

## INTERIM UPDATE: EMPOWERING RURAL VILLAGES TO SUSTAIN ACCESS TO CLEAN WATER

### THE PROBLEM:

With more than a third of hand pumps not functioning in Africa at any given time, governments and international organizations are struggling with how to empower rural communities to take ownership and ensure regular, effective maintenance to sustain access to clean water.

### THE PILOTS:

1. **BIWEEKLY COACHING:** Behavior change takes time, and biweekly coaching helps the community to build new habits, including regular saving for maintenance and improved hygiene and sanitation.
2. **COACHING+SAVINGS GROUP:** This program pairs regular coaching with the creation of a Village Savings and Loan Association (VSLA), which provides a robust local institution for managing savings for the well's maintenance as well as other purposes, such as business investment.
3. **COACHING+PRIVATE UTILITY:** This program supports the village to outsource the collection of user fees and maintenance of the well, with the entrepreneur receiving a small profit from the work.

### INITIAL RESULTS:

The amount of accumulated savings for well maintenance provides a key short-term indicator for the long-term sustainability of the water point. The one-year target for saving is \$70—about the amount needed for annual maintenance and repairs. After six months, two of the three pilot programs are on pace to exceed this target. The Coaching+Savings Group approach has been most successful, with **savings increasing from a baseline of \$6 to \$280 after only six months**. While the savings can be used for multiple purposes,  $\geq$ \$70 is set aside for well maintenance and repairs. Staff and community members credit the transparency of the group savings methodology and the ability to take loans against the savings for business investment and personal reasons. Coaching alone also increased average savings from \$15 to \$52.

### KEY TAKEAWAYS

- 1 The Coaching+Savings Group approach has dramatically outpaced the other pilot approaches in increasing savings. Access to capital is no longer an obstacle for maintenance and repairs.
- 2 Across all pilots, staff began their support with a participatory exercise for the community members to map out their health and economic risks, identify their capacities to mitigate those risks, and develop action plans. Staff and community members agree that this is an important step to build awareness and confidence that the community can act collectively to solve its own problems.
- 3 Looking forward, it will be critical to monitor whether increased access to capital leads Coaching+Savings Group villages to spend the funds on maintenance and repairs, and whether that translates to reliable water access. Likewise, the viability of the private utility model will be more evident by Fall 2017, as the pilot took longer than anticipated to secure community buy-in.

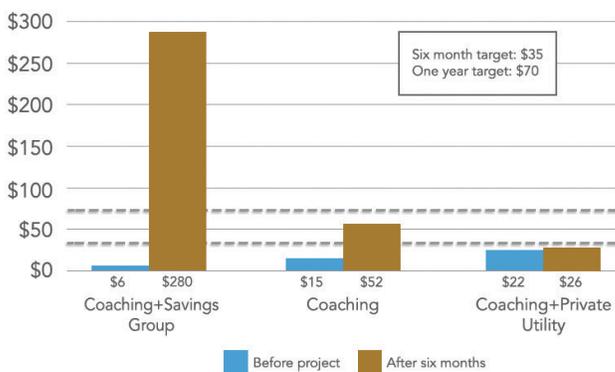
## SAVINGS GROUPS & SUSTAINABILITY

The Village Savings and Loan Association methodology was developed to provide a structured, accountable system for savings and credit in remote villages that the least literate person could understand and trust. The Water Trust has adopted this methodology to provide a means for saving for and contracting well maintenance and repairs. The savings accumulated in the group can be used for loans to group members, with the total amount of savings and accrued interest paid out to each member at the end of the year. While the savings can be used for any purpose, the groups agree that at least \$70 each year is set aside for maintenance and repairs.

Group members develop a constitution, which includes a number of rules and regulations designed to promote good governance, and elect a management committee, with checks and balances to minimize the likelihood of theft or fraud. The group agrees to include in its charter that it will pay for maintenance and repairs out of its savings as needed. Groups are then registered as legal entities and the members meet on a weekly basis to save, take out loans, and pay for any needed maintenance and repairs. After a year of management training and support, savings groups are then prepared to operate independently, with one study finding that 89% of groups last  $\geq 5$  years.

Community members attribute their increased willingness to save and pay for maintenance and repairs to the trust engendered by the transparency and structure of the savings group. In addition to the rules, individuals are less likely to try to cheat the group due to the importance of reputation in the small, remote communities.

Average Amount Saved by Pilot



## LESSONS LEARNED & NEXT STEPS

- 1 Initial results suggest even poor rural villages have the assets to save for and contract maintenance and repairs for the majority of repairs, but lack the institutional support at the village level to enable trustworthy savings and payments. The savings groups typically serve as the only village-level institution that can credibly provide this service.
- 2 We will continue to monitor the extent to which increased savings translates into expenditures on critical maintenance and repairs. The greatest remaining risk with the Coaching+Savings Group approach lays in the possibility that the village ceases to value the water point's functionality, and decides, against the group's constitution, to use the funds for other purposes.
- 3 The savings groups are producing significant value for the community beyond sustainability. The groups provide short-term loans for critical needs, such as paying school fees, medical bills, and business investment, and create a space for the community to discuss village issues. We plan to monitor these additional benefits, as well as explore whether the groups are similarly effective in improving the sustainability of water points built by other organizations.

"As much as our major interest is in having money for the maintaining of the water source, it has another element of income generation. The community is focusing more on generating capital, saving for their capital, but in the process they are saving for the water source." - Scovia Namande, Community Development Officer