching the poorest and hardest to reach. Increase in services for adolescents	Increase in the number of adolescents on MSI contraception Proportion of adolescent users. Increase in the number of women on MSI contraception that are living on less than \$1.90 a day Proportion of women living on less than \$1.90 a day that receive MSI contraception. Number of policy and clinical restrictions removed to increase information about and access to SRHR services for young people.	SRHR is vital to meeting the challenges and realising the potential that lies in the fact that the largest youth generation in the history of the world is growing up right now. Equal access is critical to gender equality, which is associated with social gains on many levels.
Double provision of safe abortion and medical abortion (SA/MA) and increase post abortion family	Advocacy for women and girls’ right to choose and removal of policy restrictions and barriers for women and	Number of policy/clinical restrictions removed to	Everyone is entitled to information, access to contraception, legal and safe abortion, and other relevant services.

planning (PAFP) to 90% for all safe abortion/PAC clients	girls to access safe abortion and essential post abortion care services. Increase the reach of services and develop success models for how to include MA and PAC on outreach.	increase access to SA/PAC Number of women and girls accessing medical abortion and MPAC on outreach.	
MSI Strategic Priority 2: Sustainability. Using our expertise to as a social business to build sustainable private sector models that go beyond donor support			SDG17 - Partnership approach, engaging the private sector and authorities in development.
Build genuine sustainability by ensuring that every service has a funding source.	Advocacy for the need to develop innovative health financing models to ensure universal access to sexual and reproductive health care. Developing of success models for scalable health financing models, including innovative partner and insurance models, to promote universal health care.	Number of programmes where new models are being tested. Integration into national health care systems. Number of service level agreements/contacting arrangements between MSI and national government	Promoting responsible investments and market-based solutions.

4.1 MONITORING AND REPORTING

MSI is a pioneer in measuring results and impact and contributes to the international community by making peer reviewed tools, such as the impact estimator, available and by sharing knowledge and experience with leading partners such as UNFPA and WHO. Consequently, the organisation has robust monitoring system in place to ensure adherence to its objectives, to ensure the operational as well as clinical quality. In addition to 'Scaling Up Excellence', this is guided by MSI's Sustainability Framework (annex 2), the Safe Abortion/Post Abortion Care Strategy (annex 3), and the MSI Value for Money Framework (annex 4).

Within MSI, across the global MSI partnership, the mission remains in focus and all country programmes are required to prepare an annual business plan. The business plans have to directly contribute to the corporate objectives, strategies and goals for MSI and inform the global annual business plan. The business plans are designed to ensure alignment and harmonisation with the overall global strategy, Scaling Up Excellence. They are signed off by the regional directors and approved by the executive team and include:

- Key performance indicators

- Service delivery projections
- Service delivery channels strategies
- Headline budget and narrative
- Procurement plan
- Risk identification and management

On top of this, MSI's research, monitoring, and evaluation (RME) strategy (annex 5) outlines how the organisation measure results and success. MSI is committed to measuring results with tools and processes that can clearly demonstrate MSI's contribution to the global health impact. Consequently, the organisation collects data and monitors progress toward their strategy using a wide variety of tools.

Service delivery data is collected through MSI's management information systems, which shows the number and type of services provided on a monthly basis.

The Client Information Centre (CLIC) increases speed and efficiency in data collection, facilitates better analysis to inform programmatic decision-making.

The Cost Calculator captures and compares programme and service delivery costs across channels, methods and countries. It provides a deep understanding of the cost of each service delivered and make improvements to efficacy and productivity.

Annual client exit interviews (CEIs) are conducted across the MSI partnership, to assess the demographic profile of clients, past family planning use, levels of client satisfaction, and aspects of quality of care. CEI data are essential to measuring key indicators like High Impact Couple Year of Protection (HICYP) (new users, users under 25 years, and poor users).

Impact 2 is an innovative tool for estimating the impact of sexual and reproductive health (SRH) service uptake in reducing maternal mortality, reducing unsafe abortion, and increasing contraceptive prevalence at a national level. It enables MSI to estimate its past, current and future contributions to national family planning use and contraceptive prevalence, as well as the wider health and economic impacts of these services.

MSI conducts client follow-up surveys that capture clients' experience. It provides information about client satisfaction and quality of care.

In addition, Denmark will carry out a mid-term review of its support to MSI in the first half of 2020, which will be aligned with the beginning of MSI's new strategy.

5. BUDGET

Since 2010 the total Danish support to MSI has amounted to DKK 152,5 million at HQ level and almost DKK 40 million to Marie Stopes Tanzania in a bilateral agreement with the Danish Embassy in Tanzania. Table 5.1. and 5.2. show the annual allocations in DKK. The Danish funding at HQ level stopped in 2015, but until then Denmark has contributed with the following amounts:

TABLE 5.1: DANISH SUPPORT TO MSI HQ IN MILLION DKK

2010	2011	2012	2013	2014	2015
22	11	0	36,5	41,5	41,5

TABLE 5.2: DANISH SUPPORT TO MS TANZANIA IN MILLION DKK

2015	2016	2017	2018
12	8	10	10

The new planned core contribution for the period 2018 to 2022 will be DKK 25 million annually, where year 2020 to 2022 is subject to annual parliamentary approval of the Finance Act.

TABLE 5.3: DENMARK'S PLANNED CONTRIBUTION TO MSI 2018 – 2022, IN MILLION DKK⁸

2018	2019	2020	2021	2022
25	25	25*	25*	25*

* Subject to annual parliamentary approval of the Danish Finance Act

The new grant from Denmark will be core funding and channelled through the MSI Investment Committee system to Country programmes, i.e. to MSI's development activities in the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) – OECD/DAC – approved countries⁹. It should be noted that core funding/unrestricted income is critical for MSI's ability to advocate for and provide safe abortions to women and girls where it is possible within the national legal frameworks. The Danish share of MSI's income in country programmes is estimated to be 2%, based on the 2017 budget. Table 5.4. shows MSI's total budget in terms of the distribution of restricted versus non-restricted funding

TABLE 5.4: MSI TOTAL RESTRICTED AND UNRESTRICTED INCOME/CORE FUNDING, GBP '000 (DKK ESTIMATED AVERAGE VALUE)¹⁰

	2015	2016	2017
Restricted	152,405 (1,27 billion)	145,839 (1,2 billion)	138,164 (1,15billion)
Supplies and equipment	6,983 (57,5 million)	9,715 (80,5 million)	12,322 (102 million)
Unrestricted	106.909 (887 million)	134.408 (1,1 billion)	145.638 (1.2 billion)
Total	266,297	289,962	296,124

The unrestricted income has increased during the current strategic framework, from 40.1% in 2015, 46.4% in 2016, to 49.2% in 2017 mainly due to an increase in service income.

It has to be noted that previous assessments made by like-minded donors has raised a concern about the salary levels at the executive and senior level in MSI. Denmark shares the concern and it has been discussed with MSI how to ensure that Danish funds are used in country programmes and not allocated towards high executive salaries or general bonuses. Denmark recognises the need for contributions to salaries for support office staff and country programme staff that are directly involved in delivering the agreed results. Denmark will work closely with likeminded donors to follow-up on this.

⁸ It is recognised by MSI that Danish funds can only be used for activities that are official according to OECD definition in countries that are eligible as ODA recipients

⁹ <http://www.oecd.org/dac/stats/officialdevelopmentassistanceandcoverage.htm>, <http://www.oecd.org/development/financing-sustainable-development/development-finance-standards/daclist.htm>

¹⁰ MSI presents its annual accounts in USD and the DKK value is based on an average exchange rate for the year.

6. RISKS AND ASSUMPTIONS

MSI is working in a field where there are several risks and has developed a comprehensive risk register (annex 6) to manage the risk. There are areas where the risk is higher and they are briefly described below.

MSI works closely with the government in the respective country programmes. An underlying assumption for the continued progress is that the national governments remain committed to progress, in particular to SRHR. MSI is well respected and recognised as a key partner in the vast majority of countries they work in and their advocacy work has been instrumental in creating continued commitment. The advocacy efforts will remain a critical component in the work of MSI and it is expected it will continue to play a critical role in sustaining political commitment.

The reintroduction of the Mexico City Policy (MCP) has made USAID withdraw its funding. A year after the re-imposition of the MCP, MSI estimates that there still is a funding shortfall of approximately £60 million. MSI estimates that, without further funding to close this gap, more than two million women would no longer have access to contraception services from a trained MSI provider. This could lead to an extra 2.5 million unintended pregnancies; 870,000 unsafe abortions; 6,900 avoidable maternal deaths; £107 million increase in direct healthcare costs. MSI is therefore upgrading their funding efforts.

Closely connected to the MCP, the opposition against SRHR is strong in many of the countries where MSI operates. The opposition is to large extend well organised and includes well-planned communication strategies to undermine the work and reverse legislation. One of the well-known strategies towards MSI is allegations of unlawful abortions, coercion or misinformation about side effects and clinical incidents. This is an immediate threat and is currently happening in several of the countries where MSI works. MSI has a strong preparedness for managing campaigns against contraception and safe abortion as well as managing reputational risks. In addition, MS locally works closely with likeminded partners, including donor embassies, to mitigate the situation.

As any organisation in the field MSI is exposed to fraud and bribery as well as mismanagement. MSI has a ZERO tolerance towards corruption, fraud, and bribery. To manage the risk MSI has developed a comprehensive anti-fraud and bribery programme that has been rolled out to all country programmes and the training is mandatory for all staff in the programme directorate. The programme consists of four policies:

- Anti-fraud and bribery
- Conflict of Interest
- Gifts and entertainment
- Whistleblowing

There are clear internal policies and processes for dealing with allegations of fraud and bribery. These cover aspects such as protecting people who speak up, conducting investigations, acting on the findings of investigations, and reporting to donors. Some donors have raised concerns that information only goes to the donor whose funds are under suspicion for being used inappropriately. This means that information has on occasion reached a MSI donor via other donors, which creates uncertainty. It is expected that MSI will inform Denmark on suspicion of fraud or bribery in countries that receive Danida funding regardless of funding stream thus enabling Denmark to manage any queries that may arise and support MSI in the process.

MSI conducts in-depth investigations into alleged violations and those who were found to be in violation have faced disciplinary measures that included warning, dismissal and other measures.

Furthermore, MSI recognises the importance of zero tolerance and preventing sexual exploitation and abuse. While they do not have a designated policy, the prevention of sexual exploitation and abuse is covered in several of their policies:

- MSI Code of Conduct
- MSI Dignity at Work policy
- MSI Speaking Up policy
- MSI Child Safeguarding policy
- MSI Global Policy Statement - Equality and Diversity
- MSI Duty of Care
- Anti-Modern Slavery and Trafficking and Policies and Procedures

ANNEX 1

SCALING UP EXCELLENCE

<https://mariestopes.org/media/2138/scaling-up-excellence.pdf>

ANNEX 2

SUSTAINABILITY FRAMEWORK

May 2015



Our sustainability framework

Why a sustainability framework?

Historically, we have defined sustainability as synonymous with the financial self-sufficiency of our clinic networks. Over time we have evolved our thinking. This framework aims to align ongoing efforts and drive strategic planning for a sustainable future.

What are we sustaining?

We exist to deliver results on a scale significant enough that every individual can fulfil their right to have children by choice not chance. We know that maximising our health impact is fundamental to sustainability, and that increasing equitable access requires channelling subsidies for the poor.

This means we look at sustainability in two ways:

Growing a sustainable organisation:

Marie Stopes International is positioned for the long-term within changing health markets to continue to serve our clients.

Growing a sustainable health market for choice: Our international interventions work to develop a health market (supply, demand and policy) that will continue to deliver choices in family planning, safe abortion and post-abortion care for our clients, well beyond our doors.

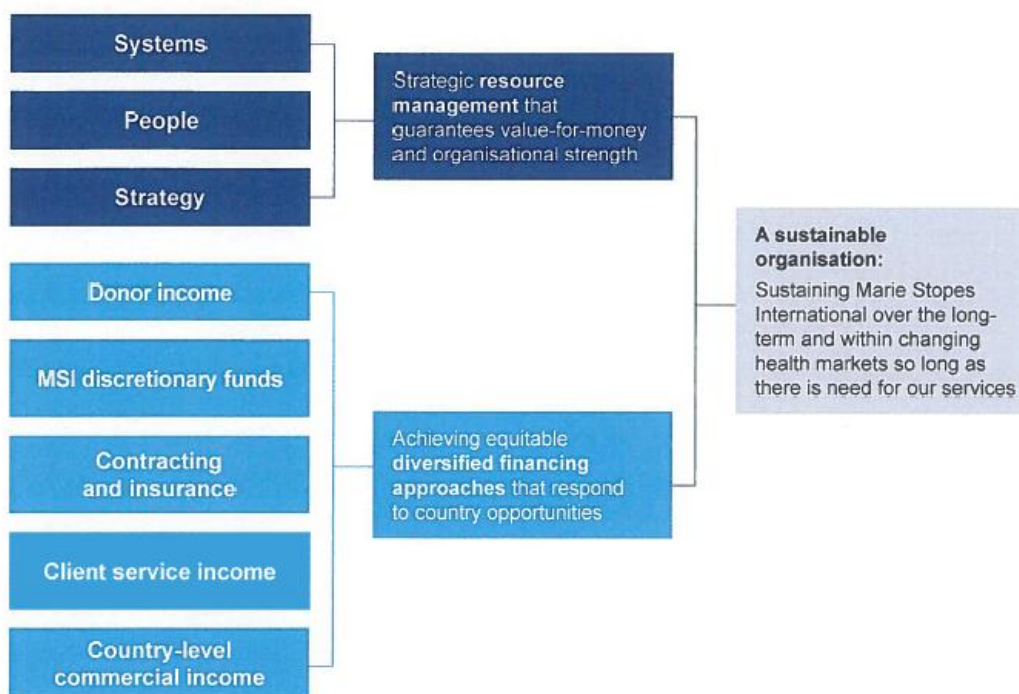
Marie Stopes International exists to deliver results on a scale significant enough that every individual can fulfil their right to have children by choice not chance.



Firstly, the more sustainable we are, the more we can deliver towards a sustainable health market for choice. We need robust strategies across a range of country contexts to guarantee our financial stability and keep doors open for clients, including the poor. Our **sustainable organisation** framework emphasises *strategic resource management* across all programmes, followed by *diversified revenue* that responds to opportunities in each country (see page 2).

Secondly, Marie Stopes International aims to catalyse a future in which *supply, demand, and policy* come together in a health market that makes reproductive choice a long-term reality for all women. In other words, we aim to positively influence the development of more effective health markets for our clients. We have created the **sustainable health market for choice** framework to support the process through which we plan our interventions for the greatest, longest-lasting health impact in family planning and safe abortion/post-abortion care (see page 3).

A sustainable organisation



Strategic resource management means that:

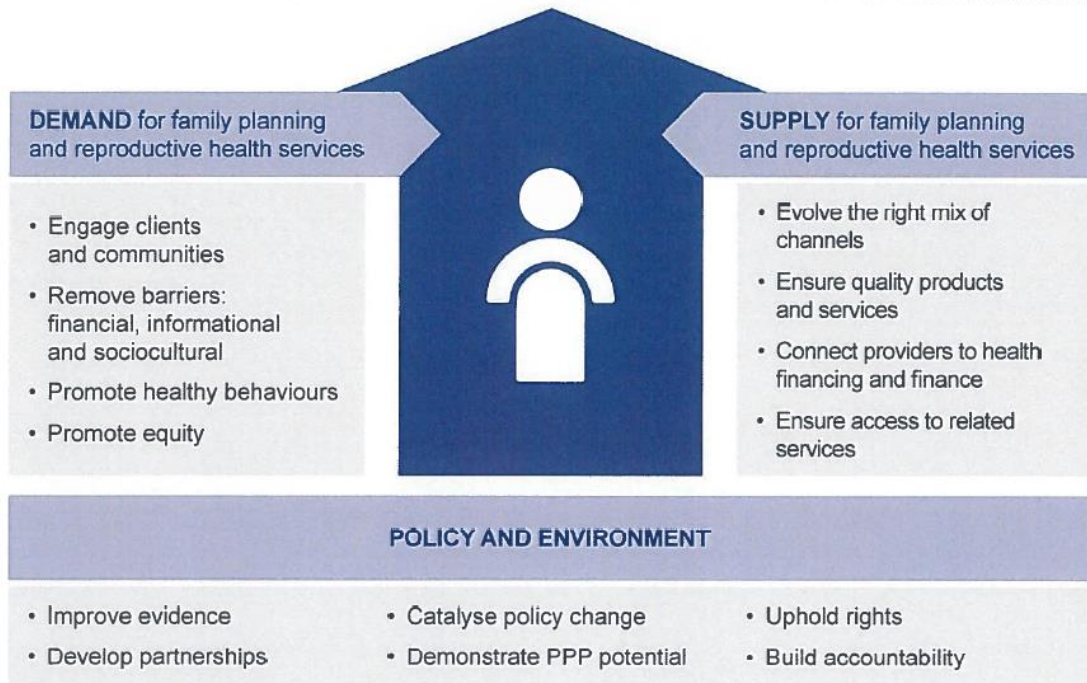
1. We prioritise **systems** so that we have the evidence to drive continual improvement cycles.
2. We cannot be sustainable without the right **people** on board. We are committed to ongoing skills transfer and ensuring the most valuable positioning of our capacity.
3. We rely on **strategy** to serve as the roadmap to guide our investments for both health market and organisational sustainability. Our strategy puts evidence at the forefront and ensures value-for-money.

Five streams of diversified financing include:

1. **Donor income**, which will remain vital and strategic for many countries where external subsidy is a long-term necessity for the health sector. We expect donor engagement in sexual and reproductive health to remain dynamic and we will adapt to emerging non-traditional and transitional fundraising trends.
2. **Marie Stopes International discretionary funds**, which stem from our organisational donor support and our high-income country surplus. These are strategic funds used to invest in organisational priorities for long-term impact as overseen by Marie Stopes International's Investment Committee.
3. **Contracting and insurance**, which refers to the means of linking Marie Stopes International service delivery with domestic health system financing opportunities in both public and private sectors. This includes service level agreements, private insurance or state-sponsored insurance accreditation, corporate or government contracts.
4. **Client service income and franchise fees**, or the practice of charging fees to clients and franchisees to fully or partially offset the costs of operating mission-driven activities.
5. **Country-level commercial income**, by which Marie Stopes International programmes may engage in commercial activities such as product sales or profitable non-core services with a primary objective of generating a surplus that can subsidise mission-driven activities.

These five streams are in no particular order. However, we note that the first two – donor income and discretionary funds – are global and external resources, while the latter three – contracting and insurance, client out-of-pocket and franchise fees, and country-level commercial income – are domestically generated.

A sustainable health market for choice

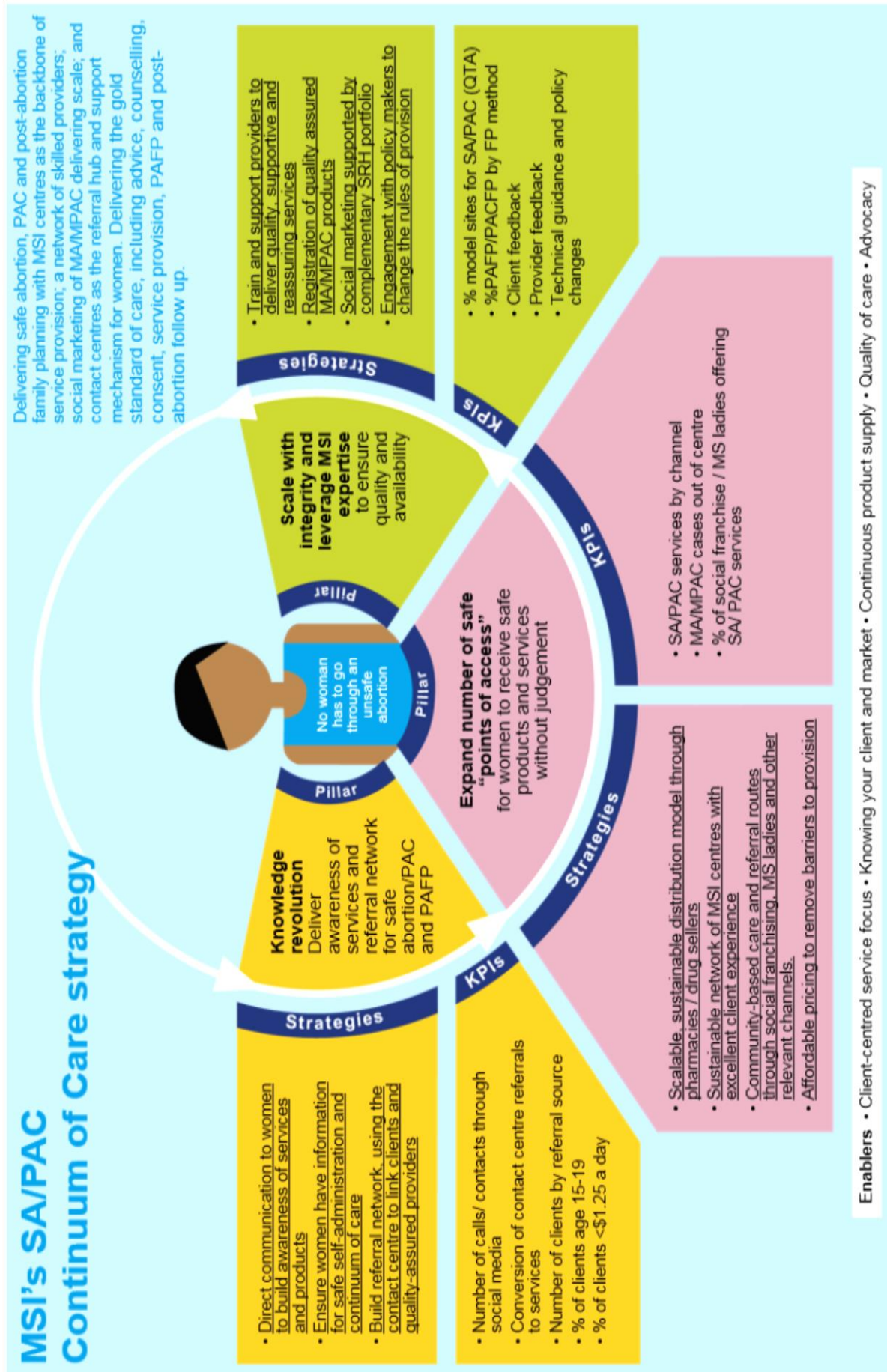


Growing a sustainable health market for choice means:

1. **On the demand-side**, Marie Stopes International intervenes to address the barriers that inhibit healthy behaviour for family planning, safe abortion and post-abortion care. We design interventions to sustain healthy behaviours and advocate for continued subsidy that enables equitable access amongst the poor.
2. **On the supply side**, We plan and evolve our service delivery channels so that we leverage the most sustainable and efficient channel to reach our clients (centres, social franchising, outreach, social marketing, community-based agents). We invest in scalable quality assurance and forge partnerships to strengthen supply in the context – whether with commodity agencies, loan institutions, district health teams or health financing scheme implementers. As appropriate, we either offer or create linkages with related health services to achieve continuum of care for our clients whilst ensuring market efficiency.
3. **Policy and environment**. We look to influence the wider factors that affect supply, such as national reproductive health policies and regulations steering the market, and those that affect demand, such as reproductive rights and equitable health financing. Much of this impact is achieved in collaboration with other key stakeholders.

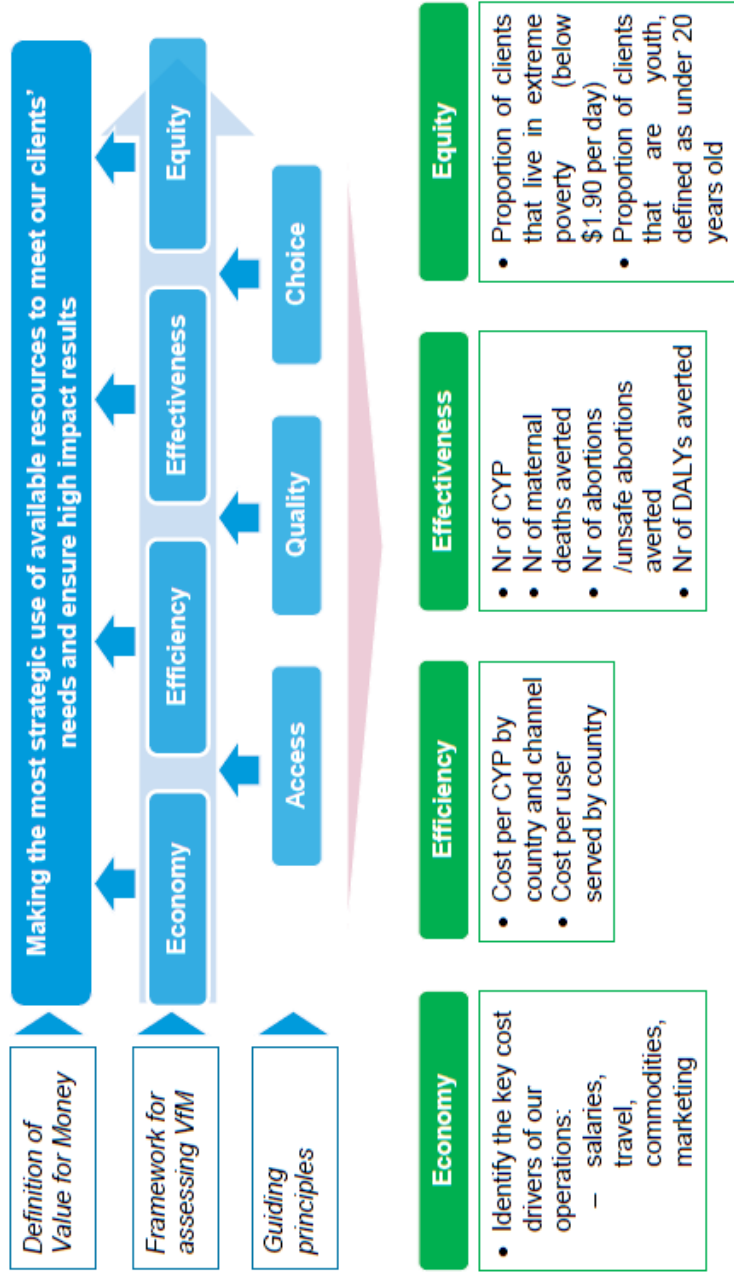
ANNEX 3

SAFE ABORTION/POST ABORTION CARE CONTINUUM OF CARE STRATEGY



ANNEX 4
VALUE FOR MONEY FRAMEWORK

MSI Value for Money Framework



ANNEX 5
RESEARCH STRATEGY

https://mariestopes.org/media/2615/msi_research-strategy_v4.pdf

ANNEX 6

MSI RISK MANAGEMENT

Risk management is key to the delivery of MSI's strategic objectives. It is the systematic process employed to methodically identify, analyse, evaluate, reduce, monitor, and communicate risks in every aspect of the organisation. Whilst no system of internal control can provide absolute assurance against material misstatement, loss or damage, MSI's risk management policy has been developed to provide reasonable assurance to the Trustees that there are adequate procedures in place, that management regularly evaluates that those procedures are operating effectively, and that there is independent assurance over those controls. Risk assessments are made at appropriate levels within the group: by function (especially around clinical risk), by geography (for instance, assessing geopolitical risks), and by operating unit or department. At a group level, the Strategic Risk Register is framed around Scaling-Up Excellence and is reviewed bi-monthly by the Executive Team at a dedicated meeting. The Strategic Risk Register is reported to the Audit Committee and from there to the Board. The Trustees hold the Executive Team to account through the committee structure in respect of the risks identified, the assigned risk ratings, the approach being taken (to treat, tolerate, transfer or terminate the risk) and the adequacy of the action plans. The key elements of the system of internal control are:

- Delegation: there is a clear organisational structure with clear decision rights and lines of authority and responsibility for control, together with procedures for reporting issues, decisions and actions.
- Reporting: the Trustees approve and review the annual plan, activities programme, income and expenditure forecasts and monitor actual income and expenditure on a regular basis.
- Risk management: there are processes in place for identifying, evaluating and managing significant risks faced by the Group.
- Internal audit: MSI's internal audit team, reporting directly to the Board, is a key part of Marie Stopes International's internal review and control process for its international operations, visiting 24 country programmes in 2017 to review operational and financial controls within the Group
- Review: The Audit Committee meets three times a year, prior to all Board meetings, to discuss the results from internal and external audits conducted in the UK and overseas. The Audit Committee Chairman then briefs the remaining Trustees at the next Board of matters discussed and agreed at the Audit Committee including the key risks, and the actions undertaken to mitigate those risks.
- Clinical quality: the Board receives a full report at each meeting from the Global Medical Director and the Chair of the International Clinical Governance Committee detailing the organisation's performance against key clinical quality indicators. The clinics in the UK and Australia report separately to the MSI Board on a range of clinical indicators.

Risk	Controls and Mitigations
Lack of financial resilience as evidenced by free cash balances and unrestricted balance sheet reserves	<ul style="list-style-type: none"> • Increase liquid free reserves to reserves policy target (£30m - £35m) • Continue to minimise cash holdings in country programmes • Pursue alternative sources of financing
Loss of key donor funding exacerbated by concentrated donor portfolio	<ul style="list-style-type: none"> • Quantify the financial and service delivery impact of losing key donors and develop mitigating strategies. • Proactively review and manage the donor funding pipeline • Develop new donor relationships and other domestic health financing sources
Adverse clinical outcomes, including client death	<ul style="list-style-type: none"> • Global clinical quality assurance programme • Global clinical incident reporting framework • Revised obstetrics guidelines • Revised core competencies for nursing • Continuum of Care strategy for social marketing

Failure to comply with statutory and other regulatory requirements	<ul style="list-style-type: none"> • Monitor statutory regulations in all country programmes • Independent reviews of UK and global corporate governance • Internal review of country programme governance • Data Privacy Project in preparation for General Data Protection Regulation (GDPR)
Fraud, corruption, theft, risk of overstating results and unethical practices	<ul style="list-style-type: none"> • Roll out updated Code of Conduct and new safeguarding training across the group • Comprehensive global anti-fraud and bribery programme • Roll out e-learning modules • Allocate resources for specialist investigations
Lack of sustainable access to quality commodities	<ul style="list-style-type: none"> • Quarterly commodity security review • Work closely with key donors that support granted commodities in developing countries • Register core MSI-branded products in key country markets
Faulty products/ inadequate product quality	<ul style="list-style-type: none"> • In-house pharmaceutical advisor • Mandate product supplier options to country programmes • Quality management system and assurance tool
Risks posed by complex geo-political situations	<ul style="list-style-type: none"> • Maintain Global Security Framework and Protocols • Closely monitor high risk country programmes
Major breach of donor compliance	<ul style="list-style-type: none"> • Continue to train country programmes on donor requirements • Continue to review internal processes to ensure they are donor compliant • Annual audits of donor compliance processes
Inability to recruit or retain talent for critical roles	<ul style="list-style-type: none"> • Further development of group leadership programme • Conduct compensation and reward review to position MSI competitively within external market
Major cyber-attack or leak of confidential information	<ul style="list-style-type: none"> • Ensure adherence to data security policies and procedures • Regular penetration tests • Training and awareness raising among global team members
Failure to comply with UK clinical governance and other regulatory requirements	<ul style="list-style-type: none"> • Specialised UK Divisional Board and Integrated Governance Committee with independent experts • UK risk management system, and governance structure with clear reporting lines from “ward to Board”