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A knowledge asset of the African Ministers’ Council on Water

This material is shared as a learning resource to promote awareness and good practice in the provision, use and management of water resources for sustainable social and economic development and maintenance of African ecosystems.

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Private Financing for SDG6

How microfinance can help you scale access to water and sanitation
Problem Statement

• Many people still in need of water and sanitation

• Government does not have enough funds to provide services for all

What if I told you that…

… you can reach hundreds of thousands of people with the systems and resources that you already have in place….
Women and girls spend 200 million hours every day collecting water.

266 million hours every day finding a place to go.
The bottom of the pyramid is not all the same

- Active poor
- Geographically different
Thousands of financial service providers are set up to provide loans to the bottom of the economic pyramid.
WaterCredit Impact
Cumulative

12.9M
People Reached

2.9M
Loans Disbursed

$983M
Capital Mobilized
Global Network

87 Active partners
13 Countries

People Reached
- Less than 100K
- 100K – 500K
- 500K – 1M
- More than 1M
WaterCredit Impact: AFRICA

KENYA
UGANDA
ETHIOPIA
GHANA
TANZANIA (not shown)

761K
People Reached

105K
Loans Disbursed

$31M
Capital Mobilized
Kenya: Loan for Rainwater Catchment

- Rural Kenya
- Loan for rainwater harvesting and water tank
- First time access
- $237 USD (including interest)
- Income generated from selling crops
Ethiopia: Pipeline + Household Connections

• Peri-urban Ethiopia
• Loan for 6km pipeline extension + household connection
• 150 households $185 each
• $27,723 USD total (includes interest)
• Water system benefits from additional user fees
Uganda: School Toilets and Water Tank

- Rural Uganda
- Loan for toilets and water tank
- $20,318 USD (includes interest)
Steps for initiating lending for water and sanitation:

- Water.org does not provide capital
- Market research … What do the people need? Who is doing what?
- Design loans and processes
- Train staff
- Not necessary but beneficial:
  - Guarantee – reduce the perceived risk that bars many from entering the market
  - Connect to sources of capital
The model works with all types of Financial Institutions

- Commercial Banks
- Deposit-taking
- Non-Deposit taking
- Savings and Loans
- Saccos
- NGO- Financial Institutions
- …even Utilities can give loans
Water and Sanitation Loan Clients

- Households
- Schools
- Clinics
- Water Service Providers
- Community Water Committees
- Water and sanitation related businesses
Thank You

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