

SUMMARY OF THE PROJECT IN DESIGN * (*)

Salauno - Committed to Eliminating Needless Blindness in Mexico

PITCH ELIGIBILITY DATE		COUNTRY(IES)
10/14/2022		México
ALIGNED WITH COUNTRY STRATEGY?		
Yes		
PARTNER(S)		
Salauno		
PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT		
B (**)		
TOTAL BUDGET	IDB Lab	LOCAL COUNTERPART AND COFINANCING
US 2,000,000	US 2,000,000	US 0
DESCRIPTION		

The problem Blindness is the 2nd leading cause of disability in Mexico and is a rapidly growing public health challenge driven by an aging population and an increasing prevalence of a non-communicable disease (NCD), diabetes. Vision loss is unequally distributed. The incidence of diabetes in low-income regions in Mexico is 1.94x higher than in high-income regions. 16M Mexicans are visually impaired due to ophthalmological conditions like cataract, glaucoma, and diabetic retinopathy. 80% of cases of blindness can be avoided or reversed, but 6 out of 10 patients do not have proper access to eye care because of three main barriers: lack of information, geography, and cost.

Mexico's CSR (Cataract Surgical Rate) of annual cataract surgeries per million inhabitants reflects market failure in eye care: 1,475 in Mexico vs 3,165 for Brazil; 6,748 in Argentina, and 11,000 in the USA. In Mexico, people with cataracts have few options for surgery. Government hospitals offering free cataract surgeries are unable to accommodate the volume of patients and waiting times can be as long as 1 year. Patients with other pathologies—such as diabetic retinopathy and glaucoma—have even lower and more limited access to care, leaving 70% of glaucoma cases undiagnosed and up to 7% of diabetic patients blind. Private providers offer better quality and more timely services, but at prices that are too high for the large part of the population.

Opportunity. This underserved demand represent an opportunity for innovative solutions focusing on segments that cannot afford other private clinics but are willing to pay a fair amount to avoid the long waiting and limited access in the public system. Total Addressable Market (TAM) for eye care in Mexico is estimated to be US\$22bn. There is also a relevant opportunity of preventing blindness by partnering with players like Clínicas del Azúcar. This is because the diabetic care and eye care are currently disconnected. The integration of eye exams in the journey of diabetic patients could detect retinopathy earlier and save productive years of these patients.

The solution Founded in 2011, Salauno offers comprehensive eye care services at accessible prices. Salauno's model was inspired on Aravind Eye Care System in India . Aravind is a non-profit organization acclaimed for its ability to cut the cost of cataract surgery—an outpatient procedure that removes the eye's natural lens and replaces it with an artificial lens—to a fraction of what other hospitals charge and thus serve bottom of t Differently from these cases,Salauno was stablished as a for profit company.

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**The IDB categorizes all projects into one of six E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, FI-1 (high risk) Financial Intermediary (FI)'s portfolio includes exposure to business activities with potential significant adverse environmental or social risks or impacts that are diverse, mostly irreversible or unprecedented, FI-2 (medium risk) FI's portfolio consists of business activities that have potential limited adverse environmental or social risks or impacts, FI-3 (low risk) FI's portfolio consists of financial exposure to business activities that predominantly have minimal or no adverse environmental and social impacts.

Business model. Salauno's business model is based on a Hub and Spoke model enabled by technology and designed to maximize reach while optimizing costs. Based on this model, Salauno is able to offer high quality treatment at affordable prices and reach the bottom of the pyramid populations. For example: Salauno redesigns the journey of the patient, saving doctors' time with administrative tasks or basic care and at the same time having higher utilization rates. It has standardized processes and clinical guidelines; and proprietary electronic medical record and patient referral systems.

The beneficiaries With the mission of "Dar a todos los mexicanos la posibilidad de ver bien y transformar su vida", Salauno's main beneficiaries are poor and vulnerable people with visual disabilities, and usually elderly.

This project is expected to benefit 356,000 patients who are accessing an ophthalmological consultation for the first time in Salauno. Of these, at least 30% are expected to be patients who are accessing an ophthalmologic consultation for the first time in their lives.

Additionally, of the total number of patients seen by Salauno, it is expected that at least 60% will be women, 35% will be adults over 60 years of age and at least 40% will be patients from vulnerable regions.

The partner Salauno's team is comprised by 75 ophthalmologists of all sub-specialties out of a total 370 team members, 65% female.

The IDB Lab contribution up to \$2.000,000 loan.

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