



Eau & Vie

Access to water in slums



Annual report 2010

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1. Introduction: Summary of the report

1.1 The objectives

Eau et Vie (E&V) was created to provide access to water in slums of developing countries, building on two previous business expertise: plumbing in France and microcredit in slums.

An association in compliance with the French 1901 Law was created in 2008, which has 7 board members.

For its pilot project, Eau et Vie decided to implement actions based on social entrepreneurship and close work with the communities. In collaboration with public authorities, it wishes to **contribute to the creation of small companies in deprived urban areas in developing countries (where no one wishes to invest) to create and manage water supply networks**. These small social concessions will provide good quality water to families and assume the risk linked with the recovery. At the end of a 10-year concession and once the project is viable, the public service takes over the activities. At the same time, Eau et Vie delivers adapted trainings on hygiene, environment and security against fires.

The present report covers the period between January and December 2010.

Six expected results were defined at the beginning of the period:

1. Finalize the construction of the network and provide access to running drinking water to the families living in the Sipac slum (Philippines)
2. Start the trainings and the construction of the sanitary complexes for the inhabitants of Sipac
3. Explore new potential zones of intervention
4. Work on the functional, organizational and financial viability of TPA
5. Start a project in Bangladesh
6. Develop new communication and management tools for Eau et Vie

During the period, the following activities were conducted within the framework of the project:

- The work in the Sipac zone was well on its way: the zone was nearly totally covered and offered good perspectives as far as the financial and operational viability was concerned. Sadly, a dreadful fire totally burnt down the neighborhood, leaving more than 3,000 families without shelter and destroying the network and work of TPA.
- Nevertheless, TPA's structure was reinforced by the building up of a serious and competent local team.
- Some new zones were explored inside Metro Manila, but nothing concretized. On the other hand, extra scouting and negotiations were being conducted at the end of the year to determine new intervention zones at the South of Manila (Cavite) and away from Manila, in the Visayas Islands.
- In Bangladesh, a local structure was created and an intervention area identified. The feasibility study is being finalized and negotiations have started with Dhaka's national water supplier, DWASA, and with the UNDP¹.
- Eau et Vie's website was conceived and put on line, new partnerships were signed and a management and information system is being developed.

The fire that took place in the Philippines prevented the trainings and the construction of the sanitary complexes.

¹ United Nations Development Program

1.2 Means

Human resources:

→ In the Philippines

- 1 program manager, with an "international volunteer" status (TPA and W&L program manager)
- 1 part-time accountant (external consultant for TPA and W&L)
- 1 administrative assistant (TPA)
- 1 plumber (TPA)
- 1 part-time coordinator (consultant for TPA and W&L)
- 4 independent collectors (freelance for TPA)
- Contract plumbers to help build the network (TPA)

→ In Bangladesh

- 1 program manager, with an "international volunteer" status, E&V program manager, with a working permit
- 1 administrative assistant hired on a fixed-term basis to assist with SJP's registration
- 14 contract employees from the slums to conduct the census

Material means:

→ In the Philippines

- 1 office
- 3 computers
- 1 printer
- Office equipment
- 1 accounting software « QuickBooks Pro »
- Pedagogical and didactic material (posters, brochures...)

→ In Bangladesh

- Temporary setting up of an office at the program manager's home, while formalizing Eau et Vie's intervention in Bangladesh
- 2 computers
- 1 printer

1.3 Conclusion

Considering what has been achieved by E&V and the potential for new developments, it will be possible in 2011 to send a new expatriate to each country to facilitate the extension of the activities to new zones. At the same time, E&V chooses to keep sending young people with civic service contracts: it enables them to contribute to the programs and acquire an experience in the field of development. E&V can thus conduct activities that neither the local teams nor the team in France have the time to perform. Also, considering how difficult it is to launch such projects, the presence of these trainees often proves very valuable for the expatriates.

From the operations perspective, **at least two projects in the Philippines and the one in Bashantek must be launched. Signing a partnership with the UNDP would be a real opportunity for E&V.**

2. Reminder of the 2008-2009 realizations and of the objectives for 2010

2.1 Reminder of the 2008-2009 realizations

2.1.1 Setting-up of the association Eau et Vie

Eau et Vie (E&V) was created to provide access to water in slums of developing countries, building on two previous business expertise: plumbing in France and microcredit in slums.

An association in compliance with the French 1901 Law was created in 2008, which has 7 board members.

For its pilot project, Eau et Vie decided to implement actions based on social entrepreneurship and close work with the communities. In collaboration with public services, it wishes to **contribute to the creation of small companies in deprived urban areas in developing countries (where no one wishes to invest) to create and manage water supply networks**. These small social concessions will provide good quality water to families and assume the risk linked with the recovery. At the end of a 10-year concession and once the project is viable, the public service takes over the activities. At the same time, Eau et Vie delivers adapted trainings on hygiene, environment and security against fires.

2.1.2 Scouting and launch of a pilot project in Manila (Philippines)

A pre-study was conducted in **Manila (Philippines)**, since Eau et Vie's staff was familiar with its slums through previous micro-credit activities.

In view of the local needs and the potential identified during the study, Eau et Vie decided to send an **expatriate** to Manila in **September 2008** to start a pilot project to provide access to running water in a slum in Manila.

The **general objective** of the project is to give access to running water and to improve the living conditions of people living in deprived areas of Metro Manila in the Philippines.

The **specific objectives** are: a running water network, fire hydrants and sanitary complexes are installed in the areas. The water is sold at an inferior price as the one offered by water resellers. The families are trained and users committees are created.

Key Performance Indicators:

- 100% of the houses in the neighborhood have access to running water
- 1 fire hydrant is installed for every 500 families
- The price of one cubic meter of water is divided by three, in comparison with the one set by traditional water resellers
- Health expenses and sickness leaves are reduced by 15%

The first months were devoted to identify potential zones of intervention in Sipac (North-West of Manila) where 793 families lived, to establish contacts with the communities and the local players and to build up a team. Two local entities were created: **Water and Life Philippines** « W&L » (NGO²) was to deal with the social follow-up and the relations with the local partners; **Tubig Pag Asa** (TPA³), in charge of building up and managing the water network in the slum. A convention was signed with the **water concessionary Maynilad Water** so that TPA could buy water from them and ensure the water distribution in two slums in the Sipac area, Pitong Gatang and Davila. A deal was also made so that the burden of building up the network was shared between TPA and Maynilad. The first results of the project were more than encouraging. **188 houses** (around 1 000 people) **had access to running water and 41% of the Pitong Gatang zone was covered. The price of water was divided by three for the families.** Maynilad was satisfied with the impact and encouraged TPA to work in new areas. Two potential zones of intervention were identified in

² Non Governmental Organisation

³ Small local water supplier

Metro Manila (Karisma Ville and Flovi, both located in Malabon City) and two local players were interested in TPA's and W&L's actions: PCUP⁴ (around Metro Manila) and MIWD⁵ in Ilo Ilo, far from Manila.

2.1.3 Scouting in new countries

A pre-study was conducted in Saïgon and Hanoi in Vietnam and didn't identify specific needs in access to running water. On the other hand, a **pre-study** conducted in November 2010 in **Bangladesh** showed that **accessing running water was a major issue in slums in Dhaka and even in Chittagong** and made it possible to meet local **players interested by Eau et Vie's approach**.

2.1.4 Search for financial partners

Several financial partners decided to support Eau et Vie's actions:

- Michel Guillet and the Fondation pour Genève
- The company Entreprise Delacommune et Dumont SA
- The Suez Environnement foundation
- Henry Huyghues Despointes
- The Robin Hood Institute
- Several particular donors

2.2 Reminder of the objectives for 2010

2.2.1 Continuation of Manila's pilot project and scouting in new zones

The objectives assigned to TPA for 2010 were to finalize the building of the network in Davila, to make sure that all neighborhoods in Pitong Gatang and Davila had running water coverage and to start activities at a minimum level in two new zones. At the same time, W&L's objectives were to support these developments, install fire hydrants and dry toilettes in Pitong Gatang and conduct an evaluation of the impact of the project as far as the social, health and financial conditions of the families were concerned. Finally, the local team had to be reinforced and the search for local funds started, in order to perpetuate TPA's and W&L's activities.

2.2.2 Launch of a new project in another country

After a new successful scouting mission, Eau et Vie decided to **launch a project in Bangladesh**.

2.2.3 Search for partners

To make sure that the activities in the Philippines would develop and that new ones would be launched in Bangladesh, E&V decided to **find new partners that would take part in the projects**.

2.2.4 Various further developments

E&V wanted to create a **Web site** in order to communicate on its activities and keep its partners informed. Moreover, E&V intended to finalize an **information and management system** for its water programs.

⁴ Presidential Commission for the Urban Poor

⁵ Metro Iloilo Water District

3. Realizations 2010

3.1 In the Philippines

3.1.1 Brief description of the actions and reminder of the initial objectives

TPA was created in 2009 to work jointly with the local water concessionaire (Maynilad Water) and take over the distribution of running water in the slums. This action aims at lowering the cost of water for the poorest families, as well as to improve their living conditions, especially as far as health and environment are concerned. TPA made an agreement with Maynilad Water and buys bulk water from them. It also built and started managing a water distribution network in two neighborhoods of the Sipac area, a slum located in Navotas, North-West of Metro Manila. TPA works as a "delegate concession" for the water supplier and plans to hand them over the property of the network in 10 years time. At the end of 2009, several houses were connected to the network, had their own individual meter and received running water, the quality of which was being tested on a monthly basis. A system was set-up to collect payments on the basis of micro-credit procedures. The collectors are themselves members of the community. In addition to providing access to water, TPA also installed fire hydrants and plans, in collaboration with W&L, to create public toilets and showers. This project contributes to reach the government's objectives, which state that by 2015, 86,6% of the population should have access to drinking water and 83,8% of the population to toilets. The project also fills an urgent need of the NWRB⁶: to allow small operators to start rapidly their water distribution activities in deprived neighborhoods, where no traditional players intervene.

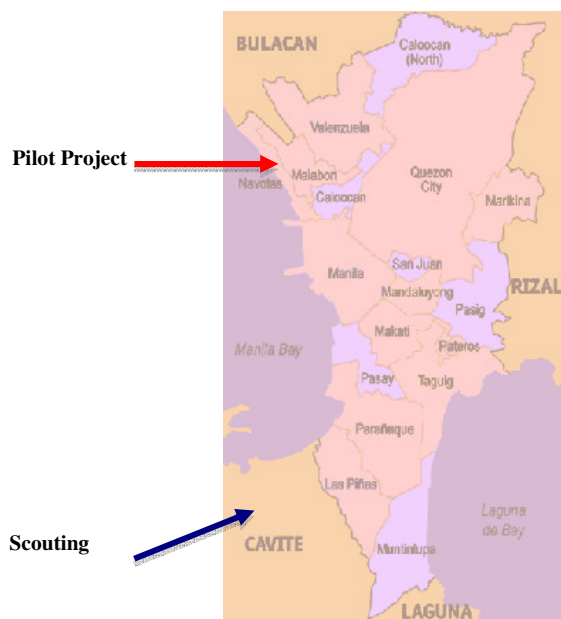
3.1.2 Realizations calendar for 2010

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	June-10	July-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Recruitment and training of a local agency manager												
Recruitment, training and sending of a trainee to support the expatriate												
Obtaining of the commercial license												
Financial viability of the covered zone												
Finalization of the construction in Sipac												
Fire in Sipac												
Support to the whole community of Sipac after the fire												
Negotiations to intervene in Karisma												
Negotiations to intervene in Flovi												
Scouting of new zones in Metro Manila with PCUP												
Negotiations in Ilo Ilo with MIWD												
Scouting in Cebu												

⁶ National Water Resource Board

3.1.3 Localization of the actions

Luzon Island



Scouting in the Visayas



3.1.4 Partners involved

• In the Philippines

➤ Tubig Pag-Asa (TPA)

TPA is a Philippine company in charge of building the network, distributing the water and collecting the payments from the clients.

➤ Water and Life Philippines (W&L)

W&L is a Philippine association in charge of the scouting activities, the trainings and the follow-up of the sanitary aspects.

➤ Maynilad Water Services Inc.

This water concessionaire enables TPA to intervene in the Sipac neighborhoods, installs the required infrastructure to build up the network in the deprived areas and sells the water to TPA at a negotiated price. Maynilad obtained in 1997 a 25-year concession to distribute water in West Manila.

➤ Streams of Knowledge

This autonomous organization, partner of the UNDP and the Water and Sanitation Program (a World Bank program) supports the development of policies to promote access to water, sanitation, health and hygiene on the long term. Streams of Knowledge is W&L's partner to negotiate with Maynilad and to build the sanitary complexes.

• In Europe

- The company Entreprise Delacommune et Dumont
- The Lord Michelham of Hellingly foundation
- The Robin Hood Institute
- The Suez Environnement foundation
- The Trafigura foundation
- Henry Huyghues Despointes
- Michel Guillet and the Fondation pour Genève

3.1.5 Mobilized target groups : nature and number

Just before the fire that took place on August 26th 2010 and devastated the Pitong Gatang and Davila neighborhoods, 585 families from the total 783 targeted ones were connected to TPA's running water network.

3.1.6 Means

Human resources:

- 1 program manager, with an "international volunteer" status (TPA and W&L program manager)
- 1 part-time accountant (external consultant for TPA and W&L)
- 1 administrative assistant (TPA)
- 1 plumber (TPA)
- 1 part-time coordinator (consultant for TPA and W&L)
- 4 independent collectors (freelance for TPA)
- Contract plumbers to help build the network (TPA)

Except the accountant, all the local team members live in the intervention neighborhoods. The team was reinforced during the year. Thus, a young lady plumber was hired on a contract basis with a view to hire her permanently in the future. New agents were recruited to cope with the failure to appear of certain collectors.

One of the new team members holds a lot of promise. This collector could eventually become agency manager. Finally, an agency manager was hired at the beginning of the year, so that he may evolve and become TPA's manager for the Manila region. Sadly, the test period was disappointing and he was let go. The recruitment of a local manager came to a stop when Sipac was destroyed by the fire.

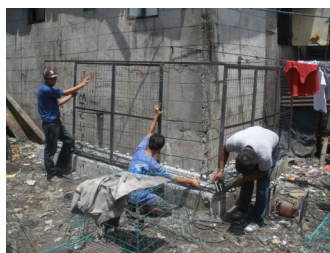
Besides, the hiring of a social worker had been planned but was cancelled because of the fire. Its mission would have been among other things, to measure the impact of the project on the families' health and to participate in the users' committee.



2nd plumber



Collector reading a meter



Plumber and assistants installing a cluster



Team debrief during a Philippe de Roux's mission

The expatriate is very involved and competent. She was able to set up the project and prove its sustainability. Her attitude and response when the devastating fire took place showed how wide her project and team management skills are, even in a crisis situation. The fact that a trainee was present during this period also proved important: she was a great support to the expatriate and the team, both professionally and psychologically. Leaving such urgent situations aside, it appears that water programs are particularly useful, but running them on a daily basis turns out to be particularly wearing. Thus, one month before the trainee was to leave, it was decided to send a new volunteer. The tight team spirit also enabled that the scouting and Eau et Vie's activities in the Philippines be continued, even after the fire badly jeopardized them.

Finally, during the year, the supervision was conducted through e-mails, weekly phone conversations and two follow-up missions from the advisers/supervisors based in France. A

face-to-face meeting was also conducted when the expatriate came to France for her holidays.

Material means (common to TPA and W&L):

- 1 office
- 3 computers
- 1 printer
- Office equipment
- 1 accounting software « QuickBooks Pro »
- Pedagogical and didactic material (posters, brochures...)

As the local development of an information and management system was leading nowhere, it was decided at the beginning of the year to find a developer in France. The question of the computerized management tool of water networks was discussed during a meeting with one of Eau et Vie's partners, the Suez Environnement foundation. After several exchanges and meetings, it was decided that the company's management tool should be adapted to Eau et Vie's needs. At the end of the year, the specifications and the excel data base from the Philippines were given to Ocea, Suez Environnement's subsidiary in charge of software development.

The objective, after the tool has been adapted, would be to make a real test of the software in the Philippines at the end of the 1st semester of 2011 at the latest.



TPA / W&L office

3.1.7 Realized actions – advancement stage

• **Drinking water distribution in Sipac**

➤ *Construction of Sipac's network*

The construction in the two Sipac neighborhoods was **finished in May** and enabled that many alleys be rehabilitated, since they are now covered with cement. The team and some volunteer inhabitants helped out with the construction work. **2 fire hydrants were installed.**



Laying down of the pipes, coating of the floor and clustering of the individual meters in a secured area

➤ *Access to running drinking water*

TPA's clients have access to running drinking water. The monthly tests conducted by a specialized lab confirmed the drinkability of the water. These results were posted in the agency and spread among the clients.

➤ *Technical problems*

During the 1st trimester, certain problems linked with pressure appeared because of the drought that had been going on in the Philippines for several months. TPA did not have the means to face this problem and the difficulties in providing water it generated. Because the situation was the same overall, the users were not discontent with TPA in particular.

➤ *Trainings for the population*

Several trainings were to be launched in September 2010: hygiene and environment, water management and fight against fires. Sadly, this part of the project could not take place because of the fire.

➤ *Sipac's total destruction because of the fire – August 26th, 2010*

On August 26th 2010, in the late afternoon, a can of petrol fell near a hearth. **The fire that followed this accident completely devastated Sipac, causing 7 deaths and more than a hundred injured people. More than 3,000 families lost their homes:** some of them were hastily relocated outside Manila, others spent months living in school gyms. The fire did not spare **TPA's water distribution network: more of 90% of it was destroyed** – only a few pieces could be recovered after thoroughly washing them. The members of the team were also hit by the tragedy since they all lost their homes. **This was a terrible blow** for the team and the expatriate: in addition to their losses, 2 years of hard labor went up in flames and they had to witness enormous human distress. It was thus decided to try and help the team members, the former TPA clients and all the victims of the fire in different ways. The expatriate and the trainee who was there for a few months put all their energy and ingenuity to **organize the collection and distribution of food and clothes for more than 1,000 families and to find a way to offer temporary shelters to the families of the team members** that had lost everything. A big room next to the office was hired by W&L to provide accommodation for 5 TPA agents until January 2011 and enable them to have a shelter for Christmas. Eau et Vie decided to play this partner role in an emergency situation in view of the disaster and the little help provided by the local authorities, always stained with corruption. Several donors mobilized themselves in France and the Philippines to help the families. Eau et Vie's financial partners also helped managing the crisis. Thus, in order to maintain the team and work with the perspective of opening up new programs elsewhere, in compliance with our donors wishes, the salaries were paid during the period of technical unemployment until the end of December and different types of financial help were provided: the disaster-stricken agents received a donation of 5 000 PHP (85 €) for their equipment, 5 000 PHP to build a septic tank and a loan of 20 000 PHP (335 €) with a symbolic interest rate to be reimbursed in 3 years time. These measures will go on as long as there is still hope of starting new activities elsewhere.

After several weeks of incomprehensible negotiations between the land owners and the local authorities, several scenarios were contemplated:

➔ The NHA (National Housing Authority) was to rebuild the neighborhood, concrete the earth zone (between the sea and the cemented area) and then give 20m² plots to the families. This solution was abandoned because the necessary steps were too long.

➔ The owners were to sell plots directly to the families, but only a limited number of families would be able to live in the zone.

This last solution was adopted and a small area of the whole zone (1/2 an hectare) was sold in 10m² plots at outrageous prices for pieces of beach under huge amounts of litter. The acquirers could thus rebuild their homes and W&L was authorized to provide the families with water, by distributing it directly from the pipe. During the month of November the expatriate who had been worn out by all this chaos found her energy back and started again the scouting activities on new zones. **The lesson that needs to be learned from this**

disaster is that the population needs to be trained in the good use of fire hydrants, which could prevent or limit the impact of this kind of disaster.

Pictures of the zone and excerpt of the expatriate's October activity report: "2 months after the terrible accident, the few houses that survived the fire are slowly being destroyed because of the project to reorganize the zone. Sipac looks like a devastated waste ground where a few tent-cloths here and there provide shelter to some survivor families while they wait for their house to be rebuilt".



Sipac before the fire



Sipac after the fire



Beginning of the rebuilding

- **Organization and training of a users' committee**

A monthly meeting with around 10 clients representing the community was set up. The objective was that **information should flow between the users, TPA and W&L, to respond efficiently to the needs of the community.** To form and consolidate this committee, the field coordinator took time to spot leaders and to help them organize themselves. Besides, the mission of the committee was defined. **The creation of a sanitary complex and the installation of fire hydrants were among the priorities.**



Committee's meeting in May

It was decided during the preparatory phase to divide the zone in sectors to make it possible to choose sector representatives who should each represent 50 clients at the users' committee. This people will be trained upfront in fighting against fires and will be the TPA's and W&L's go-betweens in the area, along with the collectors. The objective is to reinforce the community, to share information and prevent that TPA and W&L be always on the frontline when problems arise, especially concerning defaults of payment. These representatives will be elected for a period that still has to be defined and will not be remunerated. They will be consulted while developing the network and defining community projects. This election is an unavoidable prerequisite before the construction work should start. It will also be mandatory for husbands to assist to the meetings where the project will be explained and to jointly sign the contracts.

- **Scouting of new zones**

- *In the big Manila area*

- ➔ Karisma (Malabon City)

In spite of many meetings and a deep study of the network's feasibility, TPA was not chosen to provide running drinking water in this zone. Because of political reasons Maynilad Water was finally chosen and decided to intervene directly and cover the zone, instead of mandating TPA to do so, as originally planned. The local team and W&L were really disappointed as they had invested lots of time and energy in meeting with the owners of the area, the inhabitants, the local committee and several other organizations. The choice of the partner was dubious and Maynilad's attitude not really loyal. This kind of situation is sadly quite frequent, as the water sector is strategic and highly coveted.

- ➔ Flovi (Malabon City)

As for Karisma, eventually TPA did not obtain the concession to install the water network in the neighborhood, in spite of the excellent contacts that had been established with the local associations – who all favored TPA – and an important investment from the team – census to determine the number of families living on the site, long negotiations with Maynilad's local team to share the costs of rehabilitating the network in preparation for the project, etc. Here again, the team was very disappointed by the relationship with Maynilad who did not act as a partner and eventually supplanted TPA and took over directly the operations in the area. At the end of the year Maynilad had not been able to intervene in the zone because of disputes between the owners and the inhabitants. Besides, in Bagong Silang, another zone where Maynilad tried to work as TPA, water access seems to be deficient and the collection rate very low, as Maynilad neglects the in-depth work that such a project requires. And so meters are cut again and the inhabitants start pirating the pipes again, endangering the network...

→ Nadela (Navotas City)

The possibilities of this community of Tangos were explored but nothing came out of it as it was found out that a presumed owner of the zone refused any kind of intervention on his land.

→ Batangas City

The 2 main cities of the province were explored but an intervention was dismissed as the local water company was already very active in the area.

➤ *Outside Manila*

→ Ilo Ilo (in the Ilo Ilo province)

Negotiations with the director of the Metro Iloilo Water District (MIWD) to build a water distribution network in some neighborhoods started at the end of 2009. They were nevertheless suspended because of a project to privatize the MIWD. The MIWD board thus asked TPA to postpone the project until 2011, to allow for the privatization process. The team kept contact with the MIWD and a new meeting took place at the end of 2010 to know if the project was still maintained for 2011. The newly appointed MIWD director informed TPA that Ilo Ilo faces a major water supply problem. The MIWD will launch a call for tenders in December to find a company able to deliver an extra 30,000 liters of water per day. Considering the length of the construction work, the project in Santo Nino and San Juan could not start before July 2011, if the director accepts our intervention. At the same time, a new 16-hectare relocation zone was spotted, which could potentially host a TPA project. During his mission, Philippe de Roux met with the new director. Negotiations are long but there is a good chance that they will succeed.

→ Cebu (Cebu-Mactan province)

Scouting in the 2nd biggest town of the country identified a zone where the water needs are very important and where the local operator, the MCWD (Metro Cebu Water District), would be very interested in having TPA intervene. This area, Lapian (barangay Labogon, Mandaue City), hosts around 500 families, among which only 10 are connected to MCWD's network, because the price of the connection is too high. The other families buy water by the can or from a family company called GAMA that provides water from a well. Connection costs are exorbitant. PCUP also showed TPA a few of their relocation areas: among them are Tipolo, Association LTHAI (barangay Tipolo, Mandaue City) – where some public fountains were installed by an ONG but fail to supply enough water for the whole area – and Kapasar (barangay Talamban, Cebu City) – which currently counts 87 families for a total objective of 300. The rest of the families should soon move in. 2 wells were dug, but it is not enough to serve the whole area. An engineer from the Center of Water Resources from the San Carlos University in Cebu could study for TPA if drilling a well could be an option. The city of Cebu could thus be potentially interesting for TPA, but it all depends on the negotiations with the MCWD.

• **Operational and financial viability of TPA and W&L**

The commercial license was obtained during the year, thus legalizing TPA's activity.

Since May, TPA was generating a positive income after deducting the operating expenses and the amortization of the network. TPA was also reimbursing Eau et Vie for the loan plus interests on a monthly basis until August 2010, when the remaining balance of the loan was written off. Before that, a check account had been opened for the Sipac branch, making it in fact financially autonomous. **Sadly, after the**



fire, TPA's activity was suspended and W&L took in charge all of the expenses (wages, office rental, transportation costs, etc.). TPA's accounts were closed down on August 31st 2010 and the clients' receivables were considered as losses.

On the eve of the fire that destroyed the two intervention zones, TPA's coverage rate was around 74%. Only two clients were being served directly from the pipe. **This coverage rate was in compliance with the objectives** and should have reached more than 90% by the end of the year.

Summary table of the **coverage rate** and the **consumption** until August 26th 2010

1 euro = 60 pesos

Zone		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10, until the 26th	Total
Pitong Gatang (PG)	Water sales (m3)	1 755,14	2 107,68	3 028,28	2 954,82	3 315,33	3 410,45	3 113,26	2 771,35	24 278,48
	Revenue (PHP)	89 779	104 489,25	154 384,25	150 878	164 390	167 051,50	156 293,25	131 730	1 169 715,25
	Number of meters	273	343	353	356	356	362	367	370	
	Number of clients served from pipe	1	2	2	2	2	2	2	2	
Davila	Water sales (m3)				163,83	1 626,62	1 811,39	1 695,84	1 659,44	6 957,12
	Revenue (PHP)				8 029	79 664	88 821	86 337,25	77 716,25	340 567,50
	Number of meters				62	181	188	201	213	
	Number of clients served from pipe				-	-	-	-	-	
Number of clients in PG		274	345	355	358	358	364	369	372	Objective : 499
Number of clients in Davila		-	-	-	62	181	188	201	213	Objective: 294
Number of clients in SIPAC		274	345	355	420	539	552	570	585	Objective : 793
Coverage rate of the zone	Pitong Gatang	54.91%	69.14%	71.14%	71.74%	71.74%	72.95%	73.95%	74.55%	
	Davila	-	-	-	21.09%	61.56%	63.95%	68.37%	72.45%	
	Sipac	34.55%	43.51%	44.77%	52.96%	67.97%	69.61%	71.88%	73.77%	

After the fire, some families rebuilt their houses on the devastated zone. W&L accepted to provide these families with water directly from the pipe until the authorities decide what is to become of this neighborhood. At the end of the year, around 100 families were buying water from TPA. This remains a social non-profitable activity.

3.1.8 Conclusion and perspectives for 2011

Expansion perspectives in Manila are shrinking since Maynilad is trying to copy our method from a strictly technical point of view. On the other hand, operators outside Manila are still human-sized structures who are very much willing to work with TPA. Negotiations take time, but the team is motivated since field observations prove that there are enormous needs. The expatriate and the team members are OK with moving to Ilo Ilo or Cebu if needed, when the projects see the light. **Eau et Vie will devote the 1st semester of 2011 to see if negotiations end up successfully and decide if it maintains or not its activities in the Philippines.** Nevertheless, the signing of a contract in Cavite is well under way.

3.2 In Bangladesh

3.2.1 Brief description of the actions and reminder of the initial objectives

After 10 days of plumbing training in France and 7 weeks of immersion on the pilot project in Manila, **an expatriate** was sent in **May 2010** to launch an access to running water project in Dhaka.

The **general objective** is the same as in the Philippines: to give access to running water and to improve the living conditions of people living in deprived areas.

By contrast, the specific objectives are different from the ones in Manila as far as the cost of water is concerned, according to elements gathered during the first two missions. Apparently poor families buy water at a very low price. Thus, the **specific objectives** are as follows: the neighborhoods are equipped with a running water network, water is sold at an affordable price and fire hydrants and sanitary complexes are installed. Families are trained and users' committees are created.

Key Performance Indicators:

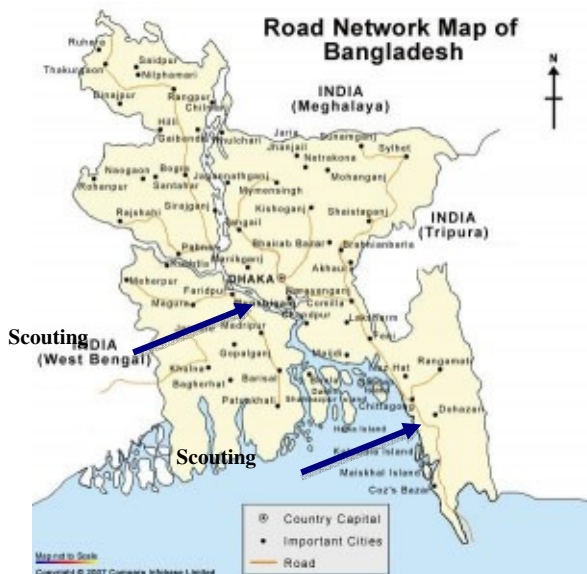
- 100% of the houses in the neighborhood have access to running water
- 1 fire hydrant is installed for every 500 families
- The price of one cubic meter of water is established so as to be accessible to the poorest and enable the viability of the project
- Health expenses and sickness leaves are reduced by 15%

3.2.2 Realizations calendar for 2010

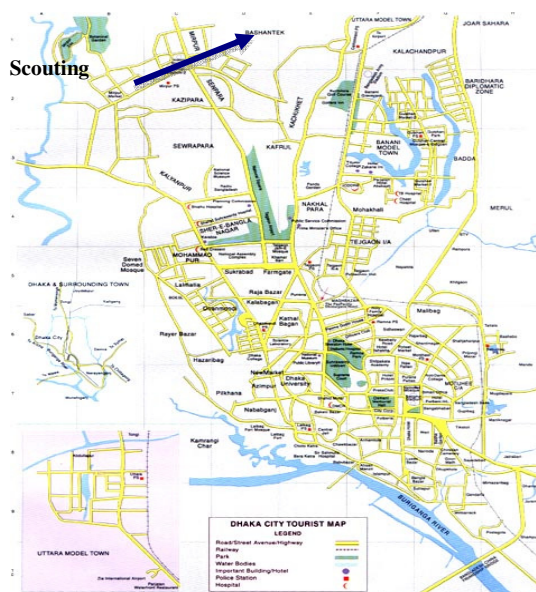
	Jan-10	Feb-10	Mar-10	Apr-10	May-10	June-10	July-10	Aug-10	Sept-10	Oct-10	Nov-10	Dec-10
Training of the Program Manager												
Arrival of the Program Manager												
Bengali lessons of the expatriate												
Exchanges and meetings with local players												
Scouting of potential intervention areas in Dhaka												
Recruitment of an assistant/ coordinator												
Creation and registration of the local company SJP												
Census in Bashantek												
Analysis of the census results												
Launch of a feasibility study – technical + economical												
Scouting of potential intervention areas in Chittagong												
Negotiations with DWASA												
Negotiations with the UNDP												

3.2.3 Location of the actions

Dhaka and Chittagong



Bashantek in the North of Dhaka



3.2.4 Involved partners

• In Bangladesh

➤ Shobar Jonno Pani Ltd

The official steps to register a social business in the Registrar of Joint Stock Companies and Firms were finalized and "Shobar Jonno Pani Ltd." (Water for All) entered this register on December 13th 2010. This process was made easier by the intervention of the program manager's assistant and by her personal network of influence.



➤ Dhaka WASA (DWASA)

The DWASA (Dhaka Water Supply & Sewerage Authority) is the official water distributor in Dhaka. A law passed in 1996 restricts even more, at least on paper, the distribution of water against payment: only the WASA can do it. Nevertheless, WASA seems determined to lift these barriers that prevent it from working along with other companies. Several meetings were held with the DWASA to introduce them the objectives of Eau et Vie and to keep them informed along the way of the advances made with the scouting work and the studies carried over by the team. The DWASA seems interested by E&V's project since it would increase access to water in deprived neighborhoods. Today indeed, the daily water consumption per household is 120 liters for the middle-class households, 400 liters for the well-off families and 40 to 50 liters in the slums (which confirms our estimates). The government's and the WASA's objectives is to bring the average daily water consumption to 300 liters per household, to bring it up to international standards. A national system favoring the poorest was set up by the government within the framework of the Millennium Development Goals: the Low Income Community (LIC)'s goal is that every family has access to water. With this in mind, the government has bet on DSK⁷ to bring water to the deprived neighborhoods and to lower the water bill of the poorest (100 Taka/month against 200 to 300 Taka/month initially). The WASA is allegedly satisfied with DSK's work but wishes, as does the government, to invest on other types of operators to accelerate and optimize access to water in the poor neighborhoods. A collaboration project between SJP and the

⁷DSK is an association working on integrated development programs dealing with micro finance, training, urgency relief and water and sanitation. These last projects are only conducted in Dhaka and Chittagong in partnership with the WASA.

DWASA is currently under study. This would also make it possible for the DWASA to earn some money, as it would lower illegal connections to the network. The DWASA offers technical assistance to SJP. Finally, it should be noted that, in the short to middle term, the DWASA plans to increase the price of the m³ of water from 6 to 12 Taka, as Bangladesh is one of the countries where water is the least expensive, which hampers its management.

➤ **UNDP-UPPRP**

The UNDP-UPPRP⁸ plans to intervene in Bashantek through a global approach dealing with access to water, sanitary facilities and sanitation. The first meetings with the UNDP-UPPRP were very successful: the presentation of our project impressed the UPPRP, who would like to work with us in Bashantek. Our access to water project has a more complete approach than theirs, as far as the benefits for the populations are concerned. A collaboration is thus under study, where E&V would take over the construction of the network and the distribution of the water and UNDP-UPPRP would be in charge of building the sanitary facilities and the disposal of the waste water. Negotiations will continue with the possibility that the funds that the UPPRP had originally budgeted for its own access to water project should be devoted to ours. Moreover, the UNDP is negotiating with the government so that the neighborhood should be provided with services.

➤ **NGO Forum**

The NGO Forum association aims at improving the public sanitary situation by providing access to water – 60,000 delivery points, quality tests, etc. – working towards the reduction of the mortality and delivering trainings. There are 850 members in the network that has 14 regional branches. This network is financed, among others, by the DFID, Wateraid, the WHO, the DANIDA, etc. The possibility that Eau & Vie joins the network once SJP is created is being considered. NGO Forum is a valuable partner for receiving and transmitting information. The association also puts one of its engineers to E&V's disposal to make the technical study in the neighborhoods, and supports E&V in creating the water distribution networks and evaluating their cost.

➤ **Miscellaneous**

E&V and SJP have built a large exchange and collaboration network with the major local organizations working in the water or local development areas, both Bangladeshi and foreign.

• **In France**

- The Trafigura foundation
- The Suez Environnement foundation

3.2.5 Mobilized target groups: nature and number

The target group is the population of the neighborhood that was chosen to host the pilot project in Bangladesh. If SJP's intervention in Bashantek is confirmed and gets started in 2011, the target group will be the 3,000 families of the neighborhood (nearly 13,000 people).

3.2.6 Means

Human resources:

- 1 program manager, with an "international volunteer" status, E&V program manager, with a working permit
- 1 administrative assistant hired on a fixed-term basis to assist with SJP's registration
- 14 contract employees from the slums to conduct the census

⁸ Urban Partnerships for Poverty Reduction project

Material means:

- Temporary setting up of an office at the program manager's home while formalizing Eau et Vie's intervention in Bangladesh
- 2 computers
- 1 printer

3.2.7 Realized actions – advancement stage

During the first months, the expatriate continued and developed the exchanges that were started during the scouting missions with local players in the field of water, in order to know more about the situation and the water access system in Dhaka. At the same time, the different neighborhoods in town were intensely explored and several potential areas of intervention were identified. This was made possible thanks to the support of several local players – NGO Forum, WSUP, Brac, MSF Belgique, DSK, etc. – and to the recruitment of a program manager's assistant with experience in cooperation and development projects.

These first weeks devoted to wrapping up the scouting made it possible to draw up a first analysis of the current situation: **the situation in Dhaka's slums is very different from the one in Manila's slums. First of all, Bangladesh is far poorer than the Philippines.** The alphabetization rate is no higher than 40%, in contrast to 90% in the Philippines. The role of women in the society is very limited, even if 2 of them are at the head of the government. There are very few women on the streets, in the buses, in the shops, etc. The number of children begging and living in the streets is alarming. **Finally, even if the living conditions in the slums are similar in Dhaka and Manila, the access to water is very different.** Like in Manila, many families have no access to water or access a water of very poor quality. But the ones who have access to water through the water resellers, either pay a very small price or an exorbitant price for it. Besides, **there are many water pumps throughout the neighborhoods, as well as washing areas** (both for people and clothes) **and toilets**, all of them more or less correct. These pumps are installed either by the head of the neighborhood or by charitable associations (Plan International, DSK, etc.).

- **Scouting in Dhaka**

In Dhaka, no less than 4 million people live in slums. Several neighborhoods were visited and studied between May and December to identify where the pilot project should be launched. **Most of these neighborhoods are located North West from Dhaka.** Some are private, others illegal and others belong to the government. The criteria according to which we weighed the selection were: density of the population, low level of access to water, low risk of eviction, support of the local population and their representatives to the project, partnership perspectives with the water supplier and other local development players and finally, the technical and financial feasibility of the project.

- Governmental slum of **Bashantek** (Mirpur 14)

This neighborhood, where 3 000 families live, is divided in 3 sectors, each one managed by a neighborhood committee. This neighborhood was created after the 1971 revolution, when these families lost everything and were chased from the homes outside the capital. **The government, DSK and Plan International have built about a hundred hard toilets** that everyone can access for free and **that are maintained by the population.** On the other hand, **families pay in average between 60 and 100 Taka each month to use the nearest water pump** (there are around **400 of them in the whole slum**) **and to get water** (the price varies according to the resources of the family and/or the specific relationships between each family and the water resellers). **Access to the water pumps is managed by around 50 water resellers who collect the payments door-to-door.** A water reseller can have between 20 and 200 clients, and thus win between 2 000 to 20 000 Taka every month by selling water. Payment of the water bill is not included in the rent. The local committee, and specially one of the vice-presidents, Mumin Khan, quickly supported Eau et Vie's project. Finally, E&V took contact with the UNDP who plans to intervene in Bashantek to conduct **sanitation activities** (drainage) and to **strengthen the role of women** (through education, equality, access to rights, etc.). This intervention

seems to mean that there are no eviction plans for this neighborhood and it might be possible to work jointly on the area: Eau & Vie could be responsible for distributing the water by linking to the wastewater system built by the UNDP. Negotiations should thus get started with the UNDP. Besides, to deepen our knowledge of the neighborhood and assess more accurately the feasibility of the project, a census was conducted among the population by about 10 students from the neighborhoods.



Pump and washing area – Common toilets DSK / Bashantek

The first results show that families spend on average **100 Taka/month on water and 150 Taka/month for families with more than 8 members, with a monthly consumption varying between 6 and 8 m³ (around 50 liters/day/person)**. This means that **the average price for 1 m³ of water is 12.5 Taka**. The price paid by Bashantek's inhabitants is "only" double of what is normally paid to the WASA. This means that if E&V is to intervene in the area, reducing the price of water is not an option.

➤ Governmental slum of **Shialbari** (Mirpur 2)

This neighborhood, relatively smaller than Bashantek, hosts 3 000 families and could have become an intervention area, especially considering how well the representatives of the land owners' committee and the water resellers welcomed the idea of the project. Nevertheless, the census conducted by the same students proved that for a large number of families, the water bill was included in the rent and that small owners were numerous. The feasibility of the project depended thus on negotiating individually with each of the owners, which is possible but relatively difficult. That is why Shialbari was discarded as a potential zone to host the pilot project.

➤ Governmental slum of **Jahangir** (Mirpur 14)

Located next to Bashantek, this neighborhood is a small slum, where accessing water is, as usual, a major issue: there are 3 water points with poor quality water for around 140 families. The water is generally included in the rent (around 1 200 Taka/month). Otherwise, families pay around 200 Taka per monthly bill. Since this situation is not really clear, this neighborhood shall not be selected to host the pilot project.

➤ Private slum of **Elias Mollah Bosti** (Mirpur 12)

This neighborhood was created more than 20 years ago. It hosts around 5 000 families and belongs to a member of parliament, Mr. Elias Mollah. Relatively well organized with alleys from different standards, the neighborhood has legal connections to the gas and electricity networks and is connected to the sewers. The houses are grouped around the alleys, mostly equipped with water points comprising toilets and with common ovens. Certain alleys have concrete floors and others have hard-packed surfaces: rents vary depending on the quality between 1 000 and 1 800 Taka/month. Most of the inhabitants (men) work in the clothing industry. Nevertheless, water is still carried illegally from neighboring WASA pipes, which explains its very poor quality. A project to install permanent filters for water is programmed by a local NGO (BASA). However, as it was impossible to meet with the owner of the zone in spite of many attempts, Elias Mollah Bosti was discarded as a target neighborhood to host the pilot project.



Pump and wash area – Common toilets / Elias Mollah Bosti

Consequently, after all the studies and because of the perspectives of collaborating with the UNDP, it was decided that Bashantek would host the pilot project.

The systematic analysis of all the field questionnaires of Bashantek was thus launched, along with a study to determine the technical and economical feasibility of establishing a water network in the slum.

- **Scouting in Chittagong**

A first scouting wave was conducted in the second biggest city of the country with the help of several organizations: NGO Forum, Maisha and AWAC. **The first conclusions point out that the WASA is unable to produce water in Chittagong (CWASA), the water in the slums is of very poor quality** (salinity, turbidity, iron content, etc.) **and is sold to sometimes exorbitant prices** (up to 10 times more expensive than in Dhaka). A target neighborhood, **Motijhonno**, was visited with the support of the CWASA and of NGO Forum: the water there is terribly expensive and at the same time most likely not fit for drinking (the water comes from several individual wells, apparently not very deep). A World Bank 5-year investment plan (2010-2015) plans to raise the CWASA's water production by 65%, but nothing is done so far. The CWASA estimates its losses at 25% and claims it **only provides water to 10% of the slums**, because legal land ownership documents and infrastructures are missing. The network extension to cover these neighborhoods is among the CWASA's priorities. According to its director, a third of the slums' inhabitants get water for free or at a very low price, whereas two thirds don't have access to water or get it at very high prices, reaching 600 and sometimes 900 Taka/year. The only solution for E&V to intervene in Chittagong would be to become a water producer, which would be possible since there exist no drilling restrictions in Chittagong. **The possibility of launching a project in this city is thus not discarded, but Dhaka remains the priority.**

- **Business plan**

Along with the scouting activities, the business plan was updated. Thus, **Bashantek's business plan shows that it would be difficult to finance all of the project development in Dhaka without external help.** What Bashantek's inhabitants pay for their poor water quality represents only two times the price demanded by the DWASA. Shobar Jonno Pani Ltd's activity will thus not be able to cover the network investment and operational costs, unlike what happens with TPA in Manila. Besides, if SJP is to intervene in this neighborhood, it seems it would have to raise the water price to ensure the project's viability (from 100 to more the 170 Taka). The price increase will nevertheless go unnoticed by the families since the monthly water budget is very low and it will be compensated by the decrease in health expenses. As far as Chittagong is concerned, the business plan depends above all on the cost of drilling and operating the well. If these costs are relatively affordable, the viability of a project in Chittagong could be better as the one in Dhaka, since the price of water in Chittagong is often very high (and could be reduced by E&V) and this would enable to also finance the network.

3.2.8 Conclusion and perspectives for 2011

The 8 months of activity in 2010 made it possible to **identify a neighborhood to host the pilot project**, to recruit a competent assistant, to **create a local operator to manage and distribute water** and to tie up **solid partnerships with local players**.

The objectives for 2011 are to **materialize the partnership with the UNDP-UPPRP** (technical and financial) **and with the DWASA and to start activities in Bashantek**. The business plan and the technical feasibility study must thus be finalized. The objective is to start building the network in June 2011. If this happens, an extension to another neighborhood could be considered at the end of the year. The human and material means should then be adapted, of course.

3.3 Eau et Vie's development

3.3.1 Communication and management tools

Eau et Vie's website (<http://www.ong-eauetvi.org/>) was launched in the fall of 2010, enabling the association to present itself and inform about its activities. Besides, after several failed attempts to create our own water management information system, a partnership was signed with the Suez Environnement foundation to adapt their management software to Eau et Vie's activity. Several meetings were held during the year and the decision was validated by Ocea, a Suez Environnement branch, to develop an **information and management system** based on their own software, but adapted to Eau et Vie's needs. This software should be delivered to Eau et Vie during the first semester of 2011 and tested in the Philippines before being definitely installed.

3.3.2 Partnerships' extensions

At the end of 2009, **the Lord Michelham of Hellingly and the Trafigura foundations** decided to support Eau et Vie in 2010. The former was to contribute to extend TPA's activities in Ilo Ilo and the latter was to help extend TPA's activities in Manila and launch the activities in Bangladesh. In January 2010 a breakfast was organized with our partners in a room that UBS⁹ kindly put at our disposal. The objective was to present the realizations in the Philippines, Eau et Vie's strategy in terms of operations and expansion and the 2009 accounts. All the partners decided to further support Eau et Vie. After the fire destroyed the whole Sipac neighborhood and TPA's network, many partners got mobilized to help the victims. Besides, the Lord Michelham of Hellingly foundation supported Eau et Vie by accepting that the grant initially planned to extend the activities in Ilo Ilo (delayed project) should be devoted to Cavite or Cebu, depending on future developments. Finally, the Suez Environnement foundation decided to extend its commitment to providing us with technical support by adapting the water management software of Suez to E&V's needs. This tool should be delivered during the first semester of 2011.

3.3.3 Human resources

- **Expatriates with an "international volunteer" contract**

In 2010 a new expatriate was recruited by Eau & Vie through the NGO Enfants et Développement with an "international volunteer" contract. There are thus 2 expatriates, one in the Philippines and one in Bangladesh.

- **Interns, young people doing civic service**

Along with the expatriates and the local teams, E&V decided to send young volunteers to support the expatriates and work on specific topics. A young student taking a year off was

⁹ Union des Banques Suisses – A Swiss bank

thus sent to the Philippines to strengthen up the internal control, test the new management software and help with the administrative files. Because of the catastrophe that hit TPA and W&L, the young intern participated in the urgency phase and devoted her efforts later to create Eau et Vie's website and to conduct the necessary administrative steps to take young people in civic service on board. Her excellent work made it possible for Eau et Vie to make decisive progress in several areas, both on the field and in France (creation of the website and obtaining of the authorization to hire people doing the civic service).

- **Consultants/experts**

Two consultants follow up the projects and each conducts a mission per year on each of the countries. A third consultant deals with the financial follow-up and prepares the yearly financial report. This consultant works closely with the chartered accountant's office hired by Eau et Vie and with the two other consultants. Finally, a computer science consultant worked on creating the website and on an internet based tool to share files.

- **Board members**

A new recruit joined the board this year. Two meetings were held in 2010, in addition to the breakfast that was organized with the financial partners. The board members apply their critical sense to appraising the projects, contribute developing partnerships, validate the strategic orientations and verify the accounts.

3.3.4 Conclusion and perspectives for 2011

Considering what has been achieved by E&V and potential developments, it will be possible in 2011 to send a new expatriate to each country to facilitate the extension of the activities to new zones. At the same time, E&V chooses to keep sending young people with civic service contracts: it enables them to contribute and acquire an experience in the field of development and E&V can thus conduct activities that neither the local teams nor the team in France have the time to perform. Also, considering how difficult it is to launch such projects, the presence of these trainees often proves very valuable for the expatriates.

From the operations perspective, **at least two projects in the Philippines and the one in Bashantek must be launched. Signing a partnership with the UNDP would be a real opportunity for E&V.**