

A large, dynamic splash of water in shades of blue and white, moving from the top right towards the center, creating a sense of motion and freshness. The background features a light blue pattern of small circles in the top left corner and abstract, flowing blue shapes on the right side.

Challenge Fund for small-scale water providers in Kenya

FIRST CALL FOR PROPOSALS

Are you a small-scale water provider (SSWP) seeking to provide reliable services while expanding your coverage? And can't you access credit due to lacking bank-worthy collateral? If so, you are welcome to apply for the Challenge Fund.

About the Challenge Fund

The Challenge Fund is a financing facility supporting SSWPs in Kenya. The fund aims to improve the creditworthiness of SSWPs to attract funds to expand and improve their services.

The Fund facilitates "revenue-based loan financing" for SSWPs in partnership with Sidian Bank and Family Bank, Rural Focus Ltd, and Smart People Africa. Qualifying projects can also receive technical assistance support to develop their projects and loan applications.

Loan size

The loan size ranges from KES. 300,000 to KES. 10 million

Who can apply?

Small-scale water providers in Kenya that meet these criteria:

Eligibility criteria for applicants

- To be legally registered as a Society/WUA by the Registrar of Societies, trust, co-operative or company
- Operational for at least 36 months
- Ability to demonstrate financial viability
- Areas of operation: Kajiado, Kiambu, Machakos, Makueni, Nairobi, and/or Nakuru Counties
- Serving a minimum of 300 households
- Minimum of 20% cash contribution to project costs
- Community Water Projects, women and youth WASH enterprises, or private water projects are encouraged to apply

Eligibility criteria for type of project

The purpose of the project is strictly linked to expanding and improving water and/or sanitation services at community or household level. The funding must improve the financial viability of the project. Examples of eligible projects include:

- Household and water kiosk connections
- Moveable assets, including pipes, fittings, meters, pumps, solar panels, etc.
- Purchase and installation of smart technologies, e.g. smart metering
- Expansion and development of water distribution, including pipeline extensions and storage tanks
- Repairs or upgrades of pumping capacity
- Source development, with the exception of boreholes
- Solar system installations
- Water treatment systems and equipment

Type of projects that are NOT eligible

- Projects that do not directly contribute to growth in revenue from the improved service, e.g. purchase of office equipment
- Projects that do not focus on water services provision and sanitation targeting the community or households, e.g., carwash
- Projects that require more capital than the maximum loan amounts and cannot adequately demonstrate how the additional capital will be raised and recovered
- Drilling boreholes

How to apply

Applications can only be made online via the [FundMyWater](#) platform. This is a two-step process:

1. Register to create a [FundMyWater](#) account
2. Fill in the "Expression of Interest"

Contact and support

If you have questions or require support, please contact:

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Lending partners:

