

Scale X Design Accelerator Technical Application

Cohort 3 2018/2019

☐ Check this box if your application should NOT be entered in the Accelerator as a finalist.

☐ Check this box if your application is a social enterprise or consulting practice that does NOT fit within the Cohort 3 theme: Women's Economic Empowerment.

1. **Initiative Title:** Kozo Girls

2. **Applicant Team Information and Details:**

Name	Title	Location (CO, CIM, etc.)	Email
Jackson Thoya - Lead	Country Director	Pact office, Lusaka, Zambia	jthoya@pactworld.org
Emily Bell	Project Associate	Pact office, Lusaka, Zambia	ebell@pactworld.org
Misozi Siwela	DREAMS Manager	Pact office, Lusaka, Zambia	msiwela@pactworld.org
Alice Lungu Bwalya	School Based Prevention Manager	Pact office, Lusaka, Zambia	abwalya@pactworld.org
Michelle Risinger	Innovation Director	Pact HQ, Washington DC, USA	mrisinger@pactworld.org
Taylor Cruz	Innovation Specialist	Pact HQ, Washington DC, USA	tcruz@pactworld.org
Brian Vo	VP Social Investment and Alternative Finance	Pact HQ, Washington, DC USA	bvo@pactworld.org
Team Captain(s)			
Emily Bell	Project Associate	Pact office, Lusaka, Zambia	ebell@pactworld.org
Misozi Siwela	DREAMS Manager	Pact office, Lusaka, Zambia	msiwela@pactworld.org

3. **Problem Statement:** Please provide concise and clear analysis statement of the specific problem you are trying to solve. (450 word limit)

The Kozo¹ Girls concept has the unique ability to address the widespread problem of female retention in school as well as the lack of livelihoods opportunities for poor and marginalized adolescent girls and young women (AGYW).

UNESCO estimates that 1 in 10 African girls miss school during menstruation², although anecdotally this number may be much higher. Indeed, during our recent market research in Lusaka, 85% of AGYW interviewed confirmed that they

¹ Kozo means 'peace' or 'comfort' in Lozi, one of Zambia's main languages

² <http://unesdoc.unesco.org/images/0022/002267/226792e.pdf>

had missed school during their period. The 2013 progress report on Zambia's attainment of the Millennium Development Goals³ reported that *"less than 40% of Zambian children pass their final exams in secondary school – and only 19% of girls do so (MOE)"*. The high dropout rate for girls has several possible explanations, e.g. parents placing higher value on boys' education, girls given more domestic duties, early pregnancy, and marriage to name a few. Added to all the other issues that girls encounter, monthly menstruation acts as a compounding factor, adding to barriers that young women face in order to attend school in Zambia. Inadequate access to menstrual hygiene products (e.g. sanitary towels) is a debilitating monthly concern and girls and young women resort to using rags or even newspaper, leaving them vulnerable to leakages and vaginal infections. Repeated absences from school leads to low educational attainment and even school dropout. Furthermore, AGYW in Zambia have little understanding about reproductive health and menstruation; many girls believe it means they are ill or dirty.

The second part of the problem which we are trying to solve is lack of employment opportunities for young people in Zambia. The latest Zambia Labour Force Survey in 2014⁴ concluded that youth in Zambia are more than twice as likely to be unemployed compared to adults aged 35 and above, and that the youth face higher levels of job insecurity than other groups in the labour force. The reasons for these trends are ever-changing and complex, but they include:

- Job creation is not keeping up with the expanding youth population.
- A significant number of girls are not completing school due to pregnancy and/or early marriage. This leaves them without qualifications or skills to seek employment.
- The education sector does not sufficiently prepare youth with knowledge and skills to enter the formal sector job market.

Although the report showed a higher unemployment rate for men vs women (8.4% vs 6.5%), more women than men were reported to be engaged in agriculture or other informal sector activities, with women earning lower monthly salaries on average.

4. Intervention Success: (Please make sure all questions below are addressed in your response)

a) Explain how your initiative solves the problem. What evidence exists to prove your initiative solves the problem? (500 word limit)

The Kozo Girls initiative solves the identified problems in two critical ways. Firstly, in addressing the challenge of menstrual-related absenteeism, school-age girls who buy or are gifted pads will have a cost-effective and practical way to manage their periods at school. All end users, whether school-age or not, will save money over time by using reusable products, and receive information on menstrual hygiene management through the instructional insert. The table below⁵ estimates the average cost for one Zambian woman to purchase disposable sanitary pads over the course of her adult life. Using reusable sanitary pads, an economically disadvantaged woman has the potential to save a life-changing sum of \$631.

³ http://zm.one.un.org/mdg_status_zambia

⁴ www.mlss.gov.zm/upload/Labour_Force_2014/2014_LFS_FULL_FINAL_Report.pdf

⁵ Data based on market research collected February 2017. (<http://www.times.co.zm/?p=27013>, <http://www.worldlifeexpectancy.com/zambia-life-expectancy>)

*7 pads are not always enough for 5 days

COST SAVINGS: REUSABLE VS. DISPOSABLE

A woman menstruates from approximately age 12-51 or 39 years of her life

Average cost of disposable pads in Zambia	\$2.00 for 7 pads
Conservative cost of disposable pads for 39 years*	\$947.00
Approximate cost of Reusable pads for 39 Years	\$315.69
Savings Calculated for use of reusable pads for a lifetime	\$631.31

Secondly, it will create employment and entrepreneurship opportunities for AGYW ('Kozo Girls'), who will be equipped with marketable skills to make washable, reusable sanitary wear ('Kozo Pads'). Pads will be sold by Kozo Girls in their communities, and through retail outlets across Zambia. Customers without the need to buy pads for themselves can also gift the product to vulnerable AGYW through official channels.

Since our launch in June 2017, we've piloted core activities with seed funding. To realize scaled impact, additional investment is needed to professionalize and scale the manufacturing, marketing, distribution, and sales of our pads. To date, Pact has trained 42 Kozo Girls aged between 17-24 to make the reusable pads, equipping them with basic business skills to sell pads at a local level. These girls were selected from over 80,000 graduates from the USAID-funded DREAMS programme⁶. DREAMS is an ambitious PEPFAR initiative to reduce new HIV infections among AGYW between the ages of 10 and 24 years. DREAMS AGYW follow a 15-week tailored curriculum led by an experienced female mentor, covering topics such as communication in relationships, HIV prevention, family planning, and financial literacy. DREAMS AGYW and their sexual partners also have access to 'DREAMS Centers' in their localities (which are predominantly urban), where they access a range of services from HIV testing to family planning. Kozo Girls work in six groups across Lusaka and Copperbelt Provinces. Each group sews pads and doubles as a savings group, reinvesting profits from sales into the group and enabling members to take loans for individual and group economic activities.

Our existing project has already provided evidence that our initiative has the capacity to address the problems identified, as follows:

- Over 1,000 Kozo Pads sold to date.
- Of the 28 Kozo Girls interviewed in March 2018, 100% reported that they still use the Kozo Pads received during their training in June or September 2018. 22 reported using them monthly, and 14 reported using Kozo Pads exclusively to manage their menstruation.
- Those interviewed cited 'comfortable' and 'cost effective' as the most common reasons for liking the product; in terms of improvement they recommended a more absorbent material to avoid leakages.
- 25 of the 28 Kozo Girls interviewed think that they've saved money.
- 100% of those interviewed would be interested in working in a factory-like setting to mass produce pads.

b) How does the initiative apply the Women's Economic Impact Strategy? (200 word limit)

Pact's Kozo Girls concept aligns perfectly with the WEE Strategy in the following ways:

⁶ DREAMS (Determined, Resilient, Empowered, AIDS-Free, Mentored, and Safe)
<http://www.dreamspartnership.org/aboutdreams#what-we-do>

1. **Financial Inclusion:** youth, especially young women, encounter difficulties in accessing financial services. The Kozo Girls model not only employs AGYW, but establishes community savings groups, based on Pact's award winning WORTH⁷ savings group program.
2. **Dignified work:** Kozo Girls is on track to becoming an enterprise, scaling a community-based initiative to manufacture products for commercial markets. The quality and standards that go into making viable Kozo Pads are rooted in fair and equal employee rights. This includes safe workspaces, comparable wages, and pathways for personal and professional growth.
3. **Inclusive value chains:** The Kozo Girls will be included in every part of the business model, whether it is training new Kozo Girls, upper-level management positions, manufacturing and distribution, or providing on-going education on menstrual hygiene management.
4. **Entrepreneurship:** Kozo Girls are already exhibiting signs of entrepreneurship by proactively expanding their product line and exploring new business opportunities beyond DREAMS Centers.
5. **Overcoming cross-cutting barriers to women's economic empowerment:** Originating from the DREAMS program, the tenets of DREAMS⁸ remains a core part of the Kozo Girls business model. Furthermore, working mothers will see the Kozo Girls business as a safe and supportive employer for themselves and their families.

c) **Why is your initiative better than what's been done before or by others? (250 word limit)**

The Kozo Girls' existing operating model creates a distinct advantage in reaching a large number of target consumers through the DREAMS programme and infrastructure (the 2018 DREAMS target in Zambia is to reach 112,307 AGYW). Notably, Pact has a footprint in 26 other countries that implement similar health projects, reaching the same target demographics. Additionally, there are as few as three reusable pad manufacturers in Zambia, none of which compare to the additional value creation (i.e. training, savings groups) that Kozo Girls provides at the national level. The Kozo Girl model is representative of Pact's [integrated approach](#) to development, combining health, livelihoods, capacity development, and emerging markets to address the complex issues surrounding AGYW and their communities.



Kozo Pads are made from colourful and attractive materials, including the local 'chitenge' fabric, which adds to their appeal. Currently one pad is sold for the equivalent of \$2, or \$12 for a set of five pads which comes with a bag for transporting wet/dirty pads and a light scarf to hang over the pad when drying in the sun (for cultural and modesty reasons).

With support of Pact's Innovation team, the Kozo Pad is anticipating a round of iterations in April 2018 using human-centered design. The goal is to distinguish the pad from other outfitters, solving the most common issues seen across all reusable pads: staining, bulkiness, mobility, and versatility. The underlying challenging being, "how might we make the Kozo Pad a desirable product throughout its shelf-life?"

The Kozo Pad set. Photograph shows a carry bag, unopened pad, opened pad

Plan for Taking this to Scale:

- a) Describe how this initiative could further impact 1million+ people by 2020? How can this be taken to scale, either at the national or international level? (350 word limit)

⁷ WORTH Signature Program <http://www.pactworld.org/worth-program>

⁸ DREAMS Core Package <https://www.pepfar.gov/documents/organization/269309.pdf>

The Kozo Girls pilot surpassed expectations by training three times the proposed number of girls. Under the current program, the business operates out of six DREAMS centers in two regions and has the capacity to scale to all 40 DREAMS centers across five of Zambia's ten provinces. This expansion of the program has the potential reach over 100,000 AGYW in 2018 alone. Furthermore, Zambia is not the only place where Pact implements the DREAM program, out of the ten official DREAMS countries, Pact is positioned to scale this highly replicable model in Malawi, South Africa, Swaziland, and Tanzania.

In addition to selling the reusable pads at DREAMS Centers and similar facilities, we have initiated a partnership with a Zambian e-commerce platform, ShopZed⁹. While the number of pads sold through this platform has proven to be an effective marketing approach, acceptance into the SXD accelerator will help us improve our marketing scheme. We plan to launch Kozo's own marketplace, allowing us to expand our product line and reach an international audience. Through this platform, we will also be able to fulfill procurements from other organizations looking to distribute our products. We have already received inquiries from other African and European INGOs, requesting as many as 20,000 Kozo Pads. Our market research also suggests the bulk distribution could be highly scalable through a variety of government channels including women's prisons, schools, orphanages, and hospitals.

Refugee camps make up another area where we've identified high potential to scale Kozo Girls. Zambia is home to an estimated 54,000 refugees¹⁰, and UNHCR has introduced a Cash Based Intervention (CBI) for WASH products¹¹ - under which women living in refugee camps receive \$10/month for menstrual products. We believe this product will be viewed positively by UNHCR as it is made in Zambia and current sanitary products are imported for distribution. The type of local impact created by the purchase of Kozo Pads will establish us as a competitive market leader.

b) Who will pay for taking this initiative to scale? (i.e. what is the funding model? Will government adopt the innovation? Will the initiative be scaled through market-based approaches? Will it be supported through traditional philanthropy or replicated by other NGOs?) (200 word limit)

The inception of Kozo Girls was financed through Pact Innovation¹², which allocated \$10,000 for the pilot concept. The initiative then received an additional \$20,000 through Pact Zambia's DREAMS budget for operating costs. To extract itself from the USAID-funded DREAMS programme, Kozo Girls will establish itself as a social enterprise in the form of a limited liability company (LLC), making sales through a variety of distribution channels. The business will be supplemented through government buy-in, specifically if pads are stocked in government clinics, schools, and correctional facilities.

The seed funding required would be to establish the first factory for manufacture of Kozo Pads, to generate revenue as a social enterprise. With our current numbers, if we were to operate at full capacity, Kozo Girls could generate \$3,456 in revenue per week¹³. Our existing operating model is hampered by not having any paid employees, insufficient space, equipment and distribution channels. The mentorship and investment from CARE and Pact will also help strengthen the quality of our product, service, and business acumen, guaranteeing the sustainable success of Kozo Girls.

c) Based on your experience so far, what is the major obstacle or challenge you feel CARE faces in taking this initiative to scale? (200 word limit)

⁹ <https://fresh.shopzed.com/product/reusable-pads-made-by-kozo-girls/>

¹⁰ <https://ewbchallenge.org/unhcr-zambia/refugees-zambia>

¹¹ <http://www.unhcr.org/en-us/protection/operations/59fc35bd7/cash-based-interventions-wash-programmes-refugee-settings.html>

¹² <http://www.pactworld.org/innovation>

¹³ Projections calculated include twelve sewing machines across six centers, making 1,440 pads a week at \$2/piece.

The Kozo Girls initiative faces two primary obstacles to scale. The first is that Kozo Girls operations are currently embedded in the USAID-run DREAMS centers. DREAMS is covering many of the overhead costs associated with running Kozo Girls, and it provides a de facto leadership structure for the initiative. However, production is dependent on country program staff and volunteer time, and the limited space that is available in the six established centers, which is constraining outputs. Additionally, to institute quality control and improved supply chains, Kozo Girls needs a line manager and other key personal to ensure operational efficiency.

The second obstacle revolves around the continued need to educate AGYW in Zambia about menstrual health. Myths and taboos continue to pervade general understanding of menstruation in Zambia, and knowledge about reusable sanitary products is limited. Interestingly, using a folded chitenge cloth – which is washed and reused - to manage menstruation is commonplace in poor and rural communities. Despite this, the notion of a manufactured reusable pad is relatively unknown and will require targeted marketing efforts.

Market and Demand Statement:

a) What is evidence or the analysis that proves there is demand or interest for this initiative? (i.e. is there interest from the government? Are stakeholders such as partners or communities interested in scaling? Have donors or investors shown interest?) (250 word limit)

Pact Innovation and Pact Zambia undertook a rapid market assessment in Lusaka, Zambia in February 2018. The research team interviewed current Kozo Girls and current users, conducting nearly a dozen key informant interviews, additionally staging randomized interviews and undertaking observational market research at different supply venues and local shopping malls. The market research confirmed that the target consumer for a reusable sanitary pad is an economically marginalized young woman. Currently, she doesn't use disposable sanitary pads due to their cost or her inability to properly dispose of it. These obstacles support the pads' popularity among the Kozo Girls themselves, as evidenced in question 4a, above.

Of the three suppliers interviewed, each supplier indicated that they would be willing to trial the product. One well-known supplier reported that they currently do not stock a reusable pad, but believe it would sell because they have customers asking for "reusable, organic, all-natural pads." ShopZed, the online seller, is already stocking the product. Additionally, Live Well (<http://www.livewellzambia.com/>), operators of an innovative community-entrepreneur scheme, advised although they currently stock the imported menstrual hygiene product, they would be willing to trial the Kozo Pad. This is because it "looks more authentically Zambian-made" and would have greater resonance with their target customer.

Finally, a number of possible bulk consumers have been identified through the February market research including the Zambian government¹⁴, other NGOs, schools, orphanages, prisons, and hospitals.

¹⁴ In 2016 Zambian government stated they would distribute free sanitary pads in schools to combat menstrual absences.