

MALAWI

SolarAid – Concern Universal - InterAid

Du 21 juin au 2 juillet 2016 - Marylène Honoré

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# **Abréviations et Acronymes**

BtoB: Business to Business BtoC: Business to Consumer GDP: Gross Domestic Product MFI: Micro Finance Institution SSA: Super Sales Agent VSL: Village Savings and Loans

# **Planning des visites**

	Morning	Afternoon	Night
Tuesday 21	Plane		Lilongwe
Wednesday 22	Solar Aid	Solar Aid	Lilongwe
Thursday 23	Solar Aid	Solar Aid	Mzuzu
Friday 24	Solar Aid	Solar Aid	Nkata Bay
Saturday 25	Solar Aid	Solar Aid	Lilongwe
Sunday 26	Day off		Lilongwe
Monday 27	Concern Universal	Concern Universal	Balaka
Tuesday 28	Concern Universal	Concern Universal	Dedza
Wednesday 29	Inter Aid	Inter Aid	Lilongwe
Thursday 30	InterAid	InterAid	Plane
Friday 1	Plane	Plane	

# **Carte des visites**



# Contexte

#### Malawi key figures

Population: 16.8 million people Density: on average 130 people/km<sup>2</sup> and 184 in the southern region (France = 99) Population growth rate: 2.8% Rural population: 85% Life expectancy: 55.3 years Child mortality: 43.4 ‰ Adult HIV prevalence: 10% Literacy rate: 65.79 % (of which only 41% are women) GNI per capita: 821 USD (World Bank Atlas method) Human Development Index: 171 out of 187 countries Perception of corruption: 110/175 countries Mobile phone use: 32 %

### **Country Overview**

The Southern African nation of Malawi is bordered by Mozambique to the east, south and south-west, Zambia to the north-west, and Tanzania to the north-east. It has an estimated population of 16.8 million as of 2014. Malawi has been able to make important economic and structural reforms and sustain its economic growth rates over the last decade. Nevertheless, poverty is still widespread and the economy remains undiversified and vulnerable to external shocks. Malawi continues to enjoy a stable and democratic government. Since the end of the one party regime in 1993, it has organized five peaceful presidential and parliamentary elections, one of which was a tripartite including local government elections. Current president Prof. Arthur Peter Mutharika (brother of the late dead president) is in his second five-year term which started in 2014. The next elections are due in 2019.

Real gross domestic product (GDP) grew by 5.7% in 2014 but slowed down to 2.8% in 2015 as Malawi suffered from dual challenges of adverse weather conditions and macroeconomic instability. Flooding in southern districts followed by countrywide drought conditions saw a contraction in agricultural production. Maize, the key crop for food security purposes, saw a 30.2% year-on-year drop in production. As a result, an estimated 2.8 million people (17% of the population) are unable to meet their 2015/16 food requirements.

The main commodity of the country is tobacco, representing nearly 80% of the exports, followed by sugar, tea and coffee, which largely are exported in their primary form. The country lacks dramatically of economic diversification but its competiveness is negatively affected by poor infrastructure, weak private sector support institutions, and inadequate access to finance, limited skilled workforce, corruption, onerous bureaucracy and legislation.

Around 40% of the national budget depends on international aid but the financial situation of the government seems very fragile as budget restrictions have started this year since April. The church, mostly protestant, also plays a great role in health and education even if the government has started to take over the management of these facilities.

The main environmental issue is land degradation, resulting from significant loss of soil fertility, soil erosion, serious deforestation (forest cover has declined from ~ 47% in 1975, to ~26% in 2006), water depletion, pollution and loss of biodiversity. According to the 2012 Climate Change Vulnerability Index, Malawi is one of the first 10 countries at 'extreme risk' with very low capacity to adapt to predicted changes in the climate.

Poverty and inequality remain stubbornly high in Malawi. The 2010/11 Integrated Household Survey showed that over half of the population was poor and one quarter lived in extreme poverty. These numbers are not expected to change much with the new estimates to be available in 2017. Poverty has been increasing in rural areas where 85% of the population lives, compared to urban areas where it fell significantly from 25 to 17%. Malawi is one of the most densely populated countries in Africa. The

population density is estimated at 130 persons per square kilometre. The density is higher in the south, leading to smaller farms and hence greatest severity of poverty.

Main challenges

- Lack of infrastructures: transportation, energy, drinking water, irrigation, information and communication technologies leading to a low business attractiveness
- Very low education level: only 7% of the students will finish secondary school and 1% will continue after secondary school. Having your 8<sup>th</sup> grade exam doesn't mean that you will have a place in a secondary school.
- Growing population in an already densely populated country leading to high pressure on the environment
- Limited diversification with heavy dependence on tobacco

World bank: www.worldbank.org/en/country/malawi/overview#3

COFACE : www.coface.com/fr/Etudes-economiques-et-risque-pays/Malawi

African Developement Bank Group: <u>www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/2013-2017%20-%20Malawi%20-%20Country%20Strategy%20Paper.pdf</u>

Oxford Scholarship: www.oxfordscholarship.com/view/10.1093/acprof:oso/9780199683529.001.0001/acprof-9780199683529-chapter-4

# SolarAid - DD/2010/05 - Ex-post visit

**Project**: SunnyMoney Microsolar Project Dates of the project: du 01/02/11 au 28/02/12 Subvention FE / Total expenses: 75 000€ / 167 824 € (45%)

Location: Rumphi, Chitipa, Nkhata Bay, Karonga, Mzuzu, Mzimba and Balaka Beneficiaries: 50,000 people in rural and peri-urban communities Partners: Local and regional authorities, MicroLoan Foundation (MLF)

#### **Main objectives**

- 1- Reduction or elimination of kerosene consumption in rural and peri-urban Malawi
- 2- Measurable improvements in living conditions and opportunities for local communities
- 3- Training, support and creation of opportunities for local entrepreneurs

#### **Specific objectives**

- 1- Training of 80 entrepreneurs in order to create a sustainable network for the distribution of at least 9,000 affordable micro-solar lighting and energy solutions to replace existing inefficient and expensive kerosene-burning lanterns
- 2- Generation of at least 8,000 carbon credits over ten years

#### Visit of the project

SolarAid is an English NGO but the name SunnyMoney is used for the programme on the ground to avoid people thinking that the solar lamps are a gift. Since its start, SolarAid has tested several business models, working on the social enterprise sustainability, but has also designed and participated in development projects with other NGOs. Today, they are selling around 50 000 lamps per year. An important part of these sales are linked to development projects. 80% of the sales are related to the cheapest model, at 6 000 MK (8  $\in$ ).

#### Context

In Malawi, 90% of the population does not have access to electricity grid. Most of the families use candles, kerosene lamps or torches to have light at night with a high daily cost. SolarAid estimates that the purchase of a solar lamp, by replacing the purchase of candles, is reimbursed within three months. It means that after this period, the families continue saving 3 000 MK per month and it allows them to pay school fees for 2 children. Also, if you compare with the torches (using batteries), one family would spend at least 1 000 MK per week; the saving is even faster. So the vision of the SunnyMoney social enterprise is that the solar lamps are really a good way to save money and improve livelihoods of poor rural families.

#### Marketing strategy

As SunnyMoney is registered as a non-profit enterprise, they can't collect the VAT and hence don't have access to the formal commercial network. Thus, they are obliged to work with individuals and informal retailers to sell their products. At the moment, they have around 200 sales agents selling their lamps and to supply them, they deliver regularly small amounts of lamps to 40 retailers in five districts.

This system is time and money consuming and in order to scale up in a context of limited working capital and Kwacha devaluation, the team has been implementing a new organisation to improve its efficiency.

First, they focused during the last years on demand building, through rural school head teachers disseminated in the districts. And now that the demand has increased, they plan to build the capacities of Super Sales Agents (SSA), kind of wholesalers, located in the main trading centres in the districts.



Two sales agents very proud to resume their business after hard times

This way, SolarAid would only have to deliver the lamps to 25 SSA who would buy the lamps cash, switching from a BtoC to a BtoB system and release quickly the working capital to order a new container rapidly.

Also, to bypass the lack of cash of the target population, SunnyMoney experiments innovative solutions like:

- Pay as you Go (kind of leasing system): SunnyMoney uses a special lamp which can be activated for only one month. The client first pays 4 000 MK at the purchase and then contributes 2 000 MK/month to re-activate the lamp until reaching 10 000 MK and being the owner of the lamp without limitation of time.
- Government officials: SunnyMoney collaborates with an MFI providing credits to government officials. This is a safe way to facilitate the access to solar lamps as the reimbursement is directly withdrawn on their salary.
- MFI revolving fund: SunnyMoney is also working with an MFI to create a revolving fund in order to offer credit facilities for its clients (and SSA). Nevertheless, they are still looking for more money to implement this project.
- VSL (Village Savings and Loans): The new strategy also plans to work with VSL groups, as clients but also retailers, to develop its network on the ground.

### **Range of products**

Yellow: Small solar lamp: 6 000 MK (8 €) Green: Solar lamp + phone charger = 16 000 MK (20 €) Red: Solar panel + 1 lantern + 1 remote control = 30 000 MK (38 €) Orange: Solar panel + 3 lanterns + 1 remote control = 60 000 MK (75 €)



The new range of products, easy to use and install, and modular

SolarAid faced forgery problems, mainly with the former cheapest lamp and they had to stop this product because it had a negative impact on their brand image. They are currently designing their own small lamp model in order to increase the accessibility of the lamps for the poorest.

All the lamps are "Lighting Africa" approved, a guarantee of quality. It means that they are shock, water and dust proof. We let one fall on the tiled floor to test and it didn't break.

#### After sales service

In addition to the quality of the products sold, SunnyMoney provides a two years guarantee. If a client encounters a problem, he can bring the lamp back to the retailer who can make small repairs or send the lamp back to SunnyMoney for major repair or exchange.



Which one is the copycat?

Moreover, as the lamps generally last more than 4 years, SunnyMoney also provides spare parts at a good price after the guarantee period, mostly batteries, the weakest part.

Nevertheless, not all the retailers are aware of this guarantee system, nor the clients. In some cases, the sales agent of the area has ceased its business and the clients do not know who they should contact. It would be interesting to have a clear and visible communication on this point and maybe have a kind of hotline with a phone number directly written on the future new small lamp.

#### Difficulties

The main difficulties of this programme come from the economic situation of the country.

The Kwacha devaluation has directly impacted the cost of the lamps because they are imported and payed in dollars. And even if SunnyMoney has increased several times its prices, they have divided their benefits by two to keep an affordable price for the customers. For instance, the former 4 lamps kit used to cost around 22 000 MK ( $28 \in$ ) in 2012 and the equivalent costs now 60 000 MK ( $75 \in$ ). Hence, some sales agents, trained and organised, were not able to purchase new lamps after the price increase and had to stop their activity.

The best seller (80% of the sales) is the cheapest lamp with the smallest margin so the money earned by SunnyMoney hardly covers the logistic fees.



Solar lamps in a trading centre shop

Also, the organisation needs more working capital to increase its stock and provide financing solutions to the entrepreneurs. A container has to be paid 2 months after the delivery whereas the stock will last 5 months.

# Conclusion

SolarAid is growing slowly in a complicated economic context due to money devaluation, successive floods and droughts and thus the decrease of the target population's purchase power. Nevertheless, by working on multiple fronts, the team achieves to sell more than 50 000 solar lamps per year. However, some points could probably be improved for more efficiency and visibility:

- It could be interesting to motivate the area supervisors with a bonus or a variable salary component linked to the number of lamps sold in their area, and to build a structured marketing strategy with them to be more efficient. They are the person regularly in contact with the retailers and they must act as promoters. (e.g. It is not really normal that a retailer, and future super sales agent, does not know about the range of products proposed by SunnyMoney nor the guarantee system).
- The retailer network seems to need a refresh on SunnyMoney's organisation (contact person in the area, guarantee system, repairing, range of products, marketing, social commitment, ...).
- Moreover, SunnyMoney as a brand, is totally invisible. It is important to provide the network with signboards, posters, T-shirts,... especially just before the harvest season, to be more visible but also to build the sense of belonging of the network agents.
- It could be interesting to discuss with Inter Aide about their strategy to select the spare part retailers in the trading centres (involving local chiefs and trading centre chief) and the possibility to use their network to expand to new areas.
- Also, SolarAid should be careful with conflicts of interest that might exist. When a responsible of area is also developing his own solar lamp business, will he really do his best to develop the competition around him?
- Maybe a detail but samples should be used for promotion, not for personal use. If a retailer does not sell a new kind of product, he should return the sample... And then SolarAid can pass it to another retailer.
- And finally, the "saving box" tool could be useful with this target population, especially linked with solar charging station or VSL groups. Using solar lamps, a client will save at least 50 MK every day from candles. This money can be put daily in a box and after 2 or 3 months, when the client opens the box, he has the money to buy his own lamp. This system is often used to promote energy-efficient stoves.

Some of these points are already being considered in the new strategy SolarAid is implementing now and even if a lot depends on the money available, the organisation of the supply and marketing chain can probably be improved without a lot of investment.

#### Project: Msamala Sustainable Energy Project (MSEP) Dates: From 01/12/07 To 31/12/12 Contribution FE / Total expenses: 250 000 € / 992 736 € (25%)

**Location:** TA (Traditional Authority) of Msamala, Balaka district **Beneficiaries**: 140 000 people, corresponding to 31 000 rural households **Partners:** None

#### **Main objective**

Contribute to the eradication of extreme poverty of poor rural people, and contributing to the achievement of the Millennium Development Goals and world Summit on Sustainable Development targets on energy.

### **Specific objectives**

Bringing about improved, sustainable access to fuel wood energy for 140 000 people:

- (i) village forest areas are created to meet demand for firewood, poles and timber
- (ii) fuel efficient stoves at health centres as well as woodlots are initiated
- (iii) 60% of households targeted are adopting fuel efficient stoves
- (iv) installation of solar lighting in schools for 8,000 students and 40 teachers houses.

### Visit of the project

The project started in 2007 and ended in 2012 at the end of our funding. Since then, thanks to the results and the lessons learned, some components have continued under other programmes. In general, the project acted as the launch pad for CU's Sustainable Energy Management Unit (SEMU) which leads CU's sustainable energy work in the country. In addition, the stoves, Natural Resources Management and forestry components were taken up under the DFID/Irish Aid/RNE-funded DISCOVER programme (which is a holistic resilience programme spanning 5 districts and multiple sectors of intervention including Disaster Risk Management and agriculture). CU is still working in Balaka district but not necessarily in the same villages. The visit, four years after the end of the project, was an occasion to visit some of the key components of the MSEP project.

# Solar light in the schools

The project installed solar panels in 10 rural schools in order to light the office, the teachers' house and the  $8^{th}$  grade classroom. They choose to light specifically this classroom because these students have to pass an exam at the end of the year to enter secondary school.

In the visited school, in Chawanda, the system is still working. The panels, the batteries and the bulbs are in good condition. To finance the maintenance of the system, the school gets income from phone and car batterie charging. These small businesses have allowed them to replace the damaged parts since 2010.





Head teacher office with a lot of monitoring tables!

8<sup>th</sup> grade classroom with solar light

Thanks to this installation, the number of students passing their 8<sup>th</sup> grade exam has increased, the school has a good reputation and receives more students, and the turn-over of the teachers has reduced due to better living conditions.

However, it is a shame that the other classrooms don't have access to the same facilities but the technology and the price of the solar panels at that time was much different. With the technologies available today, new solar systems could easily give light to all the classrooms at a relatively low price and hopefully this technology will spread quickly.

# Bee keeping

Around 10 bee-keeping groups have been trained during the project and received hives and small equipment to start their activity.

In Saiwa, like in other places, the group is still working, with 15 active members. They have bought 6 additional beehives thanks to the income they got from the honey, reaching a total number of 40 hives. Each member has to participate in the weekly activities and the income from the honey, after investment, is shared out in relation to the time dedicated to the bee-keeping activities.

Until now, the sales have been done locally, around the village, at 750 MK  $(1 \in)$  per litre, but they have been recently contacted by a buyer from Lilongwe who wishes to buy all their production at 2 000 MK/litre (2,5  $\in$ ). With additional support on marketing and the contact of other buyers they might be able to negotiate an even better price.



Production on honey, protecting forest while giving additional incomes

This activity has allowed the families to buy goats, bicycles, pay school fees, ... Also, thanks to the bees, they are now protecting the forest where the hives are installed and the project staff testified that the forest is really better now compared to the start of the project.

Unfortunately, the group faced recently a first theft of honey in the forest and considering the harsh situation the country is facing, it is possible that this may happen again.

### **REFLECT** approach for functional adult literacy



REFLECT group studying harvest periods

One of the approaches used by the project was REFLECT. The idea is to provide literacy courses for adults by reflecting, with the support of a facilitator, on the daily problems faced by a community (i.e. food shortage) so that whatever they learn is a) relatable and b) enables them to also think through possible solutions at the same time. For instance, by analysing food production and how it is affected during the lean season to find solutions, while at the same time learning how to write, read and numerate., ...

At the beginning, some men participated but most of these abandoned the groups, and the new groups are only made up of women. The first year is done in local language and once they graduate, the learners enter the English course. The REFLECT circles were set up and funded by the project, but as from 2013 the Government took over financing the facilitator so the activity continued. Unfortunately, an NGO will have to take over the payment of the facilitators this year as the government is facing funding shortages.

Thanks to these courses (4 times a week during 2 hours), the learners testified that they learned to count and thus can manage VSL groups, the merchants can't cheat them anymore, they understand better what is happening around them, they can read the directions on the buses, monitor the school work of their children, and they can read the eventual text messages their husbands send to their lovers... and have a better place in the family.

#### Stove production

The idea of this activity was of course to reduce wood consumption but at the same time, to promote pigeon peas production by giving 1 kg of seeds with each stove sold, as the pigeon pea stalks can be used as biomass in the stove. CU trained 15 groups to produce energy efficient clay stoves and despite some reshuffles and sometimes the reduction of the number of members, the groups are still working.

The visited group, in Manjanja, is composed of 16 people (1 man and 15 women), produces 160 stoves a day and a member can earn 30 000 MK (38 €) per month, the minimum wage being around 15 000 MK / month.

The process to produce a stove takes 41 days and the limiting factors are on one side the access to clay, and on the other side, the number of moulds available.

Regarding the clay, this group's local clay source ran out so they have secured supply in another location and need to pay the owner of the pit for the clay they extract and then transport it back to their site, but the quantity and quality of the clay is good.

By contrast, this group received 5 moulds and, unlike the bee keepers, they have not acquired new moulds by themselves after the end of the project. They didn't even have the idea to buy more, despite they face this shortage every day. In this case, the members of the group did not know the price of a mould or where to purchase it. The project team should have provided them with this information before the end of the project and supported them to develop a simple business model to manage their activity. An additional support on business development could help them to scale up and get a very interesting income, as the demand is exceeding the offer.

In parallel, the promotion of the pigeon pea has been a great success. Throughout the area, one can see pigeon



Energy-efficient stoves

pea fields everywhere. The smallholders have taken up this new production to have more firewood but above all because the peas have a good sale price, higher than maize. If cultivated in rotation with the maize, this production should also have a good impact on corn yields, an additional advantage.

Unfortunately, the seeds are not provided anymore with the purchase of the stoves because the project is not there anymore to subsidise this. Given the high adoption rate of this production, the seeds shouldn't be hard to find in the area but their price seems to be a limit for the poorest.

# VSL groups

Like for the REFLECT approach, CU has first asked the communities to choose a facilitator among them. Then, CU has trained them to create and animate the Village Savings and Loans groups. During the project time, in Kambwiri, 3 VSL groups have been formed. Now, there are 15 of them and two new groups want to start next year. At the moment, among the 496 households of the community, 86 people are participating in a VSL group.

The groups meet every week and each member has to buy at least one share (200 MK – 0,25  $\in$ ) and maximum five shares (1000 MK - 1,3  $\in$ ) per meeting. In this group, they provide loans to each other for business purposes with a 20% interest rate per month. And at the end of the year, each member gets his/her share back with the corresponding amount of interest (on average 40  $\in$  per person in 2015).

Before the project, they were all only farmers but now they all run a little business. They sell plastic shoes, dry fish, vegetables, second hand clothes, home cooked food, groceries. Thanks to the VSL and their business, most have been able to build a house, to buy goats and sheep, bicycles, to send their children to college, university and even to study in China. But they also improved their farming

yields, having now access to inputs. The result of the VSL group is really impressive, and it could be even improved with more support to develop their business skills as they demanded during the visit (as well as access to drinking water).

### Protected village forest areas

In parallel with the other activities, the project worked on natural resource management. With the communities, they conducted a Participatory Forest Resource Assessment to conserve and protect their village forest areas (community forests), recognised at the district level and benefitting from a management plan designed by the communities. In Mwaiwathu, since its creation in 2009, no tree has been cut but the committee regularly organises dry wood collection with all the community in the protected forest. Also, the project provided them with 25 beehives and they now increased the number to 35. The protected area and the bees are managed by a committee of 8 members. They are also assisted by an official from the Department of Forestry. Thanks to that, there is no more encroachment in the forest and the trees are now growing. Also, the



Protected village forest area

beneficiaries changed the way they manage their own land and trees and they collect seeds every year to make nurseries and reforest their own land. The money from the honey is still low in relation to the size of the community so the committee decided to buy salt with the income and distribute it to the households. These bee keepers, like the others, would highly benefit from additional support to sell their honey (and possibly the wax) at a better price.

# Conclusion

This project was very diversified with complementary and interesting activities and some are still continuing under other programmes (including promotion of solar lamps in partnership with SolarAid). The final evaluation had shown the good results of the project and this ex-post visit confirms the sustainability of the actions realised.

It is impressive to see how far the beneficiaries have embraced the solutions proposed and how committed they are in their new activities. And if CU had the opportunity, it would be very interesting to give to the groups some specific additional support to help them to continue the development of their businesses.

# Inter Aide – EA/2011/01 – Visite ex-post

**Projet** : Pérennisation et extension d'un système de maintenance des points d'eau en zone rurale **Dates** : du 01/09/10 au 31/08/13

Subvention FE / Total Dépenses : 200 000 € / 992 365 € (20%)

Localisation : Zones rurales de 10 districts situés en régions Centre et Sud du Malawi Bénéficiaires : 3 750 000 bénéficiaires potentiels sur l'ensemble de la zone ciblée. Partenaires : Baseda

#### **General objective**

Contribute to reduce the percentage of the rural population having no access to a protected water source.

**Specific objectives** 

- 1- Improve durably the access to drinking water for the rural communities of 10 districts
- 2- Strengthen the capacities of the local actors (civil society, private and state actors) in the management and the maintenance of the protected water sources.

### Visit of the project

The visits took place in two of the districts of intervention: Dedza, where the program was implemented by the local partner Baseda, and Salima where the program was directly implemented by Inter Aide. Actions carried out have continued according to the same scheme until now and the strategy of the program remains globally the same.

### Area mechanics

The area mechanics are a new element introduced by Inter Aide for the maintenance of the water points constructed or rehabilitated by themselves or by diverse organizations working in Malawi. The Water Departments (WD) were originally responsible for the maintenance but they lacked human and logistic resources to really tackle this issue.

So, the principle of the project is to cut the district into zones which are attributed to local area mechanics. Each one is then responsible of the maintenance and the repair of all the water points of its zone, upon request of the water committees. These mechanics were trained by Inter Aide in association with the WD and

received a bike and tools to start their activity.







Two area mechanics joined for this difficult repair

## Water committees

The water committees are also a key element in the maintenance chain because they are responsible of the water points and of the collection of the money for maintenance and repair. Their training was not part of the project we financed and the water points (and water committees) covered by Inter Aide's network of area mechanics may have been managed by other NGOs before they were integrated into their pool. This explains why the situation is not really uniform regarding this element. Some are well organised, collect money every month and are able to handle a repair in a day, some are less organised and wait for a breakdown to collect money, and other just expect the National Assembly Representative living in the area to handle the problem and pay for the repair. Thus, some repairs can take months.



Water committee with the area mechanic and the head teacher of the school

Nevertheless, the area mechanics can sometimes feel confident enough to deal with this kind of problems, discuss with the village chief and try to advise the committee to find a solution.

#### Access to spare parts



Spare parts in a shop

The access to the spare parts is also a crucial part of the maintenance and repair system as the communities need to have an easy and reliable access to them to engage in managing their water points.

On this topic, the strategies differed depending of the implementing institution. In the districts managed by Baseda, the main store is managed by them in each district capital, and local shop owners go there for their supply. During the last period, a new strategy has been tested, putting the retailers directly in contact with the wholesalers in Lilongwe. The success seems limited, the retailers do not stock up regularly and for the moment this model doesn't seem sustainable in the case of a withdrawal of Baseda.

On the other hand, Inter Aide is experimenting another scheme in its areas. Two local staff of the NGO have started a private business of water pump spare parts supply, Ruwaso (Rural Water Solutions). They got a loan from Inter Aide to start and have now a small store in 6 district capitals with a person working there 6 days a week. The retailers based in the trading centres around go there to complete their stock and this system seems to work better than the strategy implemented by Baseda. The small company is doing well and is already trying to diversify its products (with good bicycles for the

mechanics). The retailers have spare parts accessible at a good price and sell them following the price table established by Ruwaso (same price for all the districts).

Furthermore, the retailers of the network received a start-up package but also a training on the different kinds of spare parts and the importance to give a receipt to the community members. A signboard was installed at the entrance of the trading centre to inform people, but also other NGOs, that this shops exists.

In Malawi, 75% of the water points are equipped with an Afridev pump. This point facilitates the supply of spare parts and the training of the mechanics. Inter Aide is also vigilant to avoid the introduction of new technologies that could complicate the maintenance.



Spare parts in a shop

## **The Water Department**

In each district, the WD is a key partner of the project as he is responsible for the water supply in rural communities. Since the beginning of the project, Inter Aide has integrated the WD and its staff in order to strengthen their capacity and to be able to transfer the activities to them in the future.

Beyond the lack of funds, the good collaboration relies also heavily on human beings and a good commitment of the Water Department Chief is necessary to obtain good results.

Thus, after the handover, the WDs will be responsible for:

- Training of the water committees on water pump maintenance
- Monitoring of the area mechanics' work (monthly meetings)
- Recruitment and training of new area mechanics if needed
- Official recognition of new area mechanics
- Support to area mechanics on problematic intervention on water pump
- Supply of official quotation/receipt books for mechanics and retailers
- Data collection on the situation of the water points
- In the future, licence delivery to spare part retailers

In Salima, the handover is in course and there is not a permanent Inter Aide technician there anymore. The WD tries to continue the monthly meetings with the mechanics but they presently have no funds. Nevertheless, the last enquiry (December 2015) showed 89% of functioning pumps in the district, a relatively good result. The WD chief shows a real interest and commitment to his job and should be an active actor in strengthening the maintenance network in the future.

### Positive signals

In 2014, the government asked the Japanese cooperation to assess the different maintenance and repair systems existing in the country in order to determine national guidelines for this sector.

To a large extent, the model proposed and implemented by Inter Aide has been taken up in these guidelines and it should be replicated in the other districts, by Inter Aide or any other organization willing to work on these issues.

In addition, it seems that the government wants to tackle the problem of water access in rural areas and secured money to increase the WD staff in the long term. Each district should receive 1 or 2 more water monitoring assistant. But the question of the package (moto, fuel) coming with them is still open.

# Next steps of the programme

- Replicate this strategy in two new districts
- Continue to strengthen the capacities of the area mechanics for more professionalism but also more abilities to advise the water committees and the communities.
- Proceed to the handover of the area mechanics network to the WD when the conditions are met.
- Work on the retailers licensing in order to avoid the sales of second hand spare parts and thus theft problems on the pumps.
- Increase visibility of the Inter Aide system and its network in order to avoid duplication of the actions but also negative impact of other potential actions not aligned with the new national guideline
- Make self-sustainable the supply of spare parts, with a system or another.

#### Conclusion

This visit has been the occasion to see that Inter Aide has continued its work in the same districts in order to strengthen and make self-sustainable the system they promote. The results may differ from a district to another but are globally very good. The model has been validated at national level and is now promoted all around the country. This is a good reward for the work done.

If the country is able to stabilise its economic situation and invest money in the water sector, the water access should progressively increase in a sustainable way. Nevertheless, the coverage ratio still needs improvement as all the villages visited had only one water point whereas the population was over 90 households (HH) (national standard = 1 water point for 60 HH).

