



CSIS Haiti Investment Forum

Abbott, Abbott Fund, Partners In Health:
A Model to Rebuild Haiti

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Haiti: Current Situation



The most impoverished country in the Western Hemisphere

Prone to severe and deadly natural disasters



The worst pediatric malnutrition rates in Latin America and the Caribbean

One third of all Haitian children under five suffer from stunted growth

Unemployment rate in Haiti is upwards of 70%

A Model to Rebuild Haiti

Innovative model of “social enterprise” focused on supporting longer-term recovery efforts, improving children’s nutrition, helping strengthen local capacity and encouraging economic development

Expanding Partner In Health’s (PIH) *Nourimanba* (ready-to-use therapeutic food) production capacity while addressing quality, safety

Making Nourimanba self sustainable through PIH’s production and selling of peanut butter

Leveraging collective expertise and resources of PIH and Abbott, including financial support from Abbott Fund, Abbott technical expertise, PIH’s ability to reach and serve those in need

**Built a team made up of more than
50 Abbott employees from:**

R&D

Architecture

Engineering

Sales &
Marketing

Purchasing

Packaging

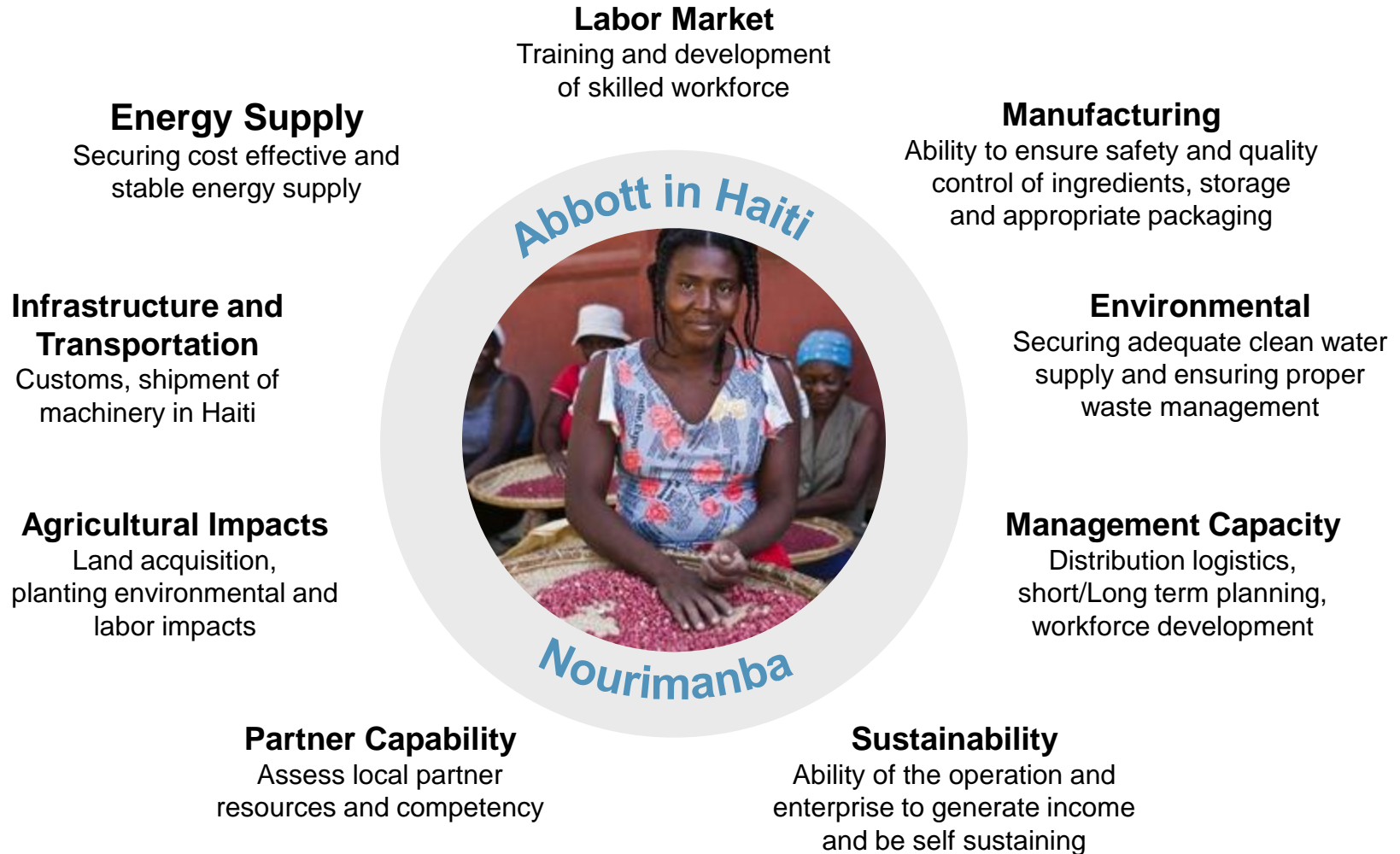
Legal and
Tax

Current Nourimanba Production



- Basic RUTF recipe (peanut paste, vegetable oil, skim milk powder, sugar, vitamin pre-mix)
- Uses locally-sourced peanuts
- Process takes place at farm at Corporant and in small room in Cange
- Capacity around 50 MT/year
- Shelled peanuts “drawn off” and de-hulled
- Kernels sorted by hand to remove shell fragments, diseased nuts
- Peanuts tested regularly for aflatoxins
- Peanuts roasted in metal bowl over open gas flame while continually mixed up to 30 mins
- Roasted peanuts immediately taken to a peanut grinder and rendered into a paste
- Transferred into 1kg HDPE bottles, leaving small headspace – capped with standard screw-on lid

Abbott's 360° Approach Considers Many Factors



Critical Areas of Project Investment



Facility Construction



Nourimanba R&D



Peanut Butter R&D and Sales



Local Peanut Supply



Building Local Capacity



Economic Development

Facility Construction



- 8 engineers
- More than 3,800 hours volunteered
- Designed, assessed contractors, providing on-site management of construction, commissioning
- Addressed clean water, energy, road access, drainage, environmental concerns (e.g. seismic, wind)
- Implementing safety protocols for all workers

- 18,000 ft²
- Consistent with manufacturing standards for food facilities in the U.S.
- Controlled production areas, warehouse/storage areas, labs for product testing and analyzing
- Capacity to produce Nourimanba and peanut butter

- Facility estimated to be complete by mid November
- Commissioning facility when completed
- Product production to begin end of the year

Nourimanba R&D



- More than 30 nutrition experts
- More than 5,370 hours volunteered
- Selected, tested, and modified process equipment
- Established product process flow
- Addressed product attributes such as oil separation and ingredient fall-out

- Conducted and implemented safety protocols (e.g. aflatoxin, e-coli salmonella testing)
- Conducted and implemented quality protocols (e.g. stability work to improve shelf life)

- Finalized process
- Product qualification to take place at facility in late 2012
- Capacity of new facility can allow treatment for up to 50,000 children

Peanut Butter R&D and Sales



- More than 20 nutrition and marketing experts
- Established product process flow
- Addressed product attributes such as oil separation, flavor, consistency
- Building commercial strategy (branding, packaging, distribution)
- Conducted and implemented safety protocols (e.g. aflatoxin, e-coli, salmonella testing)
- Conducted and implemented quality protocols (e.g. stability work to improve shelf life)
- Completed sustainability feasibility study; continually refining
- Conducted in-country primary research
- Held discussions with local distributors
- Met with Governments, Haiti-based food aid organizations
- Final formulations ready by Q1 2013
- Commercial launch expected to follow shortly thereafter

Local Peanut Supply



- Commissioned TechnoServe to conduct a peanut agricultural assessment and create a peanut sourcing strategy for the facility
- Completed initial agricultural assessment based on interviews with 400 farmers, NGOs, market sellers, manufacturers throughout Haiti
- Comprehensive peanut sourcing strategy for facility completed by end of October
- Identify funding support for sourcing strategy roll-out that will ideally begin by end of year

Building Local Capacity



- Trained new facility Manager on equipment, quality and safety aspects
- Sharing expertise in marketing in order to launch peanut butter commercial strategy
- Sharing architecture/engineering skills (mechanical, water, electrical, etc.) with local workers during construction phase
- Establishing all SOPs necessary to run the facility
- Conducting training per established SOPs to staff on-site once facility is completed in November
- TechnoServe will provide critical skills, knowledge and other tools to hundreds of farmers to increase their income, quality and quantity of their peanuts as part of the project's Sourcing Strategy

Economic Development



- Employed dozens of local laborers for construction of facility
- Procured local materials for construction when possible, including concrete blocks, steel for foundation, plywood
- New facility to employ up to 60 local staff with various levels of skills
- Investigating opportunities to recycle peanut/peanut shell waste from facility
- To meet the production needs, peanuts will be sourced from hundreds of local peanut farmers
- Development of private supply of peanut farmer inputs anticipated (e.g. fungicide, equipment, irrigation systems, etc.)

The Way Forward



- Peanut sourcing strategy to roll-out in November
- Facility completed by mid November
- Training of facility staff by end of year

- Nourimanba production to begin by end of year
- Finalize business plan to achieve sustainability by end of year

- Peanut butter commercial sales to begin early 2013
- Collaboration opportunities on-going



 **Abbott**
A Promise for Life