Water.org

AID PRIORITIES

The primary organizational goal of Water.org is to stimulate and catalyze investment in water supply and sanitation (WSS) access in developing countries and to raise awareness of and investment towards water supply and sanitation finance for achieving SDG 6. Water.org is dedicated to helping solve the global water crisis through making capital for WSS affordable and ubiquitous to those living at the base of the economic pyramid.

Water.org partners with carefully selected local financial institutions to design, pilot, and scale affordable water and sanitation loans. Water.org provides technical assistance and small grants where needed. Initiatives like WaterCredit help bring the expert resources needed to provide small loans to those who need access to affordable financing to make household water and toilet solutions a reality. It is a pay-it-forward system that makes it possible to help more people in ways that will last, as repaid loans can be lent to another family in need of safe water and sanitation. Water.org also partners with water and sanitation providers to enhance their capacity to obtain financing in order to expand as well as improve service delivery for their customers.

In 2018, Water.org had an organizational budget of US$ 28 million, all of which was devoted to the WASH sector. Priority countries for WASH development cooperation include Bangladesh, Brazil, Cambodia, Ethiopia, Ghana, India, Indonesia, Kenya, Peru, Philippines, United Republic of Tanzania, and Uganda.

Water.org maintains its headquarters in the United States and currently has offices in Bangladesh, Ethiopia, India, Indonesia, Kenya, Peru, and the Philippines.

WASH STRATEGY/ACTIVITIES

Water.org works towards universal access to water and sanitation through multiple layers. At the grassroots level, the organization works with local financial partners to help them establish microloans for low-income households to finance the toilet that they want or to connect to a local water supply. At regional and national levels, the organization works with governments, the financial sector, and other involved stakeholders to ensure that institutional and/or policy barriers to financing for water and sanitation are removed. At the global level, Water.org contributes to sector dialogues to draw large-scale visibility to the need for innovative financing solutions to the water and sanitation crisis.

ADDITIONAL INFORMATION

1.7 million loans disbursed through WaterCredit in 2018.
99% of loans are repaid.
86% of borrowers are women.
$400 is the average loan size (with the disclaimer that there is a wide variation across countries as well as between water and sanitation loans).

WASH PROGRAMME TARGETS/OUTCOMES

Over 2014–2018, Water.org reached more than 17 million people with improved water and sanitation facilities and services across 17 countries. The organization has mobilized more than US$ 1.4 billion in capital from financial institution partners and borrowers through its WaterCredit initiative. In doing so, it has also pioneered a financing model that others can adopt to reach more people over time and the principles of which can be adapted to finance larger-scale utilities and WASH social enterprises.

Water.org aims to reach 60 million people with access to safe water and sanitation over a five-year period from 2018 to 2022, with the following projections of people that will be reached with improved services and facilities (in millions): India (21.6), Bangladesh (6.9), Ethiopia (0.9), Kenya (2.5), Uganda (0.7), Ghana (1.0), United Republic of Tanzania (0.9), Indonesia (10), Philippines (7.5), Cambodia (4.6), Peru (3.0), Brazil (1.0), Mexico (0.2). At a minimum, basic levels of services are to be provided, with an assumption that some of these services will be safely-managed. Water.org targets the base of the economic pyramid in its efforts, which the organization defines as people living on US$ 6 per day or less.

Water.org WASH AID PRIORITIES: DISTRIBUTION OF AID DISBURSEMENTS

By region in 2017

Source: GLAAS 2018/2019 ESA Survey

http://www.who.int/water_sanitation_health/glaas/en/
LEVERAGING OF AID

Water.org provides technical assistance, connections and resources to help financial institutions in developing countries establish water and sanitation loans in their portfolio of offerings. Water.org has leveraged US$ 26 million in philanthropic funds to mobilize US$ 1.4 billion for water supply and sanitation finance. The US$ 1.4 billion is the amount in loans disbursed by Water.org’s financial partners in-country, who have sourced that capital locally.

To accelerate the pace of impact on the water and sanitation crisis and better align with the objectives of SDG 6, Water.org plans to expand its historical level of impact exponentially. The organization is diversifying its local partners in-country from microfinance institutions to assorted types of banks, water and sanitation service operators, WASH enterprises and entrepreneurs – all those who have sourced that capital locally.

FUTURE OUTLOOK

Water.org’s mission is to ensure household-level access to water and sanitation at scale and targets can be expected to increase annually. Priority countries will remain the countries in which Water.org is currently active, and the organization will be evaluating regional approaches that potentially extend beyond its priority countries. Over the period 2018–2022, Water.org believes it can reach up to 60 million people via a complementary set of strategies: building upon and expanding WaterCredit across broader channels and expanding its influence across the WSS finance sector.

Looking at the problem from the perspective of unlocking more capital into the ecosystem, Water.org is preparing to co-launch a credit enhancement vehicle with IFC to encourage more commercial banks to invest in developing water and sanitation portfolios. This investment has the potential to unlock up to US $1 billion in over 2.7 million loans by banks over the life of the facility, improving access for over 13 million individuals. The first facility will launch in India, with replication planned for other priority countries. Finally, Water.org continues to partner with like-minded stakeholders to drive and influence the global conversation around innovative finance for addressing the SDG 6 finance gap and ensure that sustainable finance models are developed and deployed.