



Aqua for All

Annual Report 2020

We are Making Water Count!

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Cover Photo

Rebecca Mueni and her family in Machakos County, Kenya, got access to safe water thanks to the new solar-powered water kiosks installed by our partner Project Maji. (Photo: Project Maji)

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Publication by: Aqua for All

Concept: Aqua for All

Text: Miles Litvinoff

Photography: Aqua for All and partners

Design: King & Jester / May 2021

A year like no other

2020 was my first full year as Aqua for All's Managing Director. And what an exceptional year it was as the Covid-19 pandemic impacted on the lives of millions and disrupted all sectors. We and our partners were confronted by a transformed operating context and had to adapt quickly. This was not the year we had planned, although it was in many ways successful for us.

New strategy

We began 2020 with a new strategy in place and internally reorganised to continue delivering our new programme, Making Water Count. We were ambitious to further prove Aqua for All's distinctive approach to achieving access to safe water and sanitation for all, Sustainable Development Goal 6. For us this means supporting innovation and entrepreneurship in service provision for underserved communities, while mobilising blended finance, especially private capital, and de-risking investments to help build sustainable markets in paid-for services at the base of the pyramid.

Many promising ideas and solutions reached us during the year from water and sanitation innovators and entrepreneurs with requests for support and partnership. From these we have selected projects with real potential to achieve financial sustainability at scale.

Adapting to Covid-19

Despite having local staff and liaisons in East and West Africa

and South Asia, travel restrictions meant that we could not spend the necessary time with new partners to co-develop projects. Equally, the economic uncertainty meant that this was not the right time for our finance partners to begin disbursing capital. And many small and medium size providers in our sector were challenged by heightened infection risks, fast rising demand for access to water for hygiene, and social and economic disruption.

Part of our adaptation was to launch an emergency response facility to safeguard and support service providers. We used this to make grants to our own partners and those of like-minded international organisations that we know and trust. We worked with allies in Kenya and the Middle East to provide crisis-proofing support to enterprises struggling to maintain service levels.

We also devoted more attention to raising awareness among investors about water and sanitation as a financial asset class, and to preparing facilities and instruments to support scaling up in the sector. We are very satisfied with this work in terms of building relationships, strengthening alliances and catalysing investment appetite, which we will build on in 2021.

Teamwork and partnership

The commitment of Aqua for All's staff throughout the year impressed me. Tremendous teamwork enabled us to accomplish

much while working remotely. As ever, we are very grateful to the Directorate-General for International Cooperation (DGIS) at the Netherlands Ministry of Foreign Affairs for its support, partnership and – during this exceptional year – flexibility. We much appreciate the strategic partners who share our vision, the financiers who have shown trust in our approach and our all-important in-country partners who provide low-income and vulnerable communities with the water and sanitation services they sorely need.

In 2021, Aqua for All aims to demonstrate success in mobilising funds for water and sanitation while helping the sector become more professional and investment ready. Based on what I have witnessed this year, I am confident that we will do so.

Josien Sluijs

Managing Director



Aqua for All and its team

In 2020, Aqua for All's new organisational set-up was fully operational. The Management Team, comprising the Managing Director, the Operations and Team Manager, and the Finance Manager, takes decisions regarding strategic and organisational issues.

As of December 2020, Aqua for All's team has grown to 28 members, from which 21 members (19 full-time equivalent - FTE) are on Aqua for All's payroll. Most team members are based in our office in The Hague, and three are in the Ethiopia office. In addition, local officers are contracted on consultancy basis in Mali, Kenya and Bangladesh. Women are strongly represented in our management and regional management teams. Our team comprised eight nationalities in 2020.

The team responsible for increasing access to finance for water and sanitation has been strengthened by an Impact Finance Manager and an Innovative Finance Manager.

An existing function was adjusted in 2020 to focus on monitoring, evaluation and learning. Measuring and reporting on results and impact are critical to our efforts to catalyse and raise additional capital. With the closure of the Football for Water, Sanitation and Hygiene programme in 2020, two employees implementing the programme left the organisation.

Aqua for All successfully registered as a not-for profit organisation in Addis Abeba, Ethiopia, during the second half of 2020.

Quality management

Aqua for All has been certified for the ISO 9001:2015 standard since 2018. In May 2021 we will be audited to renew certification for another three years.

In 2020, Aqua for All continued adjusting its internal processes according to the new strategy and set-up. We updated our Quality Handbook to reflect changes in the project selection process

and programme criteria, and our improved online monitoring system.

Aqua for All complied with these standards and regulations in 2020:

- ISO 9001:2015 quality management systems.
- General Data Protection Regulation (GDPR).
- Our internal Travel Security Policy, which was adjusted to include measures in response to the Covid-19 situation worldwide.
- Public and Semi-Public Sector Senior Officials Act (Wet Normering Topfunctionarissen Publieke Sector), which determines maximum management salaries for organisations receiving subsidies from the Dutch government.
- Dutch Works Council Act (Wet op Ondernemingsraden), which sets the legal requirements for employee participation in organisations with more than 10 FTE contracted staff.

client management, and management in the financial sector in developed as well as emerging markets.

Mr Hans van Houwelingen

Mr van Houwelingen is Managing Partner at Urban Impact Ventures and Chairman of the Supervisory Board at Telelink Business Services; experience in (impact) investment management, insurance and technology industries; steward within the private sector and financial markets to take up their role as key contributors towards realizing a sustainable society.

The team consists of:

Head office, The Hague, the Netherlands

Ms Josien Sluijs
Managing Director

Ms Marleen Hasselerharm
Operations & Team Manager

Mr Oscar Ruigrok
Finance Manager

Ms Marlies Batterink
Regional Programme Manager
East Africa

Ms Titia Wouters
Regional Programme Manager
West Africa

Ms Astrid van Agthoven
Regional Programme Manager
South Asia

Mr Dick Bouman
Regional Programme
Manager Horn of Africa

Ms Waithera Kinyeki
Country Manager Ethiopia
(as of 1 March 2021)

Ms Hester Foppen
Senior Programme Manager

Mr Arco van der Toorn
Senior Programme Manager

Ms Maaïke de Vette
Senior Planning, Monitoring & Evaluation (PME) and Learning Manager

Ms Shabana Abbas
Senior Manager
Innovative Finance

Mr Aarno Keijzer
Innovative Finance Manager
(as of 1 April 2021)

Mr Álvaro Ma
Impact Finance Manager

Ms Sarah Kalin
Programme Officer

Ms Leandra Roller
Programme Officer

Ms Rachel van der Pol
Programme Officer

Mr Mehmet Balaban
Project Controller

Ms Randi Käufer
Office Manager
(as of 1 November 2020)

Ms Janine de Laat
Communications Manager

Ms Blanca Méndez
Communications Manager

Ethiopia office:

Mr Gashaye Chekol
Country Representative Ethiopia

Mr Thijs Merton
Programme Officer YEP

Ms Weynshet Admassu
Finance and Support Officer
Ethiopia
(as of 1 November 2020)

Staff in the field:

Mr Joshua Kibet
WASH Finance Specialist

Ms Alinta Geling
Local Liaison Mali

Mr Muntasir Saqib Khan
Country Advisor Bangladesh
Bopinc

Mr Asif Mahmood Abbas
Country Advisor Bangladesh
Bopinc

Our Supervisory Board

Aqua for All's Supervisory Board is composed of four members. It supervises, and delegates day-to-day management authority to, the Managing Director.

Mr Sybe Schaap (Chair)

Mr Schaap is the former chairman of Groot Salland Water Authority region, the Dutch Association of Water Authorities, and the Netherlands Water Partnership (NWP). In addition, he is a national government representative and a highly-acknowledged professor of philosophy with a broad international network.

Mr Martien den Blanken

Mr den Blanken is the former

director of Dutch water company PWN. He is currently chairman of Waternet's supervisory board. He is known for his leadership in innovation to achieve scalable water solutions and improvements that take into account the public interest. Mr Den Blanken is an active leader and supporter of progress in the international water sector.

Ms Tanja Pelle

Ms Pelle is CRO/COO at Cardano Development; former founding partner at Corporate Connect BV/ Meck Consult; highly accomplished international investment banking and private equity consultancy executive; experience in sales, strategy and business development,

Bridging the gaps with Making Water Count

Making Water Count, Aqua for All's five-year programme, addresses the service and finance gaps in the water and sanitation economy through three strategic pillars: stimulating and fostering innovation and start-ups serving low-income communities; developing a pipeline of proven scalable and investible business models in an enabling environment; and facilitating and mobilising blended finance while de-risking investments. Our role is to support enterprises reach their potential and to act as intermediaries between investment capital and water and sanitation delivery. We are rolling out the full programme in our focus countries of Ethiopia and Kenya in East Africa, Burkina Faso, Mali and Senegal in West Africa, and Bangladesh in South Asia. We also support partners in Ghana, India and Uganda in becoming investment ready.

In 2020, our open call for proposals received 339 applications, and we selected 44 as meeting our scalability and sustainability criteria. We started developing six blended finance structures and partnerships with water and sanitation funds to invest in selected projects.

A key target for Making Water Count is to leverage our subsidy from DGIS to catalyse co-funding from other sources. In 2020, we exceeded our agreed 3 to 1 target by raising more than €4 for each €1 that we contributed. Total portfolio achieved was €19.44 million, comprising €15.69 million in co-funding (85% of which was private capital) and DGIS's subsidy of €3.75 million.

Monitoring and social return on capital

We have developed an online monitoring system to collect data on standardised indicators for our partners to report against annually. In addition, we started to process impact data based on gender indicators, such as delivery partners' assessments of female customers' time saved, reduction of health costs and prevention of violence against girls and women. These assessment metrics are convertible into monetary values to demonstrate social return on invested capital.

Challenges arising from the Covid-19 pandemic, travel restrictions and higher perceived risks delayed some funding of new investments in 2020, despite the good progress we made with capital providers in developing innovative finance partnerships. This translated into fewer realised investment agreements than we had planned. In June, Aqua for All launched a Response Facility for Water and Sanitation Services to assist service delivery enterprises during the crisis.

Climate change and other challenges

Climate change increasingly affects water and sanitation service supply through droughts and floods, creating an additional layer of investment risk. A strategic assessment of the climate resilience of safe water enterprises (SWEs) commissioned by Aqua for All and its partners - Danone Communities, Osprey Foundation, The Stone Family Foundation and VOx Impulse - found that climate change will disrupt water supply for approximately 5.1

billion people in the next decade. Despite the relative resilience of their decentralised, flexible and low-capital model, many SWEs will need support from governments, international organisations, investors and funders to develop and finance strategies to assure supply continuity and affordability.

Making Water Count faces two major challenges: One is the limited pipeline of investment-ready water and sanitation businesses; hence our focus on technical assistance and access to finance. The other relates to translating growing investor interest in our sector into concrete structures to finance service providers. We nevertheless firmly believe in our programme's potential to achieve impact at scale. As Aqua for All continues demonstrating results, we expect capital providers will increasingly see water and sanitation as a meaningful investment opportunity that effectively contributes to SDG 6.

Key results 2020



€19.44 million
Total funds contracted, including grants and leverage



€2.67 million
Innovation funds contracted, including grants and leverage



€15.86 million
Scale funds contracted, including grants and leverage



5.1 million
People with improved access to water, sanitation or IWRM*



3.58 million
People with improved access to safe drinking water



1.44 million
People with improved access to safe sanitation



€906,031
Funds granted as Covid-19 response, including grants and leverage

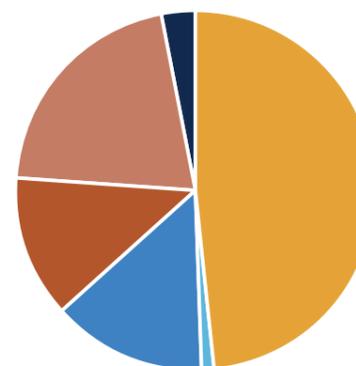


% funds managed by theme:

- Drinking water: 57%
- Sanitation: 42%
- IWRM*: 0.4%
- Mix of themes: 0.6%

* Integrated Water Resources Management

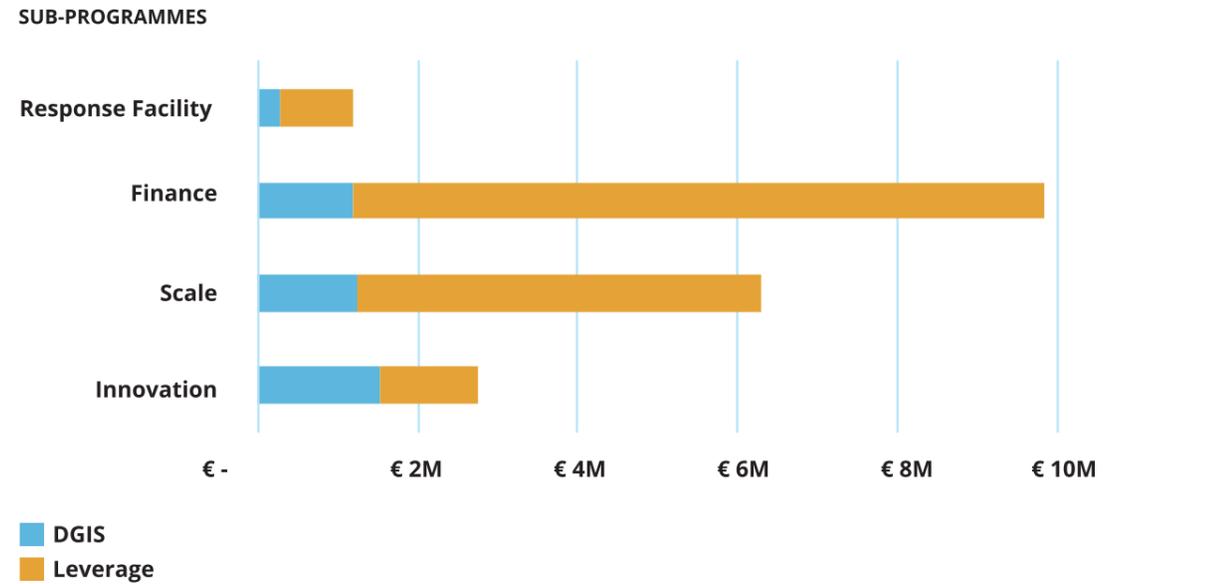
Partner categories in 2020**



- Community-based organisation (CBO): 0%
- Non-governmental organisation (NGO): 14%
- Start-up (younger than 5 years): 13%
- Established company: 21%
- Utility: 3%
- Finance organisation: 49%

** % based on the portfolio share, including leverage

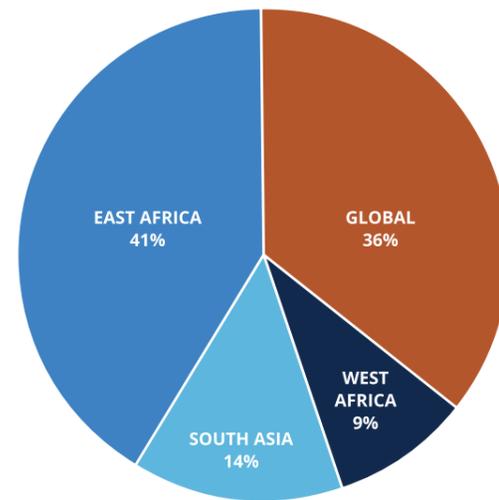
Leverage by sub-programme



Top 5 countries

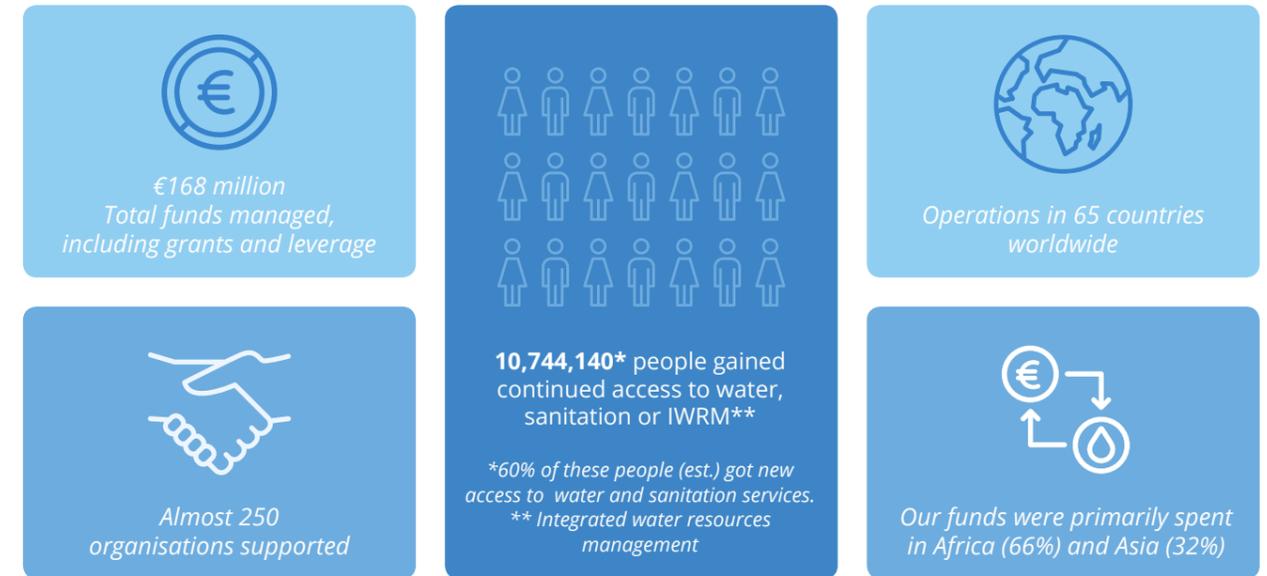
Country	Contribution in €
Kenya	6,398,796
India	1,541,271
Bangladesh	1,196,802
Uganda	1,019,051
Burkina Faso	832,714

Funding per region*



* Initiatives operating in various continents are categorised under 'Global'. Multi-country programmes in the same continent have been categorised under the region they belong.

Results 2002-2020



Monitoring and evaluation for learning, accountability and visibility

Aqua for All is augmenting its approach to monitoring and evaluation (M&E). Effective M&E is essential for accountability, learning, continuous improvement and impact visibility. Our new online M&E system, developed in 2020 for implementation in 2021, will streamline data gathering from our partners worldwide.

The new M&E system should generate timely and consistent data that meet our knowledge needs and those of our stakeholders. The system will reduce processing time and increase the likelihood of early detection of implementation problems. Partners will benefit from ease of reporting and real-time learning. We ourselves will monitor progress more efficiently, better demonstrate our contribution to the

achievement of SDG 6 and align our reporting with the International Aid Transparency Initiative (IATI).

Measuring sustainability
Aqua for All aims to grow self-sustaining market-led water and sanitation solutions for low-income households that will last well beyond the end of our support. Thus the new M&E system measures financial, institutional, environmental, technical and social sustainability. Financial sustainability metrics include net profit margin (ratio) of operation. Among our institutional and social sustainability indicators are, respectively, the ability of governments and other stakeholders to sustain services after our exit, and service accessibility for marginalised groups. The system also records

time savings for women and girls resulting from investments in safe drinking water and sanitation facilities closer to the home.

Future work will include assessment of the M&E system's effectiveness in such areas as the enabling environment (which can take several years to achieve) and post-project M&E to track longer-term impacts. We plan to develop a learning work stream to consolidate stakeholders' knowledge and will conduct customised surveys – including of customer satisfaction – to help demonstrate the value and sustainability of market-based water and sanitation service models.

Innovating for impact

Innovation is critical to bridge service gaps in the water and sanitation economy, and for Aqua for All this means testing new solutions in a particular country or subsector. We support the development of an entrepreneurial ecosystem in each country where we are active, guiding selected innovators through a process that transforms early ideas into investible business propositions. While exploration and risk are inherent in innovation, every initiative we support must have realistic potential to become a viable enterprise. Success requires not only good ideas but entrepreneurs with motivation, commitment and skills to take a project to the next level. Partners we support range from exceptional individuals to established companies wanting to explore new horizons.

Local focus

Our work on innovation in Africa and South Asia focuses on the local situation. Many organisations in these regions understand their local context well, including water and sanitation needs and opportunities among low-income communities, making them well placed to develop new solutions. We strive to respond to differences in context and culture between countries. In Kenya, for example, entrepreneurial spirit, business thinking and opportunities are more developed and widespread, whereas in West Africa and Bangladesh innovative ideas with potential to attract finance to our sector are harder to come by.

In 2020, we supported 11 innovation projects with a total of €1.43 million of our own funds and a further €1.24 million in leveraged

co-funding. These partnerships involve three innovations in Burkina Faso, one in Ethiopia, three in Kenya, one in Uganda and three operating in multiple countries. Five of the projects focus on drinking water, four on sanitation, and two are active in both subsectors.

A good instance of our support for innovation in 2020 is our partnership with the French social enterprise **Oshun**. In the past we supported Oshun in Senegal to pilot a water kiosk model for rural areas. Based on this successful collaboration, in Burkina Faso we are supporting replication of the model, which offers two levels of water quality sold from solar-powered kiosks operated by local franchisees, many of them women. Customers choose between more costly filtered high-quality (WHO standard) drinking water and cheaper unfiltered water for household tasks and small-scale agriculture. Each kiosk is equipped with a connectivity box for monitoring and remote management. Oshun is also developing a basic sanitation market with a locally developed movable latrine prototype and an innovative digital savings platform.

Impacts of Covid-19

The global Covid-19 crisis has raised awareness of the importance of safe drinking water, sanitation and hygiene, increased willingness to invest and helped mobilise funds for public health in countries where we work. But attention has mainly focused on urgent needs, such as handwashing stations, rather than longer-term piloting of new approaches.

Although the pandemic's health impacts in Africa have been less



devastating than anticipated, the economic consequences are more severe and lasting. Despite travel restrictions during the year, Aqua for All maintained good levels of dialogue and engagement with partners online and via local staff and contractors. We also stepped up our provision of guidance to potential partners. Some activities, such as training and relationship building, have been more challenging without in-person meetings.

Looking ahead, Aqua for All will continue to identify, select and support local innovators and help develop entrepreneurial mindsets and ecosystems. Our collaborations with **ForthInvestment** in Burkina Faso and with **cewas** in Kenya, for example, will coach and guide water and sanitation enterprises to prepare them for additional scaling and investments. Equally, we will liaise further with like-minded international organisations to identify possibilities to align innovation programmes.

Scaling up solutions and attracting capital

Scale is the second pillar of Aqua for All's three-pillar approach to accelerating action to bridge the service and finance gaps in water and sanitation provision for low-income households. The term 'scale' refers to the way we help proven solutions grow into larger and more investible businesses. This is a crucial trajectory in our sector because humanity's progress towards SDG 6 is painfully slow and many international capital providers will not invest in projects below a minimum size threshold.

Aqua for All's work on scale aims to develop a pipeline of initiatives that can attract additional public and private capital and significantly increase affordable services in specific country contexts. This usually requires technical assistance so that enterprise partners can become investment ready. Despite strong interest among entrepreneurs in many countries in bringing innovative solutions to the market, it is often a challenge to demonstrate impact and financial potential to capital providers.

In 2020, we supported 11 initiatives in developing their scalability for a total amount of €15.86 million.

Long-term support

Aqua for All's support is often long-term in accompanying partners

from initial idea to investibility. For example, we worked with Oshun in Senegal when it first tested its innovative model of selling filtered drinking water and cheaper household water from solar-powered kiosks. Now the approach has been proven, we are assisting Oshun in bringing the idea to scale by improving sales channels and marketing to increase financiers' interest, and supporting replication in Burkina Faso.

In 2020, we started implementing a partnership with **UNTAPPED** through a de-risking grant to prove the economic viability of a lease finance model for water assets in Kenya. This model intends to grow the market penetration of pre-paid (cashless) water ATMs supplied by **Maji Milele**.

In Burkina Faso, Central African Republic, Kenya and Uganda, our new partnership with the **Uptime** consortium is supporting the testing of a results-based funding framework for water service maintenance providers serving about a million rural people. The project uses performance-based incentives to maximise waterpoint reliability and aims to deliver sustainable services to 100 million people by 2030.

A key benefit of our scaling partnerships is generation of real-

time data that allows investors to monitor project delivery and cash flow. This should reduce investor risk and stimulate appetite among capital providers.

New opportunities

We see opportunities as a result of our partnership with **Sidian Bank** in Kenya, where our Covid-19 WASH Loan Facility assists service providers in difficulty because of the pandemic. Keen interest in loans on the part of Kenyan water and sanitation micro, small and medium enterprises (MSMEs) has encouraged us to map possibilities for stimulating similar lending in other countries. Unexpectedly, the Covid-19 crisis has catalysed increasing support in our sector for digital payments systems that avoid contact with cash.

Despite the challenges of 2020, Aqua for All has enhanced its understanding of the potential for scaling up water and sanitation enterprises. We aim to work more proactively to stimulate markets with targeted 'challenges' and 'acceleration programmes' in our focus countries and thereby identify more high-potential proposals that require support. We foresee 2021 as a year of many new opportunities, and we are ready to take them.



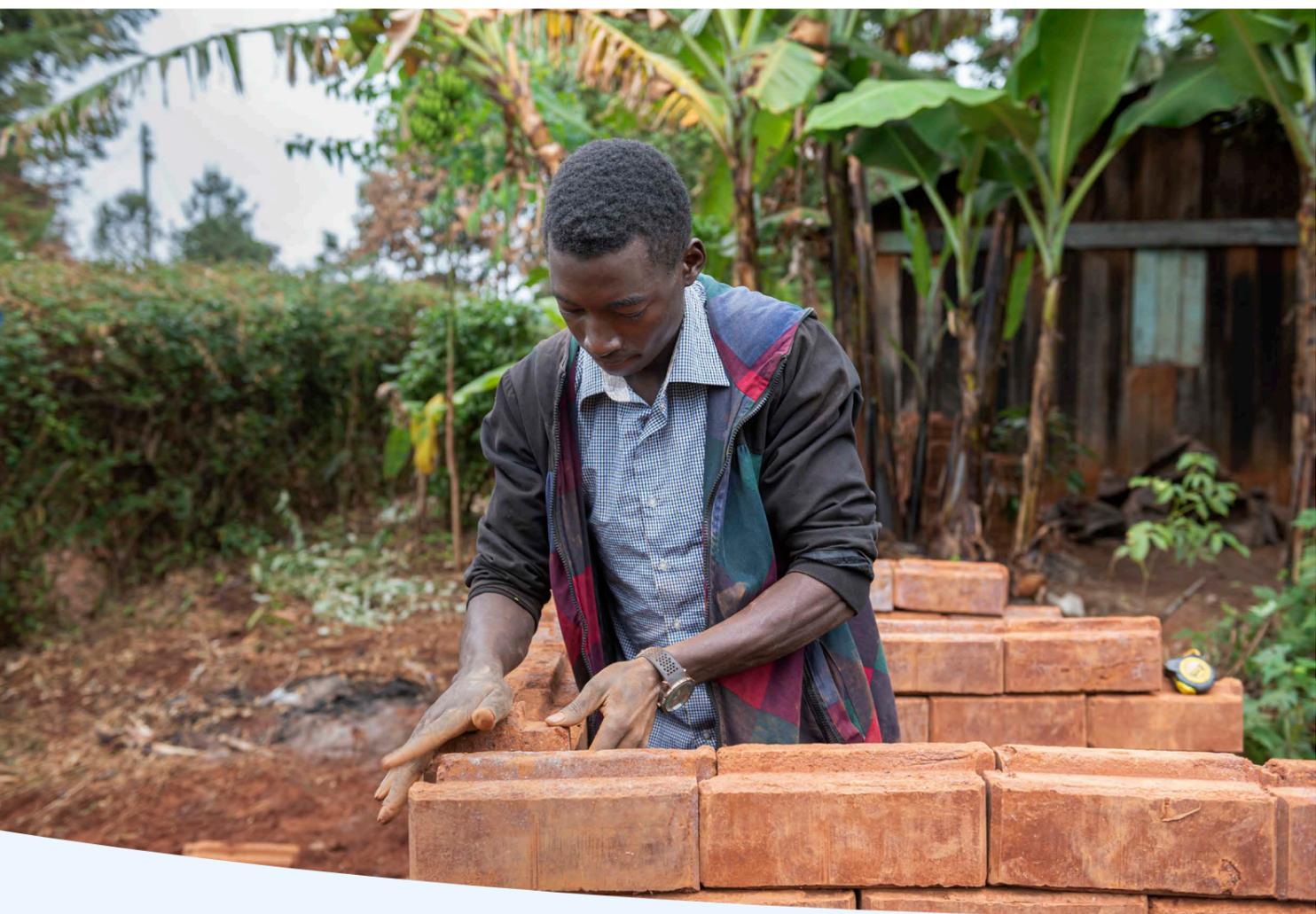
FINISH Mondial: impressive results, exciting news

FINISH Mondial (FM) was established to end the sanitation challenge worldwide. This multi-partner programme is led by founder **WASTE**, along with **Amref Flying Doctors** and Aqua for All.

Despite the Covid-19 disruptions, FM had impressive results in 2020: 51,000 safely managed toilets were built benefitting around 255,000 people in Bangladesh, Ethiopia, India, Kenya, Tanzania and Uganda. Households invested €9.2 million in sanitation improvements, while €11 million in sanitation loans was disbursed by FM's financial partners.

In late 2020, the programme received awards from the **Partnering for Green Growth and the Global Goals 2030** (P4G) initiative in two categories: the 2020 P4G Partnership of the Year Award and the Sector Winner for the Sustainable Development Goals Award (SDG 6). Simultaneously, the Ministry of Foreign Affairs of the Netherlands renewed its grant funding support (€20 million) for the period 2021-25. This will allow FM to mobilise €200 million for its circular sanitation programme, because its grant funding is leveraged locally at a ratio of 1 to 10.

By 2025, our ambition for FM is that at least 10 million people across six countries will have gained access to safe sanitation through the construction of 2 million safely managed toilets.



Building the water and sanitation financial ecosystem

The lack of access of billions of low-income people to safe water and sanitation services makes it crucial to accelerate the mobilisation of public and private investment for the sector, especially for peri-urban and rural communities. Achievement of SDG 6 requires an estimated US \$114 billion per year to 2030, while less than \$5 billion is currently invested annually. Although knowledge of the importance of water and sanitation is growing among capital providers, it is still a relatively new and under-invested sector for private capital and sometimes seen as having an unfavourable risk/return profile.

Blended finance partnerships

Aqua for All works to raise investor awareness of the sector's potential, both in specific countries and internationally. We use our grant from DGIS and our sector expertise to develop innovative blended finance partnerships to broaden the ecosystem of available investment. To facilitate and de-risk third-party private investments, we deploy our funding as patient, risk-tolerant, flexible and concessionary capital. Financial instruments that we use include first and second loss capital, guarantees, technical assistance, results-based funding (pay for success) and design/preparation stage grants.

We actively promote investment in water and sanitation. Examples include our participation in the **European Microfinance Platform** (e-MFP) in developing SDG 6 benchmarks and indicators for impact investors, and our collaboration with Dutch impact investors. Our webinar on innovative finance during World

Water Week at Home brought together key finance partners to showcase emerging opportunities.

In 2020, Aqua for All initiated new blended finance partnerships focusing on funds and facilities for financial institutions and social enterprises. The Water Access Acceleration Fund, sponsored by **Danone** with **Incofin Investment Management** as fund manager, is expected to launch in 2021. This €50 million fund will provide equity growth capital to businesses that focus on safe water enterprises, water technologies and decentralised piping infrastructure in Africa and Asia. Our contribution includes first loss capital provision in the fund, grant for technical assistance, participation in the fund's technical expert board and advisory committee, and also our in-kind time contribution for assessment of some of the eligible water businesses.

Incentive models

We are partnering with **Roots of Impact** (a specialised impact advisory firm) to support the piloting of its Social Impact Incentives (SIINC) model in the water and sanitation sector. The model aims to reward high impact enterprises with premium non-repayable results-based payments for achieving additional social impacts (extra mile, more gender focus, rural outreach). This extra revenue is intended to improve their profitability and help attract investment to scale. In essence, SIINC aims to bring impact and financial additionality to enterprises in their scaling journey. We have selected four companies and are structuring incentive schemes for them.

Carbon credits certification is another results-based incentive model. It helps water and sanitation enterprises generate additional revenue from emissions avoided. We have piloted CO2-saving incentives with enterprises in Ethiopia and India whose provision of filtered drinking water avoids the need for boiling and wood-fuel burning. With **FairClimateFund**, we reviewed other approaches for water and sanitation initiatives to generate carbon credits.

The Covid-19 pandemic has highlighted the importance of water and sanitation. While there has been notable growth in impact investors' capital allocation to the sector², a key issue for us is the time required to cultivate blended finance alliances and develop trajectories.

We will continue to work on cases that show that the water and sanitation sector can employ innovative and blended finance solutions to bridge the finance gaps it faces.

² <https://thegiin.org/research/publication/impinv-survey-2020>

Safeguarding services in times of Covid-19

The Covid-19 crisis has revealed drastic inequalities in people's capacity to protect themselves from the virus, with 2 billion people worldwide relying on healthcare facilities that lack safe water. Micro, small and medium enterprises (MSMEs) play a critical role in providing access to safe water and sanitation for lower-income households, and many MSMEs have encountered serious difficulties in maintaining services and meeting rising demand during the pandemic.

Aqua for All established the Response Facility for Water and Sanitation Services in June 2020. This emergency grant-making facility has helped ensure essential service continuity during the crisis while supporting partners' work towards long-term sustainability. With DGIS's agreement we reallocated €500,000 from our Making Water Count programme budget, while the UK-based **The Waterloo Foundation** contributed a further €326,000. Endorsement by strategic partners enabled us to respond quickly to water and sanitation enterprises in need of support.

Crisis response in ten countries

Through the response facility, Aqua for All supported the expansion of water storage capacity and access points; additions to working capital; adaptive strategies, such as switching from door-to-door to online water sales; and additional safety and hygiene measures including new handwashing stations, personal protective equipment provision, staff training, and distribution of disinfectant.

By year-end the facility had assisted 22 delivery enterprises in Bangladesh, Ghana, Haiti, India, Kenya, Peru and Uganda with grants averaging about €20,000, safeguarding services for an estimated 767,740 beneficiaries. The facility committed around half of its available budget in 2020. Partners benefiting have included **Folia Water** and **HappyTap** in Bangladesh, **Safe Water Network** and **Saha Global** in Ghana, and **Spring Health Water** in India. Aqua for All has also partnered with cewas Middle East and Toilets for All to establish the WASH vs Covid-19 Innovator Fund. This fund has given micro grants to young business ventures in Jordan, Lebanon and Palestine for health and environmental crisis prevention and mitigation in low-income communities affected by Covid-19 and climate change. And in partnership with Sidian Bank we set up the Covid-19 WASH Loan Facility to ensure continuity in lending to MSME water and sanitation enterprises in Kenya.

As the Covid-19 crisis continues to impact water and sanitation services and providers globally, Aqua for All will maintain the response facility during 2021 to support keeping partners' operations running and to safeguard services supply for vulnerable and low-income households, especially in rural areas.



Responding to Covid-19 in Kenya with Sidian Bank

Aqua for All is partnering with Sidian Bank Limited in Kenya in implementing a €4 million Covid-19 response facility for water, sanitation and hygiene micro, small and medium sized enterprises (MSMEs). Launched in August 2020, the Covid-19 WASH Loan Facility supports the Kenyan government's emergency response to the pandemic by lending short-term working capital and asset and project finance to enable Kenyan MSMEs to sustain WASH services for up to 2.5 million low-income people. This partnership also includes **Davis & Shirliff**, who offer borrowers a 30% discount on water equipment, and manufacturers such as Ndumu Tanks, who supply rural women with small water storage tanks.

Financing structure

Aqua for All has provided a de-risking grant of €243,000 to shape the loan terms and conditions

to borrower needs, while Sidian Bank will draw on liquidity of up to €4 million over the 24 months of implementation. The United States **International Development Finance Corporation (DFC)** is providing a partial loss guarantee for lending to MSMEs under the facility. With many Kenyan enterprises struggling to secure operating capital during the pandemic, this joint response aligns well with Aqua for All and Sidian Bank's missions.

Results

From its launch in August 2020 to January 2021 the facility disbursed €1,030,592 in loans to 133 enterprises, benefiting an estimated 1,183,137 people, with leverage of €504,658 from private sector partners.¹ Median loan size per enterprise was about €3,882.

Loans have been used to maintain and expand drinking water and other services for households

through small piped systems, smart water kiosks, bottled supplies, and sanitation and hygiene equipment. Technical assistance for Sidian Bank has covered staff training, marketing and media, and equipment installation. Sidian Bank has received public recognition for the initiative. With continuing strong demand for MSMEs loans, we aim to grow the facility to €4 million in 2021. Loan uptake is expected to increase further as a result of our joint outreach and partnerships with suppliers.

¹ Figures provided to 31 January 2021 by Sidian Bank.

Campaigns and events

Promoting impact investments in water and sanitation

In 2020, Aqua for All became a member of the European Microfinance Platform (e-MFP). During e-MFP's European Microfinance Week 2020, we organised two sessions on 20 November. The panel session **'Investing in water and sanitation'** showcased innovative and blended finance solutions developed with Danone, **Water.org**, Incofin Investment Management and Roots of Impact. The working session **'Developing indicators for water and sanitation'** focused on understanding the main information and knowledge gaps that can prevent investors from financing water and sanitation enterprises. We organised the session in collaboration with **BNP Paribas**, Incofin Investment Management, **Triple Jump** and **Water.org**.

Innovative safe water partnership awarded by P4G

Aqua for All's partnership 'iW+: Unlocking new sources of financing to meet SDG 6 through (water at-home) PAYGO solutions' was awarded \$100,000 by P4G. This innovative solution will improve affordable and sustainable water supply for users.

Through this partnership, Kenyan water service providers will overcome safe water supply challenges in emerging and fast-growing areas. The iW+ solution combines lease-based financing with pay-as-you-go (PAYGO) technical solutions; it is affordable, scalable and innovative. It will also help water providers to expand coverage and get access to commercial capital for new projects.

Football for Water, Sanitation and Hygiene

Aqua for All completed the transfer of the **Football for Water, Sanitation and Hygiene** programme to its local partners in Ghana and Kenya in 2020. They will continue embedding the approach of using sport to bridge the gap between hygiene education and children's sustainable hygiene behaviour in national education systems and existing water, sanitation and hygiene initiatives in schools in both countries.

Our local partners are looking for new implementing partners and donors within the public and private sectors. To support them, Aqua for All developed communication materials and a static website, and gave the presentation **'Pitch for sports as vehicle for hygiene education'** at the World Toilet Day event organised by **SITE4Society**, **UNU-MERIT** and **Friend-In-Need India (FIN)** on 19 November.



Campaigns and events (2)

#Sweat4Soap: campaigning for water and hygiene on Global Handwashing Day

Aqua for All supports **Project Maji** in Ghana, a social enterprise that in 2020 joined hands with ultra-runner and water advocate **Mina Guli** to raise awareness about hand hygiene with the #Sweat4Soap campaign. To mark Global Handwashing Day (15 October), every 100 km logged by runners and walkers around the globe

was matched by the installation of one low-tech, hands-free, foot-operated Maji bucket handwashing station.

The #Sweat4Soap campaign has been a tremendous success, with people participating in 50 countries and contributing to over 68,000 km walked or run between 11 and 17 October.

More than 80,400 bars of soap and 450 Maji bucket stations have so far been donated to communities in Ghana. Aqua for All has financed 375 Maji buckets, which were locally produced by members of the **Ghana Federation of Disability Organisations**.



0 DAYS LEFT

The #seat4soap campaign has ended.



68,831.40 KM

Distance logged



80,448 SOAPS

Bars of soap donated
1km = 1 soap



450 STATIONS

Handwashing stations donated
100km = 1 station

ON GLOBAL HANDWASHING DAY, OUR PARTNERS DONATED 1 SOAP FOR EVERY 1 KM LOGGED

Three successful sessions at World Water Week at Home

Aqua for All participated in World Water Week at Home between 24 and 28 August 2020. This virtual edition replaced the 30th World Water Week in Stockholm, Sweden, which was cancelled due to the Covid-19 outbreak. We co-organised three sessions to discuss the service and finance gaps in water and sanitation and to promote networking.

During the session on 'The potential of decentralised solutions to address climate

change' (24 August), a panel of experts representing Aqua for All, **Dalberg** and safe water enterprises (SWEs) discussed how SWEs can build resilience against the potential effects of climate change.

Our second session, 'Innovative finance for scaling effective SDG 6 solutions' (26 August), focused on emerging financial innovations in the water and sanitation sector. Presentations were given by representatives of Aqua for All, **Grand Challenges**

Canada (GCC), Roots of Impact, **Take-a-Stake Fund**, Incofin Investment Management, Danone Communities, WASTE/FINISH Mondial and Water.org.

Together with the Government of the Netherlands, **Akvo**, **IRC** and the **Netherlands Water Partnership**, Aqua for All co-organised the 'Virtual Dutch reception'. This social event, held in-person in previous years, is a unique opportunity for networking among stakeholders from across the globe.

Financial report 2020

As of 31 December 2020, Aqua for All's Making Water Count programme has been implemented for a year and a half. In July 2019, the Ministry of Foreign Affairs of the Netherlands through its Directorate-General for International Cooperation (DGIS) granted Aqua for All a maximum of €40 million for this programme. In 2020, Aqua for All committed €19,443,805 in total to new projects, of which €3,755,465 was financed using DGIS's grant. Of the available funds for Making Water Count, €6,207,299 was spent in 2020.

A response facility was set up to support entrepreneurs in the water and sanitation sector after partners found that their services and their financial situation were under pressure. The total project commitment under this facility comes to €906,031. The Waterloo Foundation made a contribution of €326,000 to this response facility.

In 2020, Aqua for All's organisational costs increased by €140,000 (7%) compared to 2019.

This was driven by the yearly salary adjustments and adding 2.1 full-time equivalent (FTE) posts to the payroll.

The number of employees on Aqua for All's payroll increased from 16.9 FTE to 19 FTE in 2020. All Aqua for All positions are classified according to the collective labour agreement of the Dutch government (CAO Rijk). Aqua for All also complies with the Netherlands Standards for Remuneration Act. The remuneration of Aqua for All's Managing Director and of members of the Supervisory Board did not exceed the applicable maximum remuneration.

The 2020 financial year closed with a negative net result of €124,988. This negative result is charged to the reserves of Aqua for All. The 2020 budget foresaw a negative result of €63,356. This difference was due to the time spent by Aqua for All staff on the final reporting of the former PPP Innovation Programme and the Football for Water Sanitation and Hygiene 2.0 programme, which needed to be

financed from Aqua for All's funds. The global Covid-19 pandemic has involved major financial and other consequences worldwide. Complying with local measures, the Aqua for All team in the Netherlands and abroad has been working from home, and national and international travel has been suspended, since March 2020.

The financial commitment on the part of DGIS for 'Making Water Count' has not been affected by the current situation. Due to the pandemic, new projects have had a slow start. In the management's opinion, Covid-19 does not have any negative consequences for Aqua for All's continuity.

Aqua for All's financial statements for 2020 were prepared based on the assumption of continuity. The management deems this assumption to be justified in light of the development of costs, results and organisational measures. BDO Audit & Assurance BV has audited Aqua for All's 2020 financial statements and provided an independent auditor's report.



Financial statements 2020

Balance sheet as at 31 December 2020 (in €)		
	31-12-2020	31-12-2019
ASSETS		
Tangible fixed assets		
Office Aqua for All	27,023	30,047
Office equipment	37,531	21,382
Office automation	13,551	10,593
	78,105	62,022
Intangible fixed assets		
Website Aqua for All	11,178	13,974
Software	15,779	19,811
	26,957	33,785
Current assets		
Trade debtors	41,841	36,304
Deposits	-	7,426
Subsidies to be received	232,154	289,004
Other receivables	122,027	39,673
Advance payments	62,249	33,838
Cash	5,134,519	5,503,988
	5,592,790	5,910,233
Total Assets	5,697,852	6,006,040

Balance sheet as at 31 December 2020 (in €) (cont.)		
	31-12-2020	31-12-2019
RESERVES AND LIABILITIES		
Cumulative reserves		
Continuity reserve	335,000	477,303
Appropriated reserve PME & organisational costs	-	653,598
Appropriated reserve Aqua for All objectives	856,639	185,726
	1,191,639	1,316,627
Current liabilities		
Holiday allowance and holidays	91,590	70,632
Project costs to be paid	3,492,387	1,189,746
Subsidies received in advance	775,613	3,302,932
Taxes to be paid	43,000	36,725
Trade creditors	27,128	44,296
Payments received in advance	3,952	-
Pension premiums to be paid	618	1,143
Others creditors and accruals	71,925	43,939
	4,506,213	4,689,413
Total reserves and liabilities	5,697,852	6,006,040

Financial statements 2020 (cont.)

Profit and loss account for the year ended on 31 December 2020 (in €)		
	2020	2019
REVENUE		
Projects	25,532	138,452
Funds	165,100	59,900
Services	77,257	1,099,726
Subsidies	5,991,227	1,171,591
Other revenue	27,327	195,345
	6,286,443	2,665,014
EXPENDITURE		
Projects	4,244,756	569,431
Coordination Walking for Water campaign	-	45,386
Personnel	1,854,924	1,630,179
Housing	85,635	63,076
Depreciation	30,332	15,403
General and administrative	192,106	168,338
	6,407,753	2,491,813
Operational result	(121,310)	173,201
Financial income	(3,678)	55,584
Net result	(124,988)	228,785

Thanks for contributing to our greater impact

We are proud of our achievements in the first full year of our Making Water Count programme. Although the Covid-19 pandemic brought many challenges, Aqua for All's partners were critical to our success in reaffirming their support and trust in our work and in newly identified opportunities.

We are very grateful to our partners in 2020, especially (in alphabetical order):

Akvo, Amref Flying Doctors, Danone Communities, Incofin Investment Management, **Marie-Stella-Maris Foundation**, **Ministry of Foreign Affairs of the Netherlands**, NWP, Osprey Foundation, Roots of Impact, **Sanitation and Water Entrepreneurship Pact**, **The Stone Family Foundation**, **The Toilet Board Coalition**, The Waterloo Foundation, **VEI**, VOx Impuls, Waste, Water.org, **Waterpreneurs**, **WaterWorX** and **World Waternet**.

Special thanks to all our implementing partners for their commitment and efforts during this challenging year. Together we have taken important steps to make safe water and proper sanitation a reality for many more communities, families and households.

We look forward to continuing our partnerships in 2021 and to building a water and sanitation economy that is more inclusive, sustainable and innovative.

Let's continue Making Water Count!





Aqua for All