



Netherlands Enterprise Agency



Sustainable Water Fund (FDW)

Lessons Learnt Seminar

3rd Round, 2nd Call

3rd October 2017



1. Program Introduction
2. Pitches
3. Challenges, Tips, Advice
4. FDW Synergy
5. Networking

Welcome
and
Program



Ministerie van Buitenlandse Zaken

Introduction Ministry of Foreign Affairs (BZ)

Carola van Rijnsoever

Director, Inclusive Green
Growth Department (IGG)



Ministerie van Buitenlandse Zaken

FDWIII

Round 2

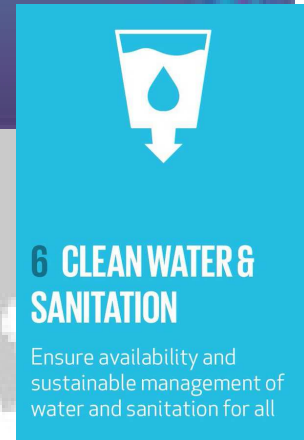
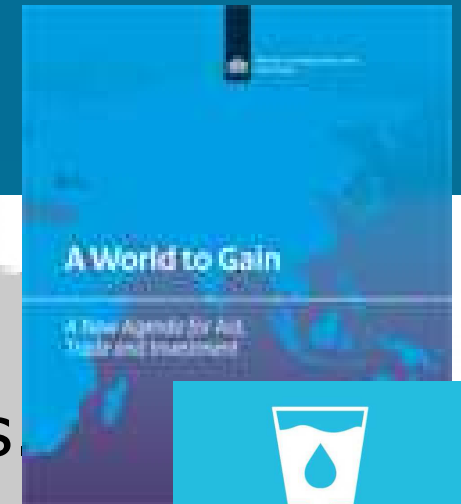
The policy perspective

Joke Baak
Pim van der Male



Why (Public Private) Partnerships?

- Complexity of water related problems
- Attract additional funding for water.
 - *Via business models*
 - *Via co-funding*
- Mobilise/transfer other added value of private sector. (e.g. technology, marketing).
- Investments help build local economies.
- Ambition to provide opportunities for the Dutch water sector.
- Also involves NGOs and Knowledge institutions.





Key policy points to address: Thematic Balance



7 projects
:31 mln



20 projects
:126 mln



5 projects
:18 mln





Key policy points to address: Development objectives

Sustainability



Gender



Pro Poorness





Key policy points to address: The partnership

Public partner

(Local) private partners





Key policy points to address: Quality of the proposals

Clear policy rules

Support

Time Frame





Conclusion/summary



- **High bar**
 - *We will support propositions with high potential.*
 - *We allow time to prepare high quality proposals.*
 - *More pro active facilitation.*
- **Next steps**
 - *Reflection and decision making*



Ministerie van Buitenlandse Zaken

Thank you!

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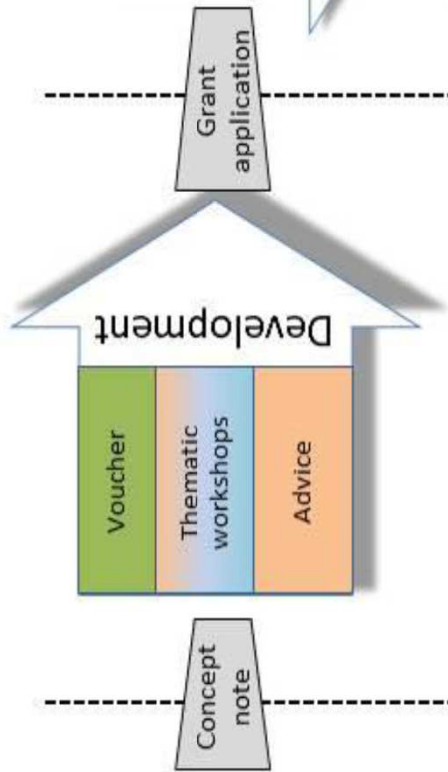
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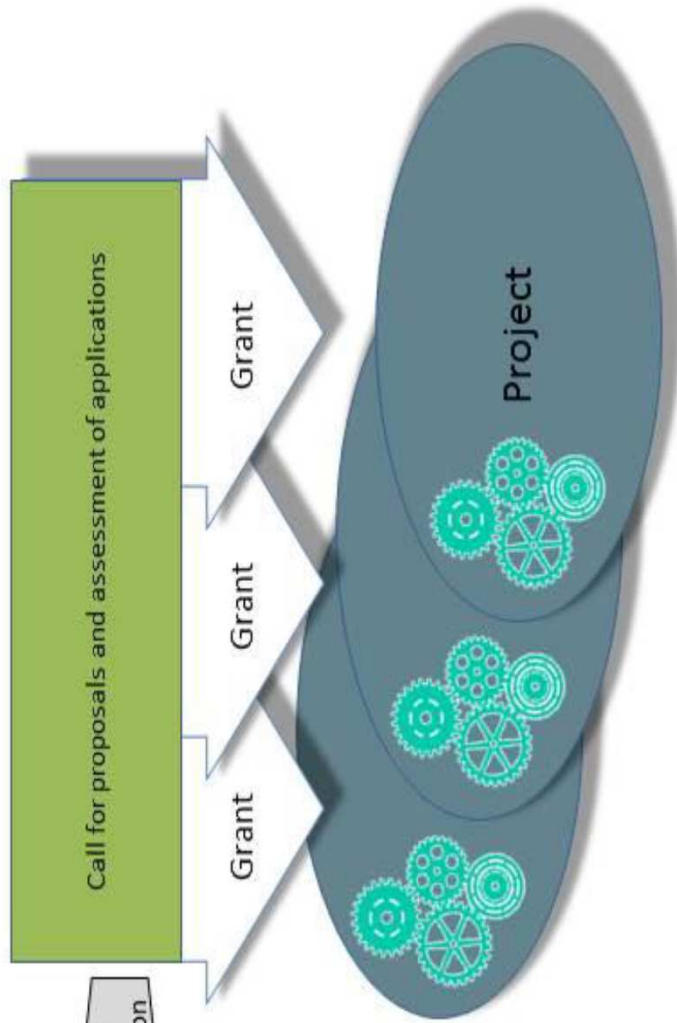
Kick-off FDW III 2nd Round

Astrid Broekaart

Development fase



Implementation and follow-up



Procurement, sector-wide	
	Help get follow-up funding
	Common problems
	Learning and knowledge exchange
	Strengthen networks
	Project add-ons
	Strengthen public party

Important dates:

Second Round	Deadline
Concept Note	Up to Dec. 8th, 2017
Vouchers	Submission up to Dec. 8th, 2017 Redemption up to 5 March, 2018
Application FDW-project subsidy	Feb. 5th, 2018, 15:00h CET (Sharp)
Decision on application	Jul. 9th, 2018

Note: E-Form

More information



- Contact

- fdw@rvo.nl
- +31 (0)88 042 42 49 (option 6→option 3)
- Country project advisors

- <https://english.rvo.nl/fdw>



Question and Answer Session

- Intro BZ
- FDW III Policy Perspectives
- FDW process/procedures



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1. Sustainable Water Services for Rural Mali, **Vergnet Hydro S.A.S**
2. Drops for Crops, **Woord en Daad**, Burkina Faso
3. Pollution Prevention and Efficient Water Use in the Kanpur-Unnao Leather Cluster, **Solidaridad**, India
4. Ridge to Coast, Rain to Tap, **Vitens Evides International**, Philippines
5. IWRM of the Mutamba Basin, Inhambane, **Dunea**, Mozambique
6. Sustainable Water for Inclusive Akagera Valley Improvement, **TechForce Innovations**, Rwanda
7. Household Water Filters for Ethiopia, **Resilience BV**
8. Water revenues as a driver for community development in Siaya County, **Dorcas**, Kenya
9. Citywide PPP led Integrated Fecal Sludge and Solid Waste Management for improving water security and inclusive green growth, **Practical Action**, Bangladesh
10. Anticipatory Flood Management (AFMA) in Alexandria, **IHE Delft**, Egypt

Elevator Pitches

FDW III

1st Round Projects

Sustainable Water Services for Rural Mali: The UDUMA concept

1. Recharge water-card at local sales points



2. Cashless payment at the pump



Guaranteed availability of water



3. Regular maintainancing and data collection



4. Smart use of data





Results

More land in use
(from 126 to 285 ha)

Production increase (4300 Mt onion, 1000 Mt potato per year)

Income increase
(500 Euro/ year per farmer)



Impact

Better education, housing, health care, investments in agriculture



Sustainable Transformation of Kanpur - Unnao Leather Cluster

An effort to Support National Mission for Clean Ganga

Jajmau

Work on Solid Waste Management; Water Management; Chemical Management and Occupational Health and Safety

- CLRI Collaboration
- Reducing Chrome, TDS, pH, BOD, COD, Chloride, TSS, etc
- Tannery House-Keeping practices
- Training on improved tannery processes
- Piloting women labor & small leather business
- Occupational Health and Safety training
- Internal Growth on analyzing tools
- Improving ETP processes inside the tannery

CETP
(Common Effluent Treatment Plant)
Capacity 36 MLD

Pumping station waste
27 MLD

Kanpur City

Drain

Improve Water Quality

- National & International filtration experts for Ganga
- Coalition with Indian Companies for improving water quality

Drain (22 km)

Tanneries

Tanneries

Industrial waste
40 MLD

Unnao

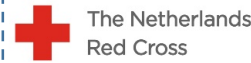
Upgradation of existing Intuitions and Practices

- Improving the available infrastructure
- Promoting water and energy audits
- Promoting in-house water quality measurement facilities
- Workshops on Occupational Health and Safety
- Engaging women in manufacturing leather product

Villages

Improved Living Conditions

- Health and Hygiene Camps
- Awareness on WASH
- Easy filtration solutions
- Good Agricultural Practices



PPP for Sustainable Water Supply in the CdO River Basin

BdR7

- ✓ Source2Tap **BdR6**
- ✓ Inclusion: CAUKBIMC
- ✓ Impact
- ✓ Business Case: PES + WS
- ✓ Commitment public 'P'
- ✓ Enabling environment **BdR4**
- ✓ Up-scaling

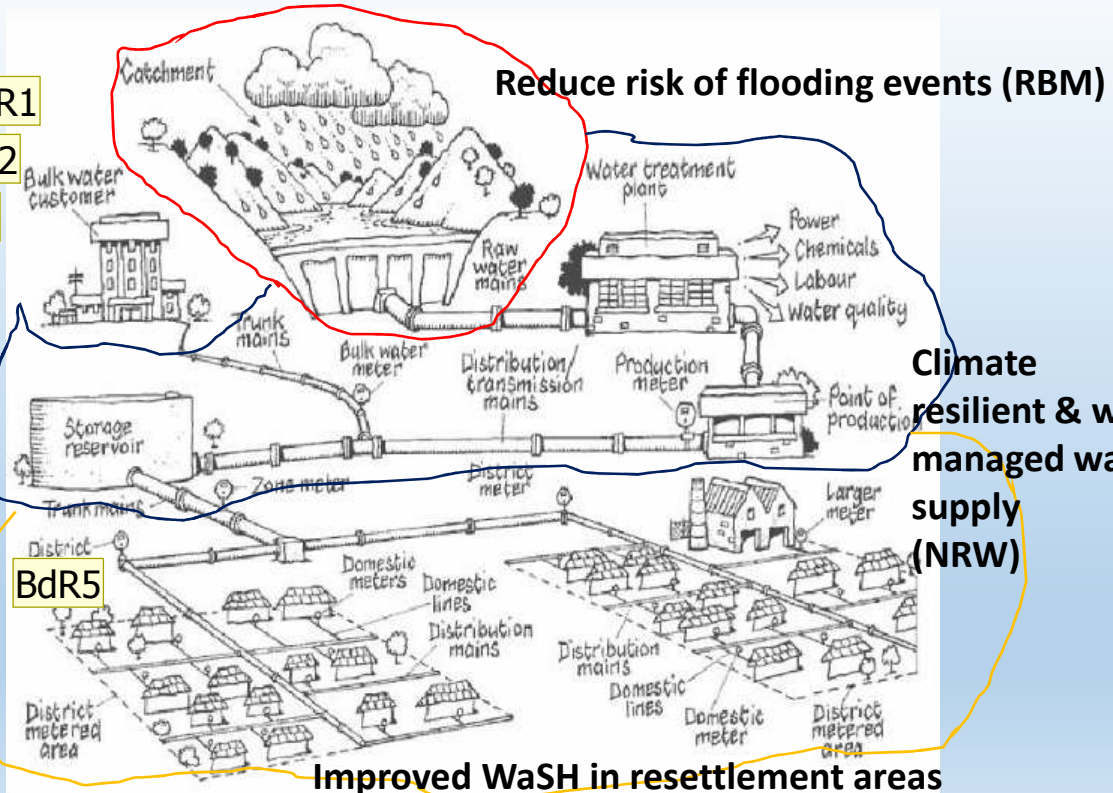
Flood Prevention - Mitigation - Alleviation



BdR1

BdR2

BdR3



BdR5

Improved WaSH in resettlement areas

Dia 21

- BdR1** Sustaining RBMC operations and Retain-Recharge-Reuse (through soil conservation and reforestation incl. river banks: 55 ha).
Blois de, Reint-Jan; 19-9-2017
- BdR2** COWD co-financing beyond PPP (water distribution, sanitation 40,000 people) in developing of a new water source.
Blois de, Reint-Jan; 19-9-2017
- BdR3** Lobby for legalization/institutionalization RBMC and (sustaining) Payment for Environmental Services (currently not in law).
Blois de, Reint-Jan; 19-9-2017
- BdR4** Peer-to-peer exchange other river basins <-> Water Districts
Blois de, Reint-Jan; 19-9-2017
- BdR5** CdO: gateway to Mindanao, third biggest city after metro Manila + Cebu, 2,200 mm/yr - prone to flooding (2011, 2012 cyclones)
Blois de, Reint-Jan; 19-9-2017
- BdR6** 40,000 people downstream (WaSH, DRR), >50 IPs (households) upstream
Blois de, Reint-Jan; 19-9-2017
- BdR7** Involving 50 stakeholders.
Blois de, Reint-Jan; 19-9-2017

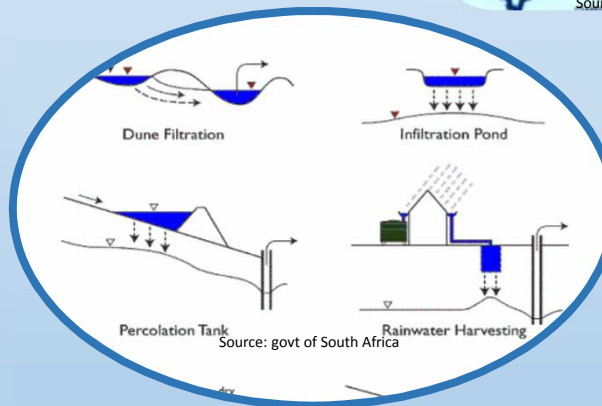
Sustainable access to clean drinking water

IWAMAMBA

Integrated Water Resource Management of the Mutamba Basin

- Working on:*
- Improved river basin management and safe delta's*
- Sustainable access to clean drinking water and sanitation*
- Efficient water use, mainly in agriculture*

Inhambane province, Mozambique 2017-2023
 € 2.192.408
 Sustainable Water Fund

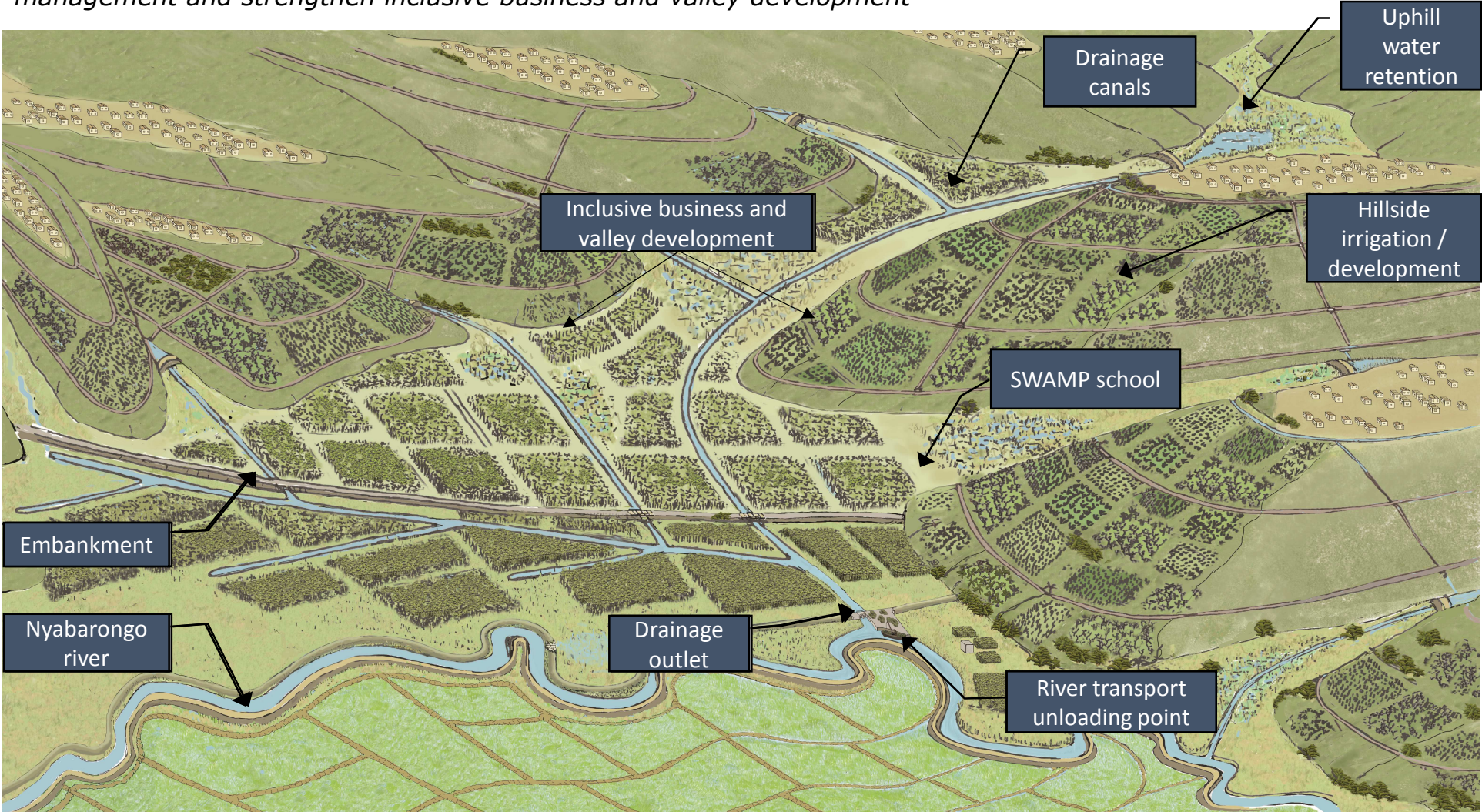


Sustainable access to water for irrigation with Managed Aquifer Recharge

Institutional conditions set for effective and long-term functionality of the water system at basin level

SWIAVI: Sustainable Water for Inclusive Akagera Valley Improvement

a multi-purpose water management system to improve Rwanda's river basin management and strengthen inclusive business and valley development



Project Manager
TechForce Projects B.V.
Steven Gajadin
s.gajadin@innovations.nl

Safe Drinking Water for Ethiopia

The Project

4,000 Health Extension Workers trained on waterborne diseases and household water treatment and storage solutions

50,000 Households buy a water filter resulting in 250,000 people having access to safe drinking water

>25,000 Water Filters manufactured and assembled in Ethiopia

>10,000 water filters bought on credit

The Partners

Bureau of Health Amhara

Resilience NL & SYS Ethiopia

iDE Ethiopia

Nazava Indonesia

Amhara Credit & Savings Institution (ACSI)

The Product



99,99% of bacteria

>2 liters per hour

Candle lasts >1,5

years Storage of 16 liters

1 year guarantee

Water revenues as a driver for community development in Siaya County, Kenya

Objective: Structurally improve inclusive water and sanitation and gender equality in rural areas and create evidence for the 'Public Ownership, Private Management' (POPM) model



7 public water schemes are rehabilitated to provide 24/7 sustainable and affordable access to water for +/- 108.500 people and are sustainably managed by the private operator and local Scheme Supervisory Boards



Customers use prepaid water meter technology to purchase water



For each water purchase, customers earn Maji Osafi loyalty points, with which they can buy sanitation products. 118 private entrepreneurs sell sanitation products and are linked to Maji Osafi system, and earn increased income.



Through local change agents, awareness on the importance of water and sanitation increases in the communities. As a result, +/- 55.000 people live in ODF communities.

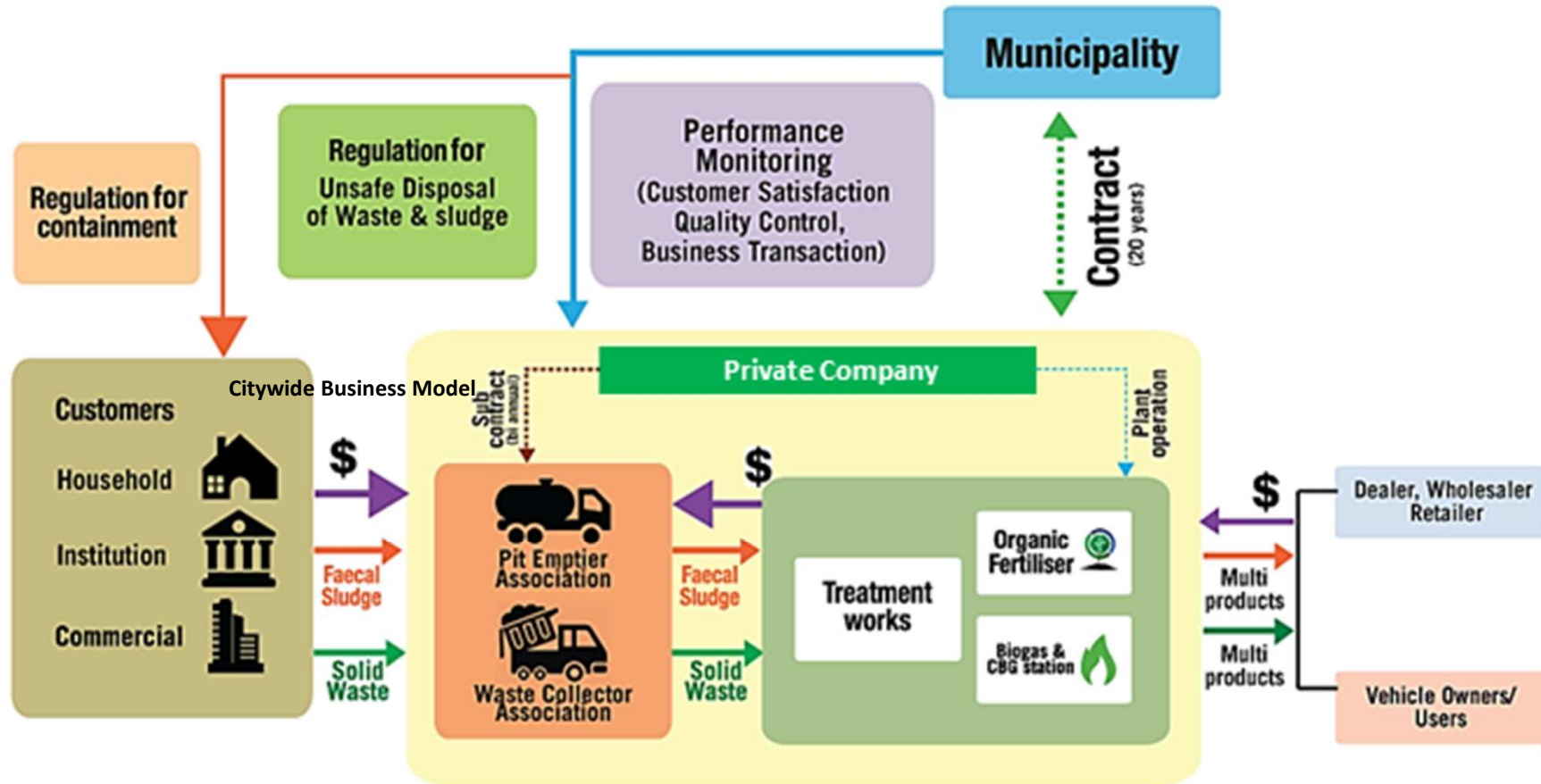


Increased gender equality; women receive opportunities for entrepreneurship and increased decision making power



DORCAS
RELIEF & DEVELOPMENT





Project likely to succeed

- Built on the experience and lesson learned
- Multi-stakeholders' engagement and cooperation
- Local demand of services and product and limited practices
- National priority of sustainable and quality services

Unique Selling point:

- Integrated faecal sludge and solid waste management with nexus to safe food production, climate change
- Inclusiveness and green employment

Anticipatory Flood Management (AFMA) in Alexandria, Egypt

- Focus on short-term actions (quick-wins): implement and maintain AFMA system
- Strengthen Egyptian-Dutch collaboration
- Target AFMA system: 80% damage reduction
- Improving living conditions of 4,8 mln people in Alexandria (1,4 mln in vulnerable / poor groups)
- Stepwise implementation (upscaling)
- Duration of the project: 7 yrs

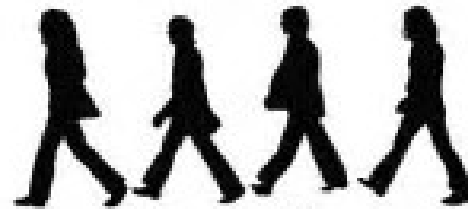
Total project value: 3.3 mln euros

Start: August 2017

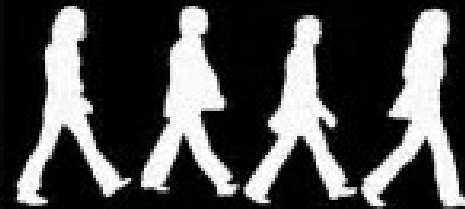




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LOOKING BACK



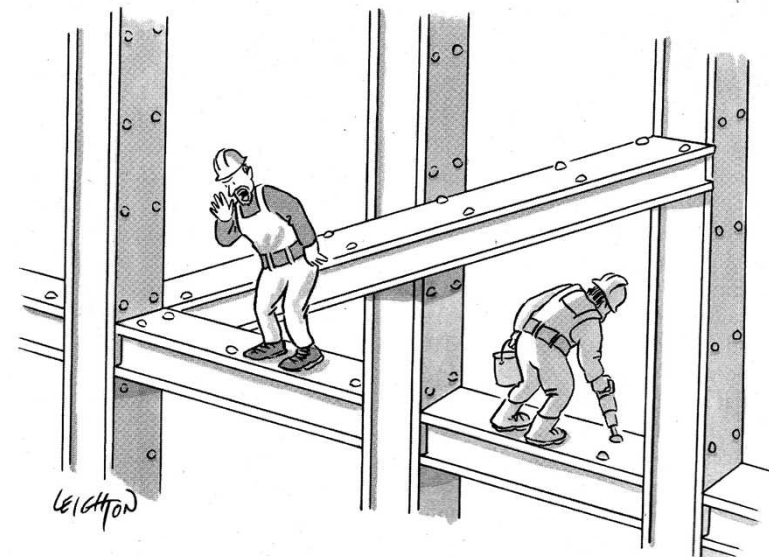
MOVING FORWARD

**Concept note &
Public Private
Partnerships (PPP)**

Session Structure



- FDW policy documents
- Sector Survey (positive advice concepts)
 - 10 received
 - Summary of seminar on website
- Sessions
 1. Concept Note
 2. Partnership
 3. Sustainability, Scalability
 4. Revenue Model
 5. Budget (RVO Advice)
- Each session
 - Sector Survey (Michiel)
 - Challenges
 - Tips
 - RVO advice (Peter)



"Escher! Get your ass up here."

Looking Back – Looking Forward



- **Time constraints** forming partnership (that match criteria) and concept note
- Formulating **approach** and distinguishing partner **roles and responsibilities**
- Relevant **local data**
- Projecting primary business case **beyond project period**
- Knowing **gender** and **capacity building** requirements





- Have **experience** with **PPPs**
- Build on **pilot**
- Start with business case with committed business
- **Full proposal thought out** before formulate concept note
- **Start early** (3-6 months)
 - Establishing concept/proposal team
 - Identifying country
 - Selecting partner
 - Attracting private financing
 - Identification tasks/roles of local public partner
- **Go/no go decision** proposal development
- Make use of **RVO advisory meetings/workshops** i.e. business case (presentation Annex 4)





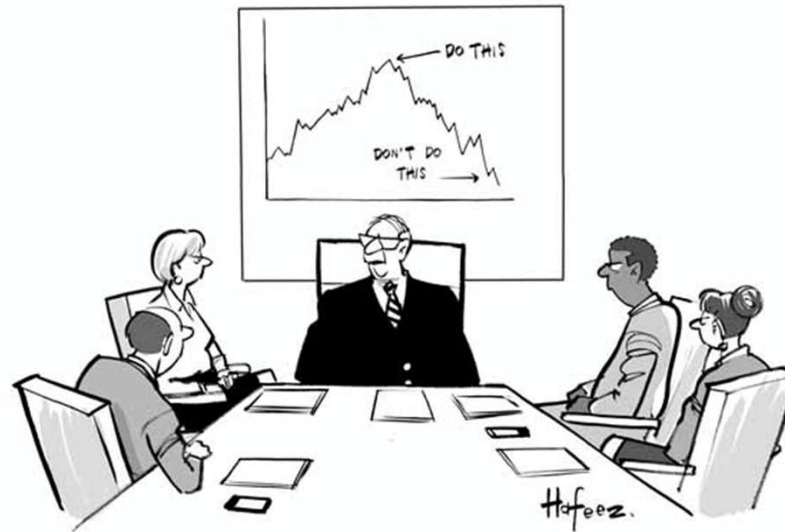
- PPP – should be *genuine*
 - Clear *added value* of partnership
 - Clear *roles, responsibilities and risks* in balance with project outcomes
- Focus on *sustainability, scaling, institutionalisation*
- Pro-poor - *not necessarily most poor, but poor must benefit* from project intervention
- Gender – *minimum sensitive*





Additional Challenges & Tips?

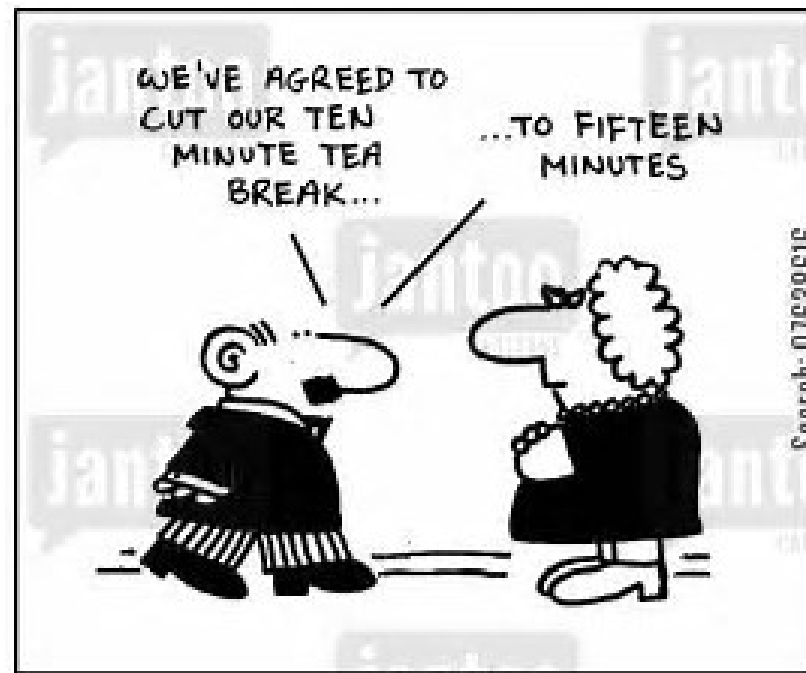
Q&A RVO Advice



"Any questions?"



Coffee / Tea Break





- Identifying **right kind** of partner i.e. **strategic, complementary**
- **Different horizons/ priorities/focus:**
 - Private; revenue model & break-even (medium term)
 - NGO; pro-poor, social (short term & long term)
 - Government; public interest, strategic, system (long term)
- **Government buy-in, financing** & securing Letters of Intent (**LoI**), depending on involvement/project goals
- Business partner **active in project area** and **sufficient financial capacity**
- Finding sufficient basis for private partners **to invest, balanced with FDW pro-poor** objectives





- Have partnership **selection criteria**
- Have basic level of **trust** within PPP
- Consult, build consensus, develop **shared vision**
- Establish/utilise **national platform** to support identification, priorities and partnership formation
- **Leveraged existing** partnership/relations/networks
- Partnership building and composition should **reflect roles and mandates** accordingly
- **Avoid overlap**
- **Utilise experience of other organisations** with ongoing FDW projects





- **Continuation PPP (in some form)** after project (compact)
- **Locally embedded** (all levels) and **demonstrated experience**
- **Understand sector/government** functions, procedures, markets and capacity needed **for institutionalisation**
- Partners added where capacity/resources are **missing** and **compliments/strengths** each others
- **Subcontract:** Where there is only a demand for product/service and no long term interests
- **Balance** of activities/responsibilities/risks





Additional Challenges & Tips?

Q&A RVO Advice



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**Sustainability/
Scalability**



- Mobilising **local credit**
- **Securing financing** beyond project period
- Ensuring substantial increase in **adoption (behavior/technology)**
- Limited **economies of scale**
- Private sector contractual **involvement in O&M / services** without objections locals **and respecting national tariff** regulations (context specific)
- **Attracting** cash contributions public (water) actors
- Matching **BoP WASH solutions** with **commercial operations** of a business model





- **Multi-stakeholder** processes to influence regulations
- Provided **employment opportunities**, both direct and indirect, with a specific focus on youth/women
- Use **local materials**
- **Building capacities** of stakeholders
- Get partners to agree to **invest in future phases**
- Include public partner that can **influence other regions/ private players**
- Include local NGO with **experience in social mobilisation + willing to adopt best practices** from other regions/programs





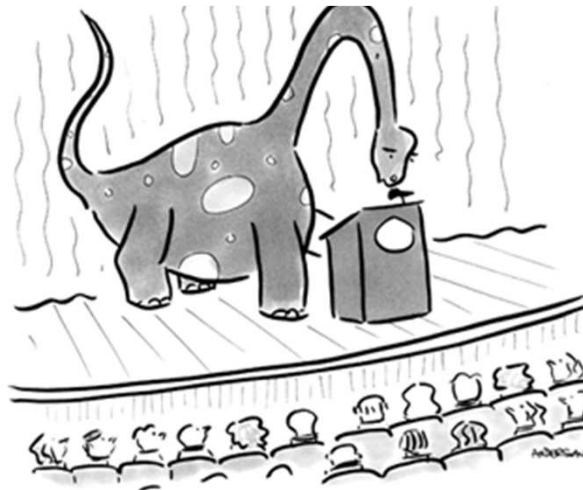
- Sustainability in the **wider context** i.e. ToC
- Identify **changes enabling environment** to realise results
- Intervention strategy **linked** to problem/context
- Infrastructure: Clear ownership and responsibility for **O&M** (9 yrs) and **sufficient capacity** to manage and finance
- Sizable hardware - **RM needed but balanced with TA/results**
- Beyond financial sustainability in RM (**think FIETS**)
- Replication/scaling **strategy plus indicators**; e.g. engage financiers/partner(s) for upscaling (not necessarily partner)
- Logframes: **Sufficient attention** structure, indicators MOVs, risks





Additional Challenges & Tips?

Q&A RVO Advice



"OK, I have time for just one more question.
Anyone have anything other than why
I'm not extinct?"



- Identification **relevant demands & testing** business idea
- **Validating** assumptions and mitigate **demand risk**
- **Calculating revenue** streams (primary/beneficiary)
- Understand **dynamics and linkages** between **Annex 3 and 4**
- Development RM and financial sustainability **in river basin management projects**





- Carry out **market analysis/consumer research** through RVO **voucher**
- Engaging a (third-party) research agency to **validate the demand and adoption assumptions** of the business case
- **Start early** detailing budget and business case + check with RVO
- **Build on** tested business case/project experiences and **check regulations**
- Include a **business development officer** in the team



- **First develop RM**, then fill out annex 4 (be aware of changes)
- RM: **primary, beneficiary or both**
- **Link** primary / beneficiary RM (if feasible)
- Must be **robust** (financial social sustainable)
- **Be realistic** i.e. €1M revenue after 3 years?
- Focused on the **incremental costs/investments**, not total turnover
- Vulnerable groups: Take into account their **ability to pay** for tariffs
- **Please note: Revolving funds** not considered as project costs or capitalised as own contribution



River basin management (RBM)

- The RM less pressing BUT:
 - O&M costs and financing **quantified**
 - **Leverage** private sector **investments in RBM** and be clear how this will be **sustained**
 - Make **clear** why private **partner willing to (co)invest** and what they **expect to get out of it**
 - **Assess businesses dependence** on water and the role/impact they play in the water shed



• Schematic Drawing of Tamshui River Forecasting System



Additional Challenges & Tips?

Q&A RVO Advice



- In-kind contribution: **Specify what this includes** i.e. staff time
 - **Hardware & labour at cost price** supplied by project partner
- Sub-contracting and hardware costs **conform to market prices**
- Hardware: **Provide breakdown** (i.e. unit) and substantiate where required.
- Suggest budgeting for **annual project audit**
- Project management: **keep it lean**
- **M&E 2 - 5 %**



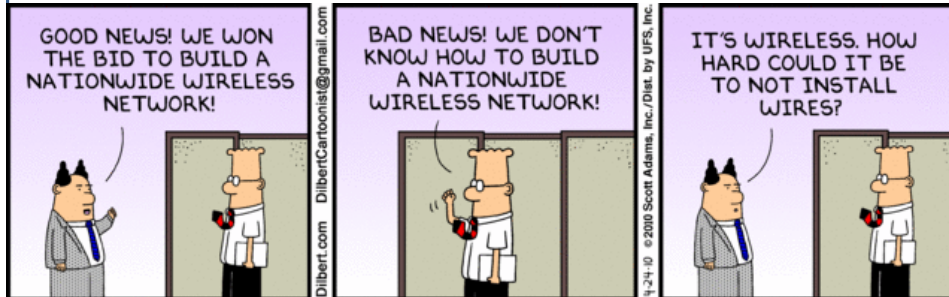
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Seminar Closing



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Networking & Reception

NH Restaurant