

Health Infrastructure – an innovative business-led solution¹

VidaGas

VillageReach's inception in Mozambique dates back to the flood of 2000, when its founder helped coordinate the flood relief. During this interaction, he saw a definite need the creation and maintenance of infrastructure for delivery of medical and relief supplies to isolated areas.

VillageReach's principal partner in Mozambique is the Foundation for Community Development ("FDC"). Together they set up in 2002 a pilot project based on an agreement between VillageReach, FDC and the Mozambique Ministry of Health to take over the delivery of supplies to clinics in the country's northern-most province of Cabo Delgado.

After the launch of the VillageReach/FDC's demonstration programme in Cabo Delgado, it became clear that additional income would be needed to sustain the project long-term. VillageReach and FDC decided that the best plan would be to create a for-profit business whose profits could be used to support the pilot project and whose product would be something that would aid them in their mission. To this end, VidaGas was established.

VidaGas sells propane to, amongst other clients, the Ministry of Health, and they in turn use the propane as an energy source for the modern refrigerators used for vaccine storage at their immunization clinics. The refrigerators are provided by VillageReach and FDC as part of the replacement of the cold chain system for vaccine storage.

VidaGas is poised to become a profitable venture, and this profit will be reinvested into the health care programme in Mozambique. This way, VillageReach and FDC are provided with both funding and a reliable source of fuel for their medicine refrigeration equipment, thus minimizing the loss of valuable medicines. VidaGas also sells to local people and businesses, providing them with a clean alternative to traditional fuels like wood and charcoal. To help the local people afford the new fuel, VidaGas offers micro-lending options that allow the purchase of gas and equipment at very little up front cost.

¹ <http://depts.washington.edu/iphr/Mozambique/1.0.doc>