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Structured finance was key to achieving this social impact project for young women in Africa.”

Pro Bono News

How Curtis is helping raise hygiene standards and empower women in Africa's Sahel Region

The firm has played a pivotal role in the development of Menstrual Hygiene Management (MHM) Development Impact Bonds, initiated by the French Development Agency and Ministry of Foreign Affairs

Back in July 2019, the G7 Ministers met with their G5 counterparts from the Sahel region (Burkina Faso, Chad, Mali, Mauritania and Niger) to discuss social and economic opportunities in the region.

What resulted was an effort to address gender inequalities and focus on the health and well-being of vulnerable adolescent girls, amongst other issues, which in turn will impact their economic integration, reduce the gender gap and ultimately promote stability in the region. Under the Sahel alliance, the G7 and G5 committed to cooperate, and called for support from international financial institutions and nations that were allied to the cause, asking them to

establish Priority Investment Programs.

The Menstrual Hygiene Management (MHM) project is one such humanitarian project, initiated by French president Emmanuel Macron, in which the French government sent out solicitations to structure a viable Development Impact Bond (DIB) programme.

DIBs and social impact bonds are a form of structured financing, used to finance socially beneficial projects via performance-based contracts. Impact investors provide the capital and governments repay the investors, as and when success is achieved in terms of public value.

Curtis partner Jean-Norbert Pontier was approached by the impact finance arranger, KOIS Investment Fund, in the summer of 2019 to help formulate a complex financing structure that will help achieve capital-raising goals set forth in the MHM project.

“Working with a small team of volunteer associates, we spent considerable hours on meetings with the arranger KOIS over more than a year, to finally propose three separate legal structures. The legal considerations were key to addressing credit and risk issues, such as dissipation, currency, insolvency, claw-back, foreign exchange fluctuations, political instability, and liquidity risk,”



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The Curtis team is proud and honoured to have had the opportunity to contribute towards grassroots-level social impact in this region, where there are many challenges at all levels.”

–*Jean-Norbert Pontier (Partner, Paris)*

shares Mr. Pontier. Finally, in the summer of 2020 the resulting proposal was presented to the French State.

Mr. Pontier and his team played a pivotal role in shaping the project from inception. Once accepted by the French government, Curtis also helped with road shows and in defining the project’s scope, in order to bring onboard other key players: the NGO CARE France and impact investors such as BNP Paribas, bringing the project one step closer to completion.

“The big picture aim is to achieve gender equality,” emphasizes Mr. Pontier. It is estimated that 250 million girls aged 10-14 in developing countries do not have access to hygiene products and 500 million lack the infrastructure to change hygiene products as needed. This, and the stigma associated with menstruation, hinders inclusive and equitable educational opportunities for girls.

A feasibility study was conducted by KOIS on behalf of the French government to assess the relevance of a DIB to scale up a MHM intervention in Sub-Saharan Africa; studies revealed conducive environments in Niger and Ethiopia.

“When governments lack the capital needed to invest in social change, they resort to DIB financings to bridge social sector financing gaps,” says Mr. Pontier. There are 11 social impact DIBs that have been created worldwide so far but the MHM project will be the first such DIB to measure gender-related impact and improved gender mobility.

Through the DIB vehicle that Curtis is structuring as a financing platform, participating local agencies would create advocacy and awareness related to MHM, produce and distribute quality hygiene products and build hygiene infrastructures at learning and communal spaces.

It may not seem obvious, but this project ties-in closely with the practice of law. Mr. Pontier

feels “proud and honoured to have had the opportunity to contribute towards grassroots-level social impact.” He explains, “This work is very close to what we do, with over 25 years of structured finance experience – basically articulating both asset side and funding side, by addressing and mitigating risks of all sort at each level.”

“Financial structures are our expertise but the flow and control of money considerations at play here go beyond mere legal know-how. Once you find a committed investor, how do you transfer money to Sahel, how can you find a bank in Ethiopia to organise proper credit risk isolation of cash assets, get it to the NGO and finally to the girls who need it, with minimal cash flow leakage? NGOs are not a vehicle for financial liabilities, so structuring the funding side using a pass-through ad hoc entity was a key aspect for a successful solution. We figured it out piece-by-piece and put the structure together.”

Curtis has played a key role at the structuring level of this unique and

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impactful initiative and will continue to work with all parties through documentation stages until its successful roll-out and measurement.

Paris and Geneva-based partner Jean Norbert Pontier is overseeing the case, assisted by associate Charlotte Fromont and others previously with Curtis.

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