

 Early Warning System

FMO-45792  
Pharmoscar Ltd



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## Quick Facts

<b>Countries</b>	Madagascar
<b>Financial Institutions</b>	Netherlands Development Finance Company (FMO)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	B
<b>Voting Date</b>	2016-04-13
<b>Borrower</b>	Opham
<b>Sectors</b>	Education and Health



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## Project Description

### WHO IS OUR CLIENT

Opham is a leading pharmaceutical distributor based in Antananarivo, Madagascar, distributing over 4,500 medicines from 75 international drug manufacturers. As the number one pharmaceutical distributor in Madagascar, Opham plays a key role in improving access to affordable, high-quality pharmaceutical products, thereby enhancing the standards and availability of healthcare across the country.

### FUNDING OBJECTIVE

FMO was invited to co-invest in Opham by Adenia Partners, a well-trusted partner. The investment consortium (including FMO and Adenia) will support Opham by replacing the company's retiring top management and by enabling a smooth transition with the newly-hired management. FMO and Adenia will partner with the entering management team to boost Opham's growth and geographical exposure, including in most remote areas of Madagascar. By enhancing Opham's governance, financial structure, reporting, and environmental and social management system, the consortium also intends to elevate the company's processes and operations to best international practices, thereby promoting higher standards in the Malagasy pharmaceutical industry.

### WHY WE FUND THIS PROJECT

FMO considers the opportunity to invest in Opham attractive both from a financial and a developmental perspective. From financial standpoint, Opham is the clear market leader in a growing market. The company has consistently grown faster than the market with a solid profit margin and a healthy balance sheet. From a development standpoint, the investment creates significant impact by addressing the large gap in healthcare provision in Madagascar. With 92 percent of the Malagasy population living on less than US\$1.25 per day, Opham's client base qualifies as bottom of the pyramid (defined as people living on less than US\$8 per day). Opham intends to fight the black market (well-established in Madagascar) by targeting the mass market with generic drugs to be sold in higher volumes. This strategy should lead to increasing the affordability and accessibility of high-quality generics in Madagascar, particularly for the bottom of the pyramid.



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## Investment Description

- Netherlands Development Finance Company (FMO)



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## Contact Information

FMO

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## ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW) . A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: <https://www.fmo.nl/independent-complaints-mechanism>.



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**Bank Documents**

- [Project Information](#)