

## WaterCredit Market Assessments in Uganda, Kenya, Indonesia and India

WaterCredit, an initiative of Water.org, puts microfinance tools to use in the provision of water and sanitation in developing countries. Water.org contracted *MicroSave*, a boutique microfinance advisory firm, to conduct market assessments in Africa and Asia. *MicroSave* conducted market assessment in Kenya, Uganda, Indonesia and India.

### In Uganda and Kenya



*MicroSave* assessed the demand and potential for establishing WaterCredit among microfinance institutions (MFIs) in partnership with Water and Sanitation (WSH) organisations. The assessment also aimed to identify opportunities to link the microfinance and water sectors, to determine the expertise each sector would require, and to identify challenges and bottlenecks that may affect effective delivery of microcredit for WSH-related purposes.

*MicroSave* reviewed WSH related documents and conducted a series of interviews with WSH organizations, MFI management and MFI clients. These exercises culminated in two dissemination workshops, held in Nairobi and Kampala, which brought together 59 stakeholders including MFIs, Banks, WSH organisations and Service Providers, Wholesale Lending Institutions (WLIs), a World Bank representative, and various representatives of government-affiliated Water Boards.

This [report](#) presents the findings and recommendations of these assessments.

### In Indonesia

Similarly, in Indonesia, Water.org in collaboration with the Caterpillar Foundation assess the market for water, sanitation and hygiene (WASH) services in Indonesia and gauge potential opportunities to expand access to new or improved WASH solutions through financial services. The report was based on analysis of the WASH and microfinance markets across a representative geographic sample of seven provinces of Indonesia from September – November 2012.

Here *MicroSave* conducted a comprehensive series of interviews with a broad range of actors representing government entities, WASH providers, WASH materials manufacturers, non-governmental organisations (NGOs), international development agencies, and financial services providers, with particular focus on previous and existing efforts to improve access to WASH. Researchers also conducted 15 focus groups with residents in rural, urban, and peri-urban areas around seven cities to better understand the nature of demand for improved WASH services across Indonesia.

The [report](#) presents the findings and recommendations.

### In India

Water.org's initial work with MFIs from 2008-2011 has been an important success. MFIs found significant demand for loans for individual water connections, harvesting tanks, toilets, latrines, and similar other products. Utilisation rates for water and sanitation access and loan repayment rates were both very high. As a result of this success, Water.org is in the process of scaling up its WaterCredit initiative with other MFIs across India.



In order to further understand regional markets for WaterCredit loan products and better assist partner organisations Water.org commissioned *MicroSave* to conduct an assessment in Central/Southern India (Karnataka, Madhya Pradesh, and Maharashtra) and M2i to carry out a market assessment for WaterCredit in north India (Uttarakhand, Uttar Pradesh and Bihar), respectively. These Market Assessment reports present insights and understanding of the potential for microfinance-based water and sanitation solutions for India's poor populace.

The Market Assessments were made possible by the PepsiCo Foundation and Water.org partnership. This [report](#) finding is being used to inform WaterCredit expansion in India.