

# Development in Business

Annual Report 2011

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Because you need it

# About a fish or a fishing rod, and the next steps...

“Development aid is no longer about simply giving money, but much more about stimulating and encouraging local organizations and companies in the countries themselves. Experience has shown that it is often the smaller companies which provide the main drive for employment and economic growth. We face new challenges – such as the need for renewable energy and sustainable agriculture. ”

*Joris Voorhoeve, Professor of international organizations, University of Leiden, the Netherlands*  
(Volkskrant March 10, 2012)

This quote perfectly illustrates the path of development Aqua for All has been travelling over the last ten years. In 2002 Aqua for All was founded by professionals from the Dutch commercial water sector to harness their specific knowledge thereof and set it to work for effective water-related development projects. Since the beginning, our work mainly consists of matching funds and expertise to bring water and sanitation solutions that provide the foundation for local economies in developing countries to emerge from poverty. Sponsors supply funding, water experts impart knowledge and local programs are strengthened. Field partners are usually Dutch Non-Governmental Organizations (NGOs) working together with their local counterparts.

Through grants from the Directorate General for International Cooperation (DGIS) of the Dutch Ministry of Foreign Affairs, Aqua for All offers a valuable model of financial leverage to activities in the water-related development sector. Instead of subsidizing projects, we create an attractive incentive to the development objectives of the commercial water sector itself. Aqua for All provides a model of co-financing built up from the water sector's own investment. It's proven to be a powerful formula for tackling the challenges involved, whether it is through social engagement or market thinking. In the period 2006-2010, a total of €16.5 million has been linked to €13.5 million from private means.

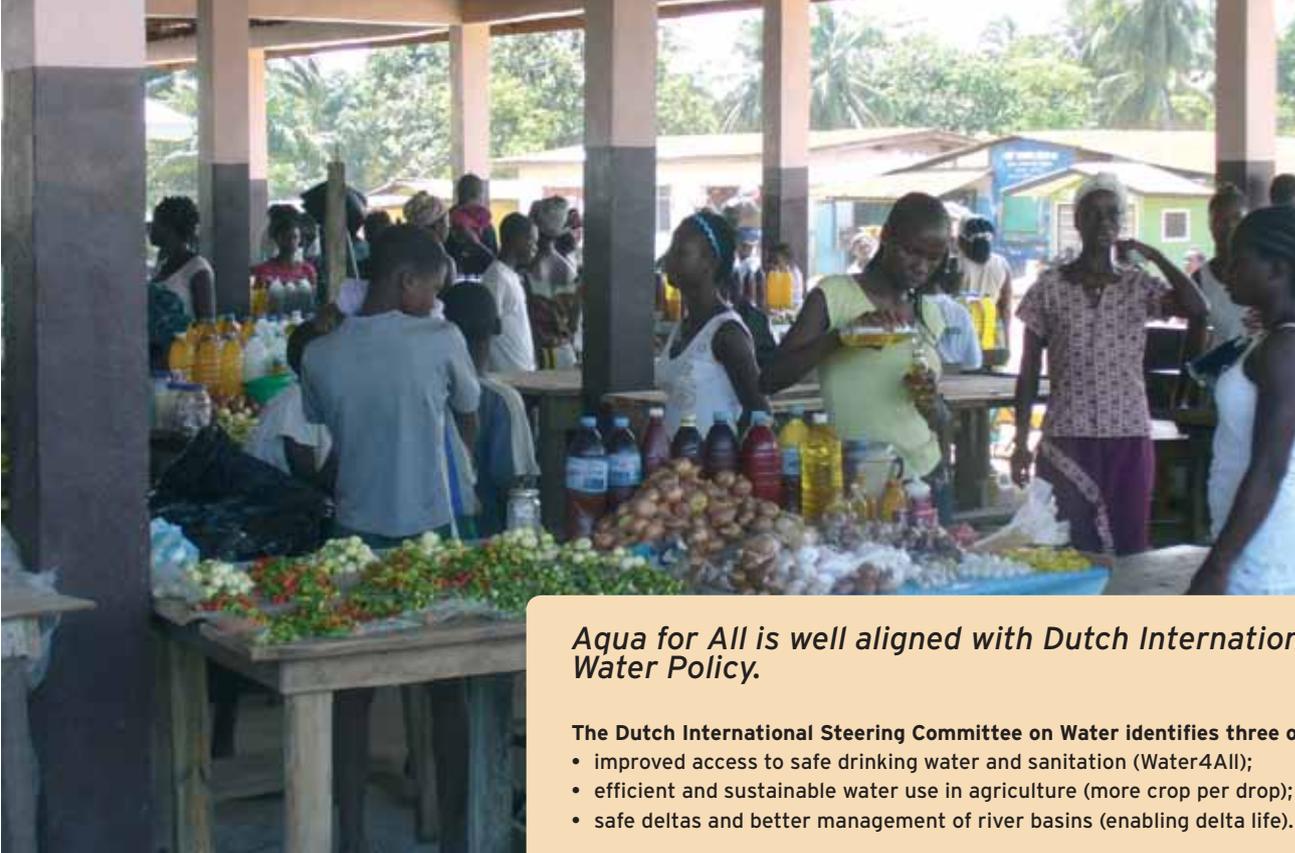
Sustainability has increasingly become a core principle upon which we evaluate our work: how does one set up a sustainable business? How can a project lead to economic development which is locally self-sufficient? How do we replicate successful solutions and scale them up? These types of questions get answered by Aqua for All's access to technical innovation – smart solutions. Selecting an appropriate concept or business model, forging alliances between partners with complementary strengths (which are not always the largest, most obvious organizations), this is what we do. Aqua for All is encouraged by the mandate to keep up the good work. Our public-private financial leverage model and program development will remain in operation thanks to a new Public Private Partnership (PPP) contract with DGIS in 2011. This approach fits perfectly with the objectives of DGIS, as confirmed in the Cabinet in Focus Letter on Development Aid (January 2012) regarding the focus area of water.

In early 2011, State Secretary Ben Knapen emphasized that PPPs were central to the realization of DGIS objectives in the water sector during a crowded meeting with representatives of the Dutch water sector. “We (DGIS) are moving away from ‘help’ toward ‘investment’, with a focus on stimulating local entrepreneurship in four key areas, one of which is water and agriculture.”

Aqua for All focuses particularly on projects with beneficial effects on life expectancy, employment and water for food. The projects presented in this report are good examples. Moving from the proverbial choice of whether to ‘provide a fish or a fishing rod’, we have been early in taking the next step: helping people set up their own (sustainable) businesses – captured forever in this imagery – fishing. Empowering people with the basis to generate their own income and provide for themselves offers sustainable positive impact which inspires our work. It begins with water. Aqua for All is convinced of the added value that the Dutch water sector has to implement complex projects, engage in local capacitybuilding and implement smart technical solutions suitable to local conditions hold life-changing potential for people to emerge from poverty. Together with our partners we're diving into the ambitious objectives for 2012!

Sjef Ernes  
Director Aqua for All





Water for food

### *Aqua for All is well aligned with Dutch International Water Policy.*

The Dutch International Steering Committee on Water identifies three objectives:

- improved access to safe drinking water and sanitation (Water4All);
- efficient and sustainable water use in agriculture (more crop per drop);
- safe deltas and better management of river basins (enabling delta life).

These objectives align extremely well with Aqua for All's three development tracks:

- **Appropriate Technology & Business Development for the BoP** (Base of the Pyramid) providing safe drinking water and opportunities to the four billion people with a disposable income of four or even less dollar per day.
- **New Sanitation.** Started several years ago, this development track taps into the value of recovering nutrients from sanitary waste. Processes used here provide incentive for the reuse of water and improved access to sanitation in slums.
- **3R-track development** (recharge, retention and reuse of rain water) links to climate adaptation in the reception and storage of rainwater, groundwater recharge and the (re) use of buffered rainwater. Our focus within this theme is to secure safe drinking water and to minimize shortages due to inefficient waste and wastewater systems.

Aqua for All has promoted public-private partnerships for years with a central role for business. We see opportunities for the export of Dutch knowledge and products, in particular to the market at the BoP. The policy of the Top Sector for Water at the Dutch Ministry of Economic Affairs, Agriculture and Innovation also recognizes these market opportunities, providing Aqua for All with incentive to continue on this path.

### Results that count

Provisions	Number of persons reached	
	2011	Over 10 years
<b>Provisions of drinking water</b>		
within MDG criteria	32.599	
outside MDG criteria	4.778	
to schoolchildren	16.286	
	<b>53.663</b>	<b>2.103.040</b>
<b>Provisions of Sanitation facilities</b>		
to households	729	
to schoolchildren	5.731	
public access or group facilities	1.807	
	<b>8.267</b>	<b>505.768</b>
<b>Total reach</b>	<b>61.930</b>	<b>2.608.808</b>

- **Completion of the TMF (Thematic co-financing) files:** Aqua for All completed hundreds of projectfiles that were funded from the Thematic Co-financing and the Millennium Agreement funds. Conclusion: Good reporting, good results, happy people - both far and near.
- **Certification:** Aqua for All once again passed the annual ISO 9001 quality audit with flying colors. Without comment the certificate has been renewed for another year.
- **Field visits:** In the early fall annual trips were made to the field - this time to Ghana and Ethiopia. The primary purpose of these visits is to control whether planned results have been visibly realized and well reported. Our main conclusion was that we score well on output, but need to devote more attention to securing of the results.

# Aqua for All office

After three years at Aqua for All, **Elbrich Spijsma** took a career step and left our office.

New employees have reinforced the team:

- **Sulimar Cook**, recently graduated, joined the team in February to take up a portfolio in account management and communication. By spring she had set Aqua for All forward digitally with a new website and a social media presence. Sulimar was also a member of the Campaign Coordination team for Walking for Water 2012
- **Maaïke de Vette**, with her experience in the Women for Water Partnership, came on board in March to strengthen the team in the area of small private initiatives. She runs the KIOSK-counter and cooperates in this with Akvo. She is also responsible for the deployment of expertise and supports the coordination of Walking for Water projects.
- **Marcel Schreurs**, former director of COS Brabant, joined Aqua for All in September to work on programs in the field of business development and safe water for the BoP (Base of the Pyramid).
- **Hester Foppen**, formerly a program specialist in Water and Sanitation at ICCO, joined Aqua for All in September to become program manager of the New Sanitation development track, working with Safi Sana, water boards and the relationship between wastewater and businesses in her portfolio.

## Water Knowledge Bank

In September 2011 Aqua for All transferred its database of expert knowledge to the Water Knowledge Bank. ([www.waterkennisbank.nl](http://www.waterkennisbank.nl)) This is an industry-wide initiative, with the goal of sharing the rich amount of knowledge and experience that the Dutch water sector has, offering visitors the possibility to quickly tap into the expertise available. The experts are not only technical, but also from supporting disciplines. The Water Knowledge Bank can be used to pose queries to colleagues in other organizations.

but also to exchange personnel with specific expertise that may complement a project to which they may be interested in contributing. Furthermore, the Water Knowledge Bank will facilitate knowledge exchange between young talents and experienced professionals. In this setting it's possible to form a (closed) group with colleagues from the same field to discuss a subject of common interest.

## Launch of MyWorld

Launched in January 2012, MyWorld is an on-line community initiated by twenty development organizations including Aqua for All. The purpose is to bring together the vast community of private voluntary organizations - small foundations, Rotary clubs, church groups, etc. to share experiences and learn from each other. In the Netherlands alone there are approximately 8,000 voluntary organizations working in many different ways to create a better world. On [www.MyWorld.nl](http://www.MyWorld.nl) all these parties can find each other to learn, share and exchange experiences.

## KIOSK re-opened

Small private initiatives are an important and valuable contributor to development, which is why Aqua for All has once again opened the KIOSK to extend advice and financial support to these groups. In September 2011 Aqua for All began its supportive role with projects from KPIs under new criteria to ensure higher project quality. Aqua for All concentrates on the list of focus countries of Dutch Ministry of Foreign Affairs (DGIS). Akvo, Impulsis, and MyWorld working together with Aqua for All to make the KIOSK highly successful by providing the small private initiatives with access to the right partners, expertise and funding to realize their small-scale development objectives.

## The team

At the end of 2011 the operational office consisted of:

- Mr. Sjef Ernes, Director
- Mr. Dick Bouman, Manager Program Desk
- Mrs. Hester Foppen, Program Desk Officer
- Mr. Marcel Schreurs, Program Desk Officer
- Mrs. Maaïke de Vette, Program Desk Officer
- Mrs. Sulimar Cook, Communication & Public Relations
- Mrs. Hetty Brunt, Secretary
- Mr. Richard Geneste, Financial Officer (externally hired)

## The Managing Board

At the Netherlands Water Partnership (NWP) the director Jeroen van der Sommen left. He was followed up by Lennart Silvis, both within the NWP as on the board of Aqua for All. At the end of 2011 the board consisted of:

- Mrs. Monique Bekkenutte, Director Royal Dutch Water Network
- Mrs. Ria Doedel, Director Water Company Limburg
- Mr. Lennart Silvis, Director Netherlands Water Partnership
- Mr. Fon Koemans, former Director Dutch Water Bank
- Mr. Wim van Vierssen, Director KWR Watercycle Research Institute
- Mr. Gerard Doornbos, Director Water Board of Rhineland, Foreign portfolio manager of the Association of Regional Water Authorities



The Aqua for All team (not on the picture, Richard Geneste)

# Tracking long term projects from the first hour

Reporting year 2011 was marked by the completion of several long term projects supported by Aqua for All. The following three projects were tracked from the first hour, representing some € 2.5 million in investment to give nearly 300,000 people access to clean drinking water and 40,000 students access to improved sanitation. These projects illustrate the evolution of a broader approach wherein attention is given to safe drinking water, sanitation, local capacity building and the environment.

## Kenya: Kajiado Project (with AMREF Flying Doctors)

In 2002, Water Supply Company Drenthe (WMD) brought the Masai project of AMREF Flying Doctors to Aqua for All. From the beginning it has been one of the projects supported through the Walking for Water Campaign in the Netherlands. In 2007, Water Company Limburg (WML) took over the role of project support and widened the reach over the course of the last few years. In the beginning the emphasis was on the refurbishment of wells that the Masai had received from the Kenya government, functional or not. In 2006 an umbrella management organization was set up to provide for sanitation and to improve management of the local environment. Attention to rainwater retention and the use of shallow groundwater have increased. The methods employed take the customs of the Masai, such as how they graze their livestock, into consideration. Thanks to the expertise of WMD, WML, Vitens, PWN, Waterboard Roer & Overmaas, and independent water consultants, the appropriate knowledge has contributed effectively to good results. In the past decade more than 65 water points have been refurbished, reaching 80,000 people (assuming a maximum of 1,500 people per well with four faucets). The total budget amounted to €1.9 million, including €1.1 million from Aqua for All and WML. The sanitation aspect of the program consisted of building public latrines nearby the wells. Unfortunately, the desired construction of latrines on residential properties could not be realized. At the end of 2011, Aqua for All, WML and AMREF Flying Doctors signed a new contract to continue the next phase of work in this part of Kenya, investing € 1 million between 2011 and 2014.

## Sudan: School Sanitation (with twin-city Foundation Eindhoven-Gedaref)

The Eindhoven-Gedaref Foundation (SPEG) has worked tirelessly over the last 10 years to bring improved sanitation conditions to the city of Gedaref, Sudan. The Walking for Water Campaign of Aqua for All has been central to fundraising for this project. Since 2005 the focus has been on improving conditions in schools and in the rapidly growing suburbs. SPEG began building toilets at girls' schools and then later built latrines for boys' schools. After a critical assessment of progress in 2008-2009, additional attention went into completing the construction of the buildings and to improving the maintenance of hygiene by supervisory committees. Students and staff now receive hygiene lessons at school, and the municipality ensures that schools have water for hand washing. Since 2005, about € 232,000 was spent on school sanitation in Gedaref, of which

€ 214,000 was sourced through Aqua for All. Assuming a maximum of 75 students per toilet, approximately 20,800 students were reached, 19,500 of which can be credited to Aqua for All.

The impact of the deployment of SPEG is significant. The construction of latrines in schools and in the residential neighbourhoods surrounding Gedaref has had a noticeable positive impact. In three years time, access to toilets increases from 49% to 65% of the population, meaning that around 56,000 more people now make use of sanitary facilities.

## Mozambique: Drinking Water (with Water for Life)

Since 2005, Aqua for All has supported Water for Life Projects in Mozambique. The Water for Life Foundation is an initiative of the water companies Vitens and Evides, and is also supported by the Limburg water company (WML). Together with their clients, Water for Life improves access to safe drinking water in developing countries. These projects are conducted in places where Vitens Evides International (VEI) is present to oversee the implementation. Apart from their capacity building program and two school sanitation projects that have reached 15,000 pupils, Water for Life has been able to concentrate on helping people in urban areas who had no access to safe drinking water within a radius of one kilometer. In the beginning investment was fairly low, because repairs consisted mainly of refurbishing broken public taps (costing less than €3 per piece). Later this work extended into constructing small water systems.

Meanwhile, the Mozambique government released a new policy indicating that no more public water taps were to be built in areas where there is also a water network with a large number of houses connected to it. Aqua for All has worked with these developments, and knows the choice of the local partner is a priority. Our involvement is conditioned upon there being a balance between investment in infrastructure and in strengthening the relevant local institutions and a sustainable positive impact on the society. Moving beyond 'output' and toward 'outcome and impact,' we seek to progress not only toward the output focused millennium development goals (in particular MDG 7), but to also to create a positive 'snowball effect' at the structural level. Aqua for All recognizes this as a general trend in development aid: focusing more on the entire chain and strengthening local partners in terms of vision, knowledge and operational strength. Between 2005 and 2011 around € 1.25 million in contracts with Water for Life were invested in drinking water projects in Mozambique, meaning around 230,000 people have benefited from access to clean drinking water. In the future Aqua for All hopes to especially support projects in smaller towns, where private partners can be involved in construction and management, and sanitation can be addressed simultaneously with the provision of drinking water. This direction has the support of VEI and World Waternet as well.

## Aqua for All Development Tracks

- AT for the BoP
- Recharge, retention and reuse
- New sanitation



# AT for the BoP

**Development of Appropriate Technology for the wide Base of the income Pyramid.**

## Ceramic Pot filter Research

Ceramic pot filters are porous clay pots hanging over a bucket. They are produced in more than twenty countries, and are prevalently used for example, in Cambodia. Hydrologic, one of the Cambodian producers of the pot filters is positively acknowledged elsewhere in this report in the section *Access to Safe Water*. The filters fit well with the applied theory of Project 300in6, namely that people adapt easily to better drinking water from small-scale purification techniques. By means of scale-up concepts used in development track 300in6 we will encourage more people to adopt a 'point-of-use' option. An investment of one US dollar quickly delivers an eight to thirty-five or even higher dollar 'yield' in the form of increased productivity and reduced health costs. Since 2005, Dutch water laboratories and Delft University of Technology have researched ways to improve the operation of the filter and pave the way for

recognition by organizations like the World Health Organization (WHO) and UNICEF.

Ceramic pot filter research focuses on how to reduce the problem of clogging of the filter, without the purifying ability being affected. To this end, extensive testing has been done at a test laboratory in Cambodia. Support was provided by a number of Dutch water laboratories, Delft University of Technology, Fontys University, Practica and volunteers. Additional study went toward possibilities to combat viruses, such as with silver or by using the biofilm which grows in the pot. This research has brought significant results. However, the ultimate goal - product and process standardization is not yet fully achieved. Like much applied research, it is clear here how difficult it is to responsibly collect scientific data. Researchers and scientists around the world have been consulted in relation to this study.

## Huishoudwaterfilters in opmars

The organization Basic Water Needs produces over 100.000 Tulip filters per year in India. Aqua for All and Water Company Groningen have invested much energy into ways to upscale production and use of these filters and are close to a breakthrough into new fronts. There is a gradual increase in demand for the filters in Tanzania and Ethiopia, where the general use of filters also of other manufacturers is gaining in popularity. In India millions Pureit filters have been sold and in Indonesia there is growing use of several types of candle filters, which are locally installed in different types of buckets. The Tulip filter remains one of the cheapest, most effective filters and the market seems ripe with demand. Basic Water Needs aims to increase production and marketing of their filters to 500.000 filters per year.



*Working visit to SHIPO by Connect International, Water-Right and Aqua for All*

## Malawi: From communal facilities toward self supply and business development

Malawi has always been highly donor dependent in the past. Donors invest massive amounts of money into municipal water and sanitation facilities, only to see them often fail over the long term due to inefficient management and/or maintenance. Aqua for All stimulates the deployment of 'self-supply' methods, in which private households also invest in their own water supply solutions, which also involves training programs. Surprisingly enough, people do find the money to invest in their own water supplies, perhaps because the return on investment affects business as a private consumption. The advantage of a well with a pump, drip irrigation and water filters is vast. The investment of individual households often reaches a wider group of people because private facilities are usually shared with several neighbours. The self-supply approach is gradually becoming more successful in other countries and Aqua All continues to encourage this development in Malawi.

## Tanzania: New business opportunities from cheap water technology

In the district of Njombe a number of inexpensive water supply technologies were introduced about five years ago. As a result approximately twenty local companies have sprung up and become successful in producing and installing these affordable solutions, such as the construction of rope pumps and manual drilling. Shipo (a Tanzanian NGO) provides training and promotes the sale of Tulip filters. Furthermore - based on a survey in 2011, Water-Right has started a microcredit project for consumers, so that even very poor people can invest, for example, in a rope pump. Aqua for All and Water-Right have invested equally in this project - the money from Aqua for All goes toward management, marketing and promotion, while the funds from Water-Right go to loans to approximately one hundred farmers. With the commitment of local savings and credit cooperatives, we hope to have created a new flywheel - a positive spiral of self-development.

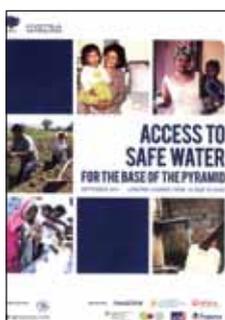


*Proud entrepreneur with his team around a perfect, locally produced rope pump, through training and business support from Shipo*

### Marketing Study - Access to Safe Water

Of the more than four billion people who survive on less than four dollars per day, just over half have no access to safe drinking water. The international consultancy Hystra, together with Aqua for All and BoP Innovation Center (BoPInc), conducted a study of how to scale up the availability of affordable solutions for safe drinking water for the poorest. The much-discussed report *Access to Safe Water for the Base of the Pyramid* became public in November 2011. The large-scale study shows how water projects can be significantly expanded, and describes possible roles and opportunities for doing so, involving combinations of governments, businesses, public financing institutions and social and philanthropic funds. There are distinctions in each market; however, for all of these markets it is clear that there are ample opportunities for business. Scaling up of piped water requires a very different approach than the expansion of water kiosks, pumps and wells programs, or the rollout of household filters and chlorine tablets.

During a meeting in June at consultancy and engineering company DHV in Amersfoort, representatives of the private sector, water companies, knowledge institutions and government were presented the tantalizing results of the study, also referred to as the Hystra Study. The recommendations fit well with the plans of the water industry itself, and with the export policies of Top Sector Water. The report urges the formation of business models which incorporate hybrid cooperation between NGOs, business and social investors. In addition, recommendations are made for structural scaling up through innovative forms of financing. Aqua for All will remain involved in the elaboration of these recommendations. The successful cooperation with BoPInc to achieve this market research has resulted in a structural multi-year cooperation agreement. A logical step, since we complement each other in our efforts to strengthen business development in the chain of drinking water and sanitation services.



[\[download the full report in PDF\]](#)

## Aqua for All Development Tracks

- AT for the BoP
- Recharge, retention and reuse
- New sanitation



# Recharge, Retention and Re-use (3R)

## Water Conservation and Rainwater utilization

### Project Fresh Water- Buffering in Coastal Areas

The 3R partners Acacia Water and Aqua for All received a subsidy from Partners for Water to promote the use of fresh water buffers in coastal areas in the fight against encroaching salty groundwater. The (temporary) storage of fresh water is still not widely applied, but offers a good local solution in areas where the water demand is great and the rise of the sealevel is a threat. It's not about large scale sand banks, but rather small investment techniques which can be replicated to scale. The promotion of these techniques will benefit from good examples and detailed planning and financing methods.

The fresh water buffering project was developed for four coastal areas in Mozambique, Kenya, Bangladesh and India / Tamil Nadu. It involves three different scans:

- a geographical scan, based on globally available free databases and additional maps;
- an institutional scan, to assess the openness of relevant organizations to participate in the project;
- a financial scan, with a focus on the opportunities to significantly expand - scale up.

We will experiment and assess the effectiveness of several techniques in two pilot projects. The methodology is suitable to other areas where salt levels in water are a problem.

In addition to exploring the potential of fresh water buffers, the 3R development track also works on preventing erosion, water storage for irrigation and drinking and reducing the impact of destructive flooding.

### Sludge repository at an infiltration basin in Sudan



Rain water storage in Ethiopia

- AT for the BoP
- Recharge, retention and reuse
- New sanitation



# New Sanitation

The reuse of nutrients and the generation of energy

## New insights from developments of Safi Sana

Recent developments with Safi Sana have yielded many interesting new insights:

In 2012 Safi Sana Ghana processed waste from public toilets, along with other energy-rich waste, creating new products for the energy and agricultural markets. It is a beautiful result preceded by five years of development, thinking and persuasion. Aqua for All began in 2007 - with initial funding from an anniversary project - with the quest to generate economic incentive out of sanitation in residential areas and to make it more attractive to entrepreneurs. Originally it was a pretty wild idea: "The rapid growth of large cities in developing countries offers tremendous opportunities for innovative entrepreneurs. Imagine that the operation of a public toilet block in a residential area could be a source of profit when waste is assigned a new value," said Sjeff Ernes, at the launch Safi Sana in Accra. In Ghana, the idea was enthusiastically received by local companies, representatives, chiefs (tribal community leaders) and other authorities of the capital Accra. From that point onward Aqua for All remains supportive of Safi Sana and the interest remains strong.

### Kernvragen

In Accra, Safi Sana began 'at the back of the toilet' by asking three key questions, the answers to which should lead to a scalable and profitable business model:

- *Agriculture:* Who wants to pay for organic manure? What should be the composition of the product? In which form should it be supplied to the farmers? What should it cost?

- *Energy:* What is the demand for energy in Accra? How can the desired form of energy from biogas be produced and delivered in an economic way? And what does energy cost now?
- *Waste:* how can Safi Sana produce the right raw materials (= waste streams) and at what price?

Currently Safi Sana runs a small scale processing plant in the Ashaiman slum in Accra.



Safi Sana toilet facility in Accra



## New Insights

The evolution of Safi Sana delivers many new insights:

- Not entirely new, but important to emphasize is the importance of building and maintaining local relationships. This is an ongoing task for management, as changes in the environment affect the company.
- Based on the format developed for a cost-benefit analysis, each new project site also needs a contextual analysis.
- Transport of both raw materials and finished products constitutes the largest cost.
- Cooperation with local businesses is crucial for sustainability. Safi Sana works successfully with a waste transport business to bring the waste from public toilets to the processing plant and to deliver the products.
- The Safi Sana concept comprises two distinct operations: the operation of public toilet blocks (additional coverage rates) and a market-run waste management company.
- It requires much effort and care to attract, train and retain appropriate local and international staff. There is, however, much interest both nationally and internationally in the Safi Sana model. Developing countries simply have little experience with processing of faeces and urine into new products. Safi Sana is the future, and will demonstrate in 2012 under what conditions the model is economically feasible.
- Safi Sana expects in the second quarter of 2013 to open the first large-scale processing plant that begins selling organic fertilizer and sustainable electricity to the local power grid.

## Creation Nutrient Platform

Phosphates, a surplus and an environmental problem in the Netherlands, are in scarcity in Asia and Africa. With the attention of the international community, in January, Aqua for All and six partners with a common interest launched a platform featuring commercial opportunities available through marketing nutrients from waste bundles. The platform includes water purification companies, whose task it is to remove phosphate from wastewater in order to protect the quality of surface water. The Nutrient Platform sees opportunities to produce “green” fertilizer from faeces and urine to be used for agriculture. Phosphate and other minerals have a broad scope for use.

The reuse of organic waste is also a political and legal minefield, sometimes proving to be frustrating, with many procedures and certification issues for innovative technology companies breaking into this field. Companies see the Nutrient Platform very positively. The Global Partnership for Nutrient Management (secretariat at UNEP, the United Nations Environment Programme) has also expressed an

interest in cooperation with the platform. Aqua for All held discussions with UNEP and the Ministry of Infrastructure and Environment in October, and in the same month 26 participants in the Nutrient Platform and the Ministry of Infrastructure and Environment signed an agreement over the management of the phosphate cycle. This initiative offers an instructive example to a large number of parties in the industry and the agricultural sector. In developing countries, the reuse and disposal of nutrients from waste offers an important incentive for the improvement of sanitary facilities in urban areas. Aqua for All participates in the international work group of the Nutrient Platform, which includes searching for opportunities to export Dutch expertise to developing countries. The Nutrient Platform will impact the sanitation programs that Aqua for All supports.

Visit the website at [www.nutrientplatform.org](http://www.nutrientplatform.org)

Menno Holterman:

# 'Look to existing profit models'

"How do you reach people who are not as organized as we are? How do you offer them access to clean water?" This question is central to the thinking and work of Menno Holterman, Chairman of the innovation program Water Technology, and himself an entrepreneur in water. In his previous role as CEO and Chief Growth Officer at Norit, Menno has seen what does and what does not work in the approximately 170 countries he has visited. "Much wonderful material in boxes. People did not know how to use it, let alone maintain it. "



These observations led Holterman to the conclusion that more is needed than just good technology. "Scaled down high tech solutions are not often the best choice for local problems." This is also one of the claims of the report *Access to Safe Water*. Give people in developing countries simple, robust solutions that perhaps were developed and applied ten or twenty years ago. Teach them to use them, and then gradually introduce more advanced techniques. In his view, this means that Dutch parties who want to contribute to the challenge of providing access to clean water have little to offer to the base of the pyramid (BoP). "We are too accustomed to high tech solutions - In the Netherlands the sector is dominated by drinking water companies and piped water regulated by municipalities. These solutions are cost prohibitive. "

## Betting on Smart Grids

"For both clean and contaminated water we need decentralized thinking. Don't transport too much too far. That means organizing small companies. You train staff, put a manager in place, regulate the purchase of water, and over time connect the small businesses together. This results in smart networks (smart grids). In this area, we in the Netherlands have suitable solutions to contribute."

## Water over the Phone

To organize financing, Holterman looks to existing money streams. He shows an example of a project in which he is involved i.e. a vendor of mobile phones who invests in transmitting masts. The local government provides power. Enthusiastic: "Use the energy which flows through a simple system, in order to pump and purify water. Couple it to the mobile phone, a thing that many people want. Charge a few cents every day for water. This formula creates an amount of funding for investment and maintenance. In Indonesia such a system is already in operation aiming for fourteen million connections! By applying this connection to prepaid credit, people receive day and night safe drinking water, much cheaper than buying bottled water!" To make potential users familiar with this system Holterman has approached the World Bank to set up the first guaranteed prepaid gift cards of this sort. "A country like Bangladesh has cell phone coverage of up 99.8%, more than we have even in the Netherlands." Discussion between Holterman and a major telecomprovider in Africa also showed that the penetration rate in their operational area is already over sixty percent. This means that the method of prepaid cards, getting a code in return for cash, has significant potential.

## The Value of Water

The useful combination of cash flows with water provides a sustainable solution, financially healthy in the long term. Holterman, firmly, "You should always measure the value of water and assign a price to it. Free provision is not an option. Look at existing business models, which also vary by country. In India, a company became successful by using thousands of sales people to sell water filters door-to-door in cities, create placement databases and eventually solve any water-related problems in people's homes. Admittedly, this is a solution for the middle class, but still twenty million people get access to clean water! "

## Educating a country

Obviously cultural differences play a major role. For example, in Asian countries people boil the water before use. In his time at Norit Holterman saw that filtered water is also boiled. "That takes a lot of fuel. If you reduce that practice in a country like India, a significant step is taken toward solving the greenhouse problem. "There they introduced a simple filter equipped with charcoal chips, familiar to users.

## Total Concept Aqua for All

"By bringing together unique competencies, Aqua for All can play an important role, provided they apply revenue models. The principle is simple: products should cost something sensible; people should earn something sensible from them. We must work on an overall concept and not only a part - provide entirely local solutions. Connecting to existing flows is relatively unknown in the Netherlands. There is little capital available here, while across the border it is "there for the taking." Large funding organizations with expertise in this area are searching for long-term agreements. "They do not want to hop from project to project. That gives space and time to find a profitable model." Excellent developments, as Aqua for All knows how to connect such parties to each other!

# Financial Report

## Former grant projects

In July, the former DGIS grants came to an end. According to the tight funding requirements the money had to be spent before July 1st, and the activities had to be completed. That required extra effort from our partners in terms of execution and reporting. Fortunately almost all organizations have succeeded, which deserves a compliment! For we also are aware that there is a big gap between planning and realization. That reality applies in the Netherlands as well, (think of the North-South metro line in Amsterdam, for example) and certainly in developing countries. Above that care takes precedence over speed, from the viewpoint of assurance of sustainability. Next year we will conduct a survey with a large number of contract partners about the sustainability of facilities supported by Aqua for All and their use, focusing on impact and spin-off effects.

## PPP-grant

It took until October before Aqua for All could be certain about continuation of the DGIS subsidy. During the conference "Development in business" organized by the Ministries of Foreign Affairs (DGIS) and Economic Affairs, Agriculture & Innovation, Aqua for All was presented as an example of successful public-private partnerships in the water sector. After the positive results in previous years of this partnership, the Secretary of State for Foreign Affairs, Mr. Ben Knapen, granted Aqua for All an additional € 10 million to be used over the next three years. As we've done in the past, this government grant will be used to double private contributions from project applicants; this

brings the total investment of government and industry to approximately € 20 million until 2014. With this contract, Secretary of State Ben Knapen emphasized the policy of the Dutch government to boost business involvement in the implementation of development cooperation. Deputy Director-General Rob Swartbol symbolically signed the first new project resolution from this Public Private Partnership on October 26th. This concerns a water program in Kenya for the Masai, conducted by AMREF Flying Doctors supported by Water Company Limburg.

*Borehole with underwater pump, AMREF project, Kajiado, Kenya*



## Thanks to our partners

Aqua for All supports many parties with its network contacts, financial leverage model and creative programs of project support. But it is the partners who do the real work - they design and implement the projects, both in the field and in the Netherlands.

*Participants:* PWN (Aquanet), Vitens Evides International, World Waternet, Groningen Water Company, WML, DHV, Wavin, Witteveen & Bos, Grontmij, Royal Haskoning, Deloitte and Hatendoer-Water.

*Project Collaboration,* from advice to co-financing, also occurs with Pentair, Landustrie, MPI, Bareau, BWNF, Nedap, AAWS, Aryak, HKV, PSI, Van Gansewinkel & Ovivo, Shell, WBC-Geneva, UNEP, WSUP-London, Unilever and GAIN, multiple waterboards and their NWB Fund, PharmAccess and funds such as Goodwell, Valley Foundation, EMF and Water Right.

Also worth mentioning are the Dutch water laboratories, Water Academy, UNESCO-IHE and the Universities of Wageningen and Delft. Special mention goes to the partners of the platform 3R Consortium (Meta Meta, Acacia, RAIN, IGRAC and BGR) and that of the 300in6 Consortium

(SDC-Suisse, Connect International). There are cooperation agreements in place with BoP Innovation Center, Micro Water Facility and Akvo.

*Special cooperation* exists with several NGOs from the NGO platform, including Simavi, AMREF, Cordaid, WASTE, Plan Netherlands, Humana and SNV. For several years now, Aqua for All has worked together with NGOs such as Water for Life, ZOA, Max Foundation, Le Pont and Children's Aid Indonesia. We collaborate with Akvo, IRC and NWP in the joint USA Lobby for the WASH-alliance. This has generated some promising contacts, including the Millennium Water Alliance, GETF and the Global Water Challenge. *Extraordinary enthusiasm* is always to be found at the many small private initiatives of the various Rotary Clubs and small NGOs, who approach Aqua for All for its sector expertise and co-financing.

*Cooperation* with various ministries and Partners for Water program was also very stimulating. Aqua for All is proud of the achievements of all these parties and that we have been able to contribute a small portion to their admirable results.

## Financial Statements 2011

### Income Statement

LASTEN			BATEN		
	2011	2010		2011	2010
Project contributions TMF program	€ (120.337)	€ 384.321	<b>Fundraising</b>		
Project contributions MA-61 program	€ 672.596	€ 4.933.227	Sponsorship	€ 104.412	€ 99.180
Project contributions PPP program	€ 602.152	€ -	Donations	€ 309.057	€ 59.717
Project contributions PvW program	€ 187.500	€ -	Campaigns (WvW)	€ 67.030	€ 586.304
	€ 1.341.911	€ 5.317.548	Project Applicant Income	€ 459.796	€ 1.832.319
				€ 940.295	€ 2.577.520
<b>Overhead Expenditure</b>			About Water Income	€ -	€ 5000
Campaign costs WvW	€ 56.994	€ 123.156	Other Income	€ 4.140	€ 3.084
PSAC	€ 7.710	€ 15.536	<b>Grants</b>		
<b>Other Overhead Costs</b>			DGIS-grant TMF	€ -	€ 456.953
Costs hiring personnel	€ 45.584	€ 50.252	DGIS-grant MA61	€ 861.967	€ 3.104.491
Staff costs	€ 397.773	€ 432.566	DGIS-grant PPP	€ 106.666	€ -
Other Staff costs	€ 2.797	€ 8.458	PvW grant	€ 119.934	€ -
Accommodation costs	€ 38.913	€ 32.101		€ 1.088.567	€ 3.561.444
PR, communication and representation	€ 35.677	€ 22.626	Financial Income	€ 23.027	€ 23.768
Automation costs	€ 22.289	€ 19.188	<b>Total Income</b>	€ 2.056.029	€ 6.170.816
Consulting expenses MFS and policies	€ 11.950	€ 15.802			
ISO costs	€ 1.476	€ 1.552			
Stakeholder meetings	€ 11.666	€ 8.131			
Other overhead costs	€ 13.523	€ 40.864			
Depreciation expense	€ 7.766	€ 6.838			
Reservation field assessments 2012	€ 60.000	€ -			
Other exepenses	€ -	€ -			
	€ 649.414	€ 638.378			
<b>Total Overhead expenditure</b>	€ 714.118	€ 777.070			
Bad depts	€ -	€ 76.198			
<b>Total Expenses</b>	€ 2.056.029	€ 6.170.816			

The gross salary of the director in 2011 amounted to € 94.722,- (2010: € 93.451,-).  
No bonuses were paid to board or management

### Balance sheet

Assets			Liabilities		
	31-12-2011	31-12-2010		31-12-2011	31-12-2010
<b>Fixed Assets</b>			<b>Reserves and funds</b>		
Computers	€ 15.156	€ 21.524	Disposable income	€ 477.303	€ 477.303
	€ 15.156	€ 21.524	operating result actual year	€ -	€ -
				€ 477.303	€ 477.303
<b>Current Assets</b>			<b>Provisions</b>		
Accounts receivable	€ 108.512	€ 392.188	Field assessments*	€ 60.000	€ -
Grants receivable	€ 509.650	€ (169.815)	<b>Current liabilities</b>		
Other receivables	€ 18.513	€ 19.779	Vacation costs payable	€ 12.953	€ 11.316
Prepaid expenses	€ 22.184	€ 42.069	PPP-grants received in advance	€ 2.898.371	€ -
	€ 658.859	€ 284.221	Liabilities on projects	€ 643.856	€ 2.180.891
<b>Cash</b>			Other liabilities	€ 1.012	€ 19.204
Rabobank RC	€ 3.419.480	€ 2.382.969		€ 3.556.192	€ 2.211.411
<b>Totaal assets</b>	€ 4.093.495	€ 2.688.714	<b>Total Liabilities</b>	€ 4.093.495	€ 2.688.714

\* These provisions were made with reference to monitoring and closure of MA-61 projects.

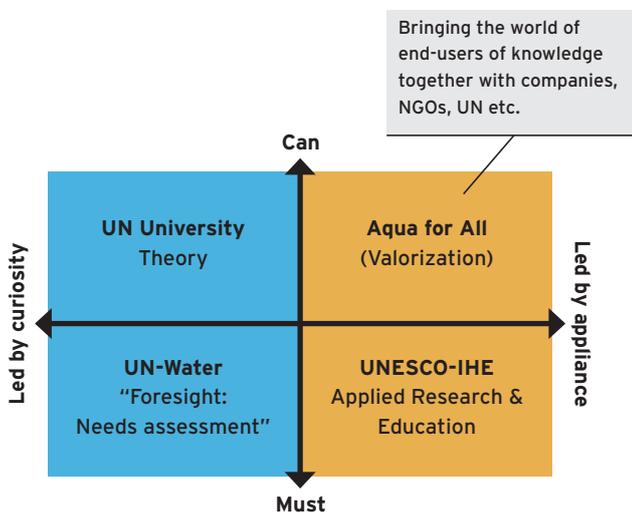
# Who works with whom and why?



“Aqua for All selects projects, approves or rejects them. They do or do not believe in the suggested propositions. They form an opinion on the proposed match. That means they use criteria. With this approach Aqua for All helps parties to build lasting relationships and develop good business cases”, summarizes Wim van Vierssen. He also considers the future of Aqua for All. “We should franchise the formula of Aqua for All. Give third parties room to use the success formula of Aqua for All, but keep monitoring the quality of the product in our own hands”. Interview with an involved scientist.

## Collaboration networks in society

Wim van Vierssen is not only director of KWR Watercycle Research Institute and board member of Aqua for All. For many years now he is also a professor at the Technical University of Delft. Since January 2012\*, he is involved in Science System Assessment. This requires explanation, the field is still young. “Science is about knowledge. Knowledge and ‘know-how’, are complex concepts,” according to Van Vierssen, who wants to understand how knowledge is generated, shared and applied. “It’s about interaction between the knowledge systems and society: who collaborates with whom, why, and which buttons can be pushed to share knowledge more effectively?” To answer these questions, he develops models of the knowledge system. “Knowledge is sought out of curiosity or the desire to solve a problem, so it is application-oriented.” In a quadrant (see illustration) he dreams Aqua for All - in conjunction with other players - to be in the box ‘that’s how we might do it in the future’: Application is leading, that’s how it might work out.



## Value of Aqua for All

We are discussing the concept of valuation: assigning value. “Aqua for All specializes in match-making, but must always ask itself: what is our added value in a match? In my opinion it has to be more than subsidization. If there is money to allocate, parties will always find you. But what is your added value in a match, even without subsidy?” This existential question often came forward in 2011, since it was uncertain for a long time if Aqua for All would qualify again for a new form of DGIS subsidy.

Van Vierssen: “To bring supply and demand together in a way that it really pays off, you need a number of tools. Aqua for All adds knowledge of the water sector but also its experienced opinion on what will and won’t be effective. This knowledge is valuable. And knowledge is of a decisive importance for economic development and growth”.

## Franchising the Aqua for All formula

“The concept of cost recovery is rarely used in valuation processes”, Van Vierssen says. “Nevertheless, the cost for the services of Aqua for All need to be covered. Also in the board we consider the value of Aqua for All. It’s a small company that has to operate cost-efficiently in order to offer value. A match through Aqua for All should deliver roughly a doubling in effectiveness by the quality they add to it. By offering third parties room to franchise our formula for success - which Aqua for All is indisputably is - the impact of Aqua for All can be enlarged.”

## Unique niche for Aqua for All

Whether Aqua for All will continue to play a role in the BoP (Base of the Pyramid) is no question for Van Vierssen: “From the starting point of human solidarity you need to be active there. It’s pretty complicated, determining what is effective and what is not. You should at least pay much attention to the incentives that encourage cooperation. Numerous inter-related problems and their solutions determine the well-being of mankind in the future. There’s complexity everywhere”.

“That’s where there exists a unique niche for Aqua for All,” Van Vierssen states. “Development from the existing role as a neutral broker, towards a value-adding intermediary that explicitly adds to the quality of a match: support in developing the business proposition (for the entrepreneur), assistance in converting knowledge into products, and products in problem-solving ability. Aqua for All must come up with solutions that are also useful in a sustainable way to people at the BoP. Together with them we should develop customized business models; for example foster good entrepreneurship by bringing together parties that foster sustainable relationships; involve communities. To promote entrepreneurship - at every level and on the basis of equality - that’s the way it should be done. That is the future direction for Aqua for All”.

\*Inaugural speech 18/01/2012: Water@work, about a knowledge system with small players and great ambitions.

# A year full of activities

January

## Water Harvesting Group Successful

During an inspiring meeting of the Water Harvesting Group of Aqua for All some successful projects were showcased, such as water and soil conservation in the tropics by Wim Spaan (formerly of WUR). Matthijs Bonte (KWR) explained how the effectiveness of sand dams can be calculated. One of the departments of Waterboard Delfland has by way of special team building activity, developed a decision model for the selection process of water wells. This model has been tested by partners of RAIN Foundation in Nepal, which resulted in positive feedback on the first version of the model.

March

## World Water Day Congress

The WWD Congress was organized for the eighth time by Aqua for All in collaboration with the NWP (Netherlands Water Partnership). The host of the congress changes each year; this time it was Royal Haskoning together with TU-Delft. Applications to attend exceeded the available places. Over two hundred participants exchanged knowledge and ideas about urban water and sanitation problems in developing countries. It's a theme that calls for innovative ideas. The orthodox manner of utilities construction - with pipelines for sewage and drinking water - is certainly not financially feasible and is time-consuming as well. Above all it was an informative meeting with TED sessions in the auditorium, innovation pitches in the lounge and brainstorming in the World Café.



*TED sessions in the auditorium*

March

## Walking for Water

This year Dutch 463 schools participated in Walking for Water. Collectively more than 24,000 pupils walked six kilometers with a backpack with six liters of water in it. Twenty-seven support organizations delivered excellent coordination to this growing event. Revenues were around €1.2 million.

During the stakeholders meeting later in 2011, Aqua for All ratified a new approach for the organization of the Walking for Water campaign: the national coordination of the campaign will be in the hands of a powerful collaboration including Simavi, AMREF Flying Doctors, ZOA and Akvo.



*Walking for Water in Tilburg*

August

## Dynamic Congress Stockholm World Water Week

It's like roaming around a huge library of audio CDs: lots of information, interesting lectures, and if you get bored you move on to the next. That's how Aqua for All experienced this congress in Stockholm. Aqua for All gave an opening presentation together with 3Rpartners on water storage and wastewater recycling. The necessity of (rain) water storage is more and more at the top of the agenda of policy makers. Together with 3R partners Acacia, RAIN and NWP, we are very satisfied with this development.

Also 300in6, initiated by Aqua for All, gets lots of support and was well presented in three vibrant workshops. 300in6 focuses on up scaling local entrepreneurship in decentralized wastewater treatment, water kiosks and household solutions for safe water for the poor. Sanitation was also discussed broadly during the congress. One is obviously searching for concepts to realize a breakthrough. Safi Sana could be one of these concepts. The relationship with food and the recycling of nutrients in this concept has been repeatedly emphasized. Together with partners Akvo, NWP and IRC, Aqua for All lobbied considerably during this Congress with participants from the United States, where large parties are constantly looking for worthwhile initiatives in which to invest.

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September

## Stakeholders Meeting, with a surprising ending

Moderator Else Boutkan (Waves of Change) enthusiastically led more than eighty guests through an inspiring and fun afternoon. Topics of the day were Thinking Yes / Doing Yes (Else Boutkan), Social Venture Philanthropy (Henk Kievit, Nyenrode Business University) and Connectors in a World in Transition (Jan Rotmans Erasmus University).

As drinks were being served, Dick van Ginhoven (DGIS) took us by surprise announcing that State Secretary Ben Knapen had just signed a new PPP contract with Aqua for All – representing a value of € 10 million! Consequently, Aqua for All will be able to continue its work the coming three years: building better water and sanitation facilities for the poorest in cooperation with water companies, NGOs and industry.



*Dick van Ginhoven (DGIS) announcing the new PPP contract with Aqua for All during the stakeholders meeting.*

September

## Symposium as part of Five Years Drive

Hosted by Water board Groot Salland, Aqua for All organized, together with a number of stakeholders, the Sanitation symposium: New Impulses, Opportunities for the Netherlands and International Cooperation. In March this year it became clear that the progress of the Millennium Development Goal for sanitation facilities between 2006 and 2008 has been delayed. That's why in June 2011 the United Nations adopted a resolution under the title *Sustainable Sanitation: Five Years Drive to 2015*. Dick van Ginhoven from The Ministry of Foreign Affairs was present to offer a brief historical overview of Dutch sanitation activity, and confirmed his satisfaction with this initiative from the Dutch water sector.

Grietje Zeeman of the Wageningen University and Research Centre gave insight into the latest developments in sanitation. She is performing research and collaborates with various parties on the approach of New Sanitation.

## Serious Business

A serious discussion took place on the topic "Shit is serious business". The subject was examined from different angles together with scientists, commercial directors and practitioners. To conclude the symposium the bid book Sanitation was presented. Aqua for All, NWP and the Nutrient Platform took the initiative to designate 30 September 2011 as the starting point to take a joint call for Business cases & Sanitation Program ideas. These were collected in the bid book. The upcoming year parties will offer their services to develop these proposals successfully.

October

## A Practical WatSan-Day

In collaboration with Impulsis and Akvo, Aqua for All organized a water and sanitation day in Utrecht for over seventy participants. The program included presentations and brainstorming discussions concerning alternatives to wells, low-cost applications in practice, sustainability and capacity building.

October

## Conference Development Cooperation in Action

The conference to which His Royal Highness (HRH) Prince Willem-Alexander and Her Royal Highness Princess Máxima were present, was organized by the Ministry of Foreign Affairs, the Ministry of Economic Affairs, Agriculture and Innovation, VNO-NCW. The aim was to further expand the close cooperation between government and industry in development aid.



*During the conference Deputy Director General Rob Swartbol symbolically signed the first new project resolution from this Public Private Partnership of €10 million with Aqua for All for a water program in Kenya. While doing so he emphasized that this program is an example of the new DGIS policy.*