

Connect

SNV

CONNECT IS AN ANNUAL
PUBLICATION PROFILING SNV'S
WORK AROUND THE WORLD

#4 JULY 2015

Working towards
**a brighter
future**

**Interview with IFPRI's
Dr Shenggen Fan**

**Creating value with the bottom
of the pyramid**

**Our highlights in Agriculture,
Renewable Energy, and Water,
Sanitation & Hygiene**

Welcome to Connect 2015

Our annual publication exploring SNV's work around the world

A world without hunger and poverty is within reach. But as world population rapidly increases, we must step up our game. We must keep pushing forward with greater determination to make sure we realise our goals sooner rather than later.



Arthur Arnold,
Chairman,
SNV Supervisory Board



Allert van den Ham,
SNV Chief Executive Officer

In 2011, the Dutch government confirmed its intention to stop providing SNV with guaranteed funding at the end of 2015. This change ignited an even stronger determination to push forward and prove ourselves to all stakeholders. We had to start competing for funding entirely based on the merits of our programmes. And in the past year, we have witnessed the results of our hard work.

In 2014, we exceeded the planned order intake of 2013 by 26%, to reach EUR 126 million. For the first time our revenue from donor sources, based on tenders and grants in the development market, exceeded the core subsidy provided by the Dutch Government 59% vs 41%.

We achieved these results largely thanks to the skills, openness to change and resilience of our staff. They embraced major cultural and organisational change in order to succeed, and they have made sure that we implement our projects and programmes to the highest standards.

One such programme is the highly innovative, results-based finance project, the *Sustainable Sanitation and Hygiene for All Results programme*, which we launched across nine countries in Africa and Asia. Funded by DFID, this programme has demonstrated the quality of our work and validates the new path we took

“In 2014, we exceeded the planned order intake of 2013 by 26%, to reach EUR 126 million.”

in 2011. Through programmes like this, we can continue to fulfil our mission dedicated to a society where all people, irrespective of race, class or gender, enjoy the freedom to pursue their own sustainable development.

What we did not change in the past four years is our core value of taking the local approach. We have changed the lives of almost 12 million people in the past three years by closely cooperating with local governments, companies and civil society organisations to reach parts of society that others find hard to reach.

Changing to an entirely donor-funded organisation is hard but exciting. We must make sure that as a global community we don't fall into the trap of neglecting countries, regions and peoples that, although poor and in need of support, are not geo-politically or economically attractive to potential funders. We must make sure we reach as many people as we can and not leave anyone behind.

In 2015, we look forward to celebrating our 50-year anniversary. It is a cause to rejoice. And while we are eager to look at how far we have come, the celebration will bear testament to the fact that SNV is definitely fit for the future. ●

*Arthur Arnold
and Allert van den Ham*

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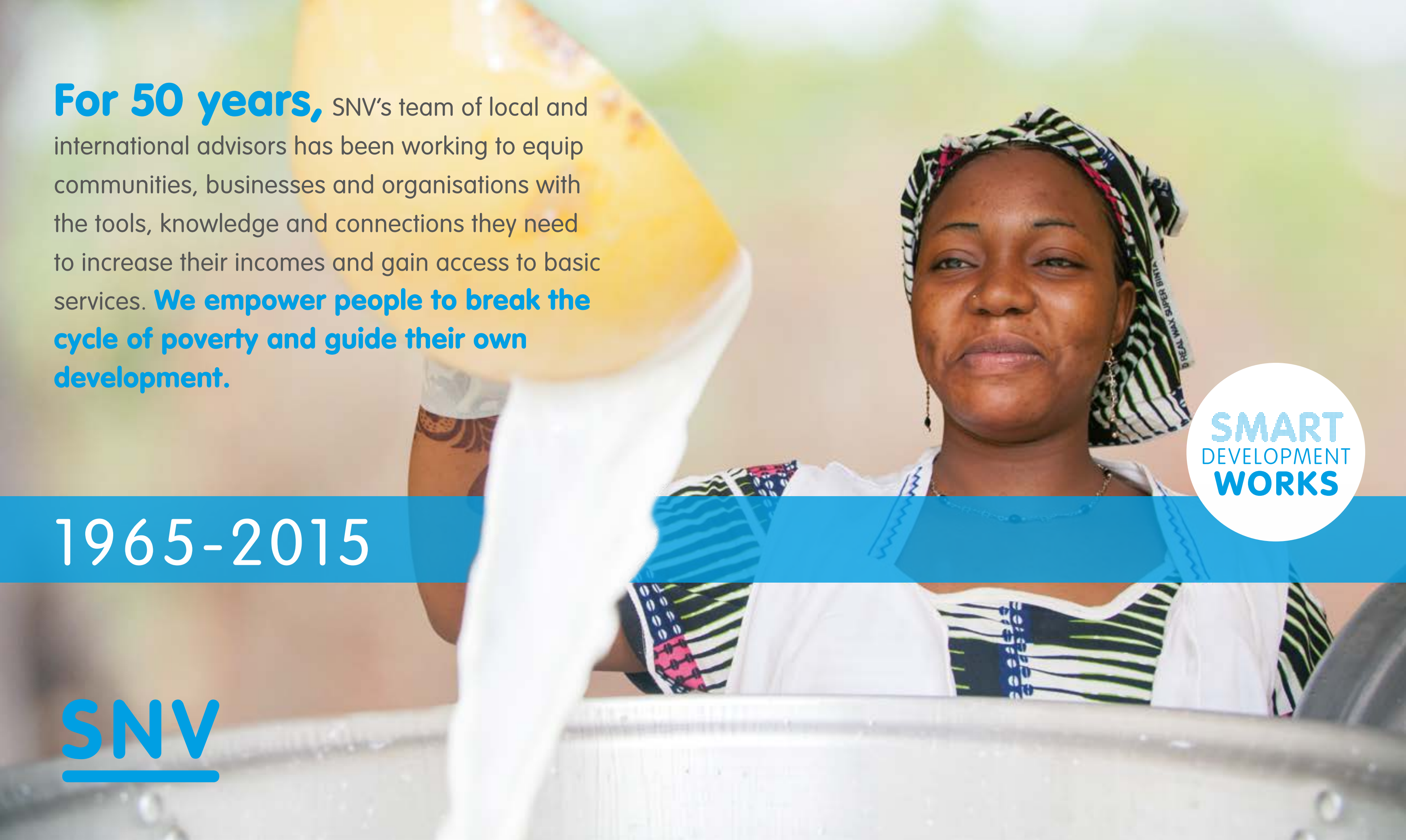
The Leadership Enhancement Action Programme is ensuring that local organisations remain prominent players in addressing the ever-changing needs of the people they serve.

For 50 years, SNV's team of local and international advisors has been working to equip communities, businesses and organisations with the tools, knowledge and connections they need to increase their incomes and gain access to basic services. **We empower people to break the cycle of poverty and guide their own development.**

1965-2015

SNV

**SMART
DEVELOPMENT
WORKS**



Working together towards a world without hunger



Dr Shenggen Fan,
Director General IFPRI

Dr Shenggen Fan is director general of the International Food Policy Research Institute (IFPRI). He has conducted extensive research on pro-poor development strategies in Africa, Asia, and the Middle East.

IFPRI and SNV will work together on the Dutch Ministry's 5-year strategic partnership advocacy programme *Dialogue and Dissent*. The programme aims to strengthen civil society organisations from low- and middle-income countries so they can gain space to advocate for their interests and fulfil their societal role in dialogue with governments and companies.

In an interview with Dr Fan, we not only spoke about working together on the evidence-based advocacy programme, but Dr Fan also shared his thoughts on food security, malnutrition, climate change, and the role emerging economies and the private sector have in reducing hunger.

What are the major barriers to improving food security and why haven't national policies done enough to alleviate hunger?

Our food system is vulnerable to several key challenges that we expect to continue in the near future. These include higher frequency and intensity of extreme weather events; food and oil price volatility; increased risk of animal-borne diseases; growing food safety risks; and rising conflicts.

Many countries have focused on enhancing economic growth. While economic growth plays an important role in reducing undernutrition — for example, 10 percent increase in GDP per capita is associated with 6 percent decrease in child stunting — it is not sufficient. We must accompany economic progress with investment from governments and international partners to reduce inequalities and improve people's lives.

Countries like China, Brazil, Vietnam and Thailand have significantly reduced hunger and undernutrition, and we can learn from their experiences. Their successes show that the right mix of smallholder agriculture-led strategies, social protection strategies and integrated nutrition interventions can greatly reduce hunger and undernutrition.

Is the Sustainable Development Goal to end hunger, achieve food security and improved nutrition, and promote

sustainable agriculture actually achievable in the next 15 years? If so, what measures can we implement to achieve it?

It is possible to eliminate hunger and undernutrition by 2025. To achieve this goal, governments and donors must allocate sufficient resources and pursue appropriate policies and investments. It is promising that the global community and many developing countries have placed high priority on ending hunger and undernutrition in the past few years, but we need to sustain this momentum to achieve this goal.

Africa is still struggling with extreme poverty and malnutrition. With all the investment and campaigns over the last decades, why are we seeing such slow progress?

Despite its huge agricultural potential, Africa is home to a large proportion of hungry people. This is due to several factors, including low agricultural productivity, population growth, weak institutions and capacities, policy distortions, and poor infrastructure.

African countries have, however, renewed their commitment to food security and nutrition. For example, at the 2014 African Union Summit, African leaders committed to ending hunger and halving poverty in Africa by 2025 through increased agricultural productivity, employment opportunities for both women and youth in

“Change is in motion in Africa and sound policies, strategies and investments need to be supported.”

agricultural value chains, and effective social protection programmes.

They also pledged to reduce child undernutrition by lowering the rate of stunted growth and underweight in children under five years to 10 and 5 percent, respectively, by 2025. Change is in motion in Africa and we need to support sound policies, strategies, and investments for it to continue.

In your 2014-2015 Global Food Policy Report, you mention the need to greater recognise micronutrient malnutrition, what you call the 'hidden hunger'. Can you briefly explain this and tell us why it is important?

Hidden hunger is a form of undernutrition that occurs when our levels of vitamins and minerals are too low to sustain good health. Factors that contribute to micronutrient deficiencies include poor diet, increased micronutrient need during certain life stages, such as pregnancy and lactation, and diseases, infections, or parasites. >



“Sustainable land management and climate smart agriculture have tremendous potential to build resilience to climate change. This will require expanding research and extension services to increase tolerance to stresses like droughts or pests.”

While there are physical signs of hidden hunger when deficiencies become severe, such as night blindness due to vitamin A deficiency and goiter from inadequate iodine intake, a much larger share of the population is affected by less obvious “invisible” effects. That is why we often refer to micronutrient deficiencies as hidden hunger.

Hidden hunger is prominent and most severe in some of the poorest regions, such as Africa and South Asia. Overall, it affects more than 2 billion people, leading to mental impairment, poor health, low productivity and even death.

Its effects on child health and survival are particularly acute. Even mild to moderate deficiencies can affect a person’s well-being and development. It also restricts socioeconomic development, particularly in low- and middle income countries.

IFPRI and SNV will be working with the Dutch Ministry of Development Cooperation on a 5-year strategic partnership programme focusing on evidence-based advocacy. What is your view on this initiative? What can IFPRI and SNV jointly do to create added value?

The SNV – IFPRI alliance in the *Dialogue and Dissent* programme represents an innovative way to bridge some of the divide that exists between advocacy and research. By strengthening strategic links between financial institutions, development organisations, civil society

“Effective, efficient and sustainable policies that are well adapted to the local context can help countries maximise the local impact of the global agenda, and tap into external development assistance, which increasingly requires country-led plans.”

organisations and research institutes, *Dialogue and Dissent* sets a course for tackling some of our more persistent and complex global challenges.

This evidence-based advocacy programme strengthens civil society organisations and capacitates them in multi-sector engagement, use of multidisciplinary approaches, and encourages the breaking down of silos, thus improving the enabling environment.

IFPRI has a long history of partnering with civil society organisations to improve the design, implementation, monitoring and evaluation of programmes to help end poverty, hunger and malnutrition worldwide.

IFPRI’s expertise in food policy research complements well the work of field-based organisations, such as SNV, by providing a needed evidence base for the development of appropriate and scalable solutions at the national, regional and global level.

By working together, IFPRI and SNV have the potential to contribute more effectively to the post-2015 agenda of ending global hunger and malnutrition.

How can we bring together the private sector, governments, research institutions and communities to develop inclusive, sustainable platforms that strive for systematic change in how we alleviate hunger?

“By working together, IFPRI and SNV have the potential to contribute more effectively to the post-2015 agenda of ending global hunger and malnutrition.”

Climate change is affecting food production around the world. How can we better prepare ourselves for climate change and build a resilient global food system?

The world is facing a barrage of shocks to our food system. Building resilience is critical, as it will help countries prevent, anticipate, prepare for, cope with and recover from shocks, as well as become even better off. This requires building a healthy, sustainable global food system that can provide nutritious foods for everyone at all times without damaging the planet.

Climate change is one of the many challenges to food security and nutrition. Today, we increasingly experience extreme weather that devastates agricultural production and nutrition for many. To build resilience, we need to invest in research and development. For example, this means we need to breed high-yielding, high-nutrient, climate-ready crop varieties that require less water, land, and energy alongside better soil-nutrient efficiency, and lower greenhouse gas emissions.

Additionally, sustainable land management and climate-smart agricultural practices have tremendous potential to build resilience to climate change. ●

Emerging economies, the private sector and civil society organisations have an increasing role to play in food security and nutrition alongside traditional players such as governments, research institutions and communities.

These groups need to work together to end hunger and undernutrition by 2025. Doing so will also help end extreme poverty and achieve multiple Sustainable Development Goals. And IFPRI is supporting inclusive, multi-stakeholder partnerships to eliminate hunger and undernutrition through the Compact2025 initiative.

Compact2025 will identify strategies to address challenges on the ground while learning from stakeholders at all levels and from multiple sectors, including agriculture, social protection, nutrition and health. It will complement and leverage established networks and initiatives already working to eliminate hunger and undernutrition, and work with those already dedicated to achieve this goal at the national, regional, and global level.

Compact2025 will bring unique strengths from various partners to the table to leverage each other’s knowledge, ideas, resources, and capabilities to inform and influence policy that will help make this goal a reality.



IFPRI has played the important role of providing evidence-based food policy research to guide food security and nutrition strategies in many countries over the past 40 years:

- IFPRI’s research on public investments was critical for sustaining the successes of the Green Revolution in Asia, which began in the late 1960s.
- Work in the mid-1990s helped Vietnam reform its rice sector — the country moved from an importer to one of the largest rice exporters in the world.
- IFPRI’s research findings from 1990s-2000s shaped social protection policies in Bangladesh, Egypt, Ethiopia, and Mexico, leading to positive impacts on food security and opportunities for economic prosperity.
- IFPRI’s research was instrumental in the roll out of the Comprehensive Africa Agricultural Development Programme (CAADP) country process in the early 2000s.

The abundance of hunger

Breaking the deadlock on food and nutrition security

Imagine waking up to find little or no food to feed your family, and then imagine that your family's access to food and essential nutrition will remain insecure for the foreseeable future, with all the consequent negative impacts on their health and wellbeing. This is the devastating reality for approximately 805 million people who wake up food insecure every day.

Whilst there has been significant progress in improving food security over the past two decades, the number of people going hungry every day remains unacceptably high. Additionally nutritional deficits from inadequate food or poor diets expose this and the next generation to long-term impaired physical and mental development.

Why is food and nutrition security so hard to achieve? Many systemic barriers persist, such as ineffective agriculture practices, poor productivity, high food loss and waste, lack of investment in rural development, inequitable land tenure, and gender and income disparities. Combined with challenges such as climate change, economic shocks, volatile food prices and pressure on natural resources, food and nutrition insecurity is an entrenched and prevailing issue, requiring innovative and holistic approaches.

With this reality firmly in focus, SNV has developed an integrated approach to food and nutrition security comprising two complementary solutions: the building of Resilient Food Systems in tandem with supporting Sustainable Nutrition for All (SN4A). Context responsive and scalable, these solutions draw on SNV's experience and incorporate best practices from agriculture, resilience, gender, inclusive

business, governance, sanitation and hygiene. "By integrating proven, market-led approaches and technologies, which directly address the barriers to food and nutrition security we have developed two holistic and innovative solutions, effective in delivering much-needed impact-at-scale." says Sarah Simons, SNV's Global Co-ordinator Agriculture

Building resilient food systems

Mitigating and overcoming complex challenges such as market instability, external price shocks and climate change demands an integrated approach. The Resilient Food Systems solution builds the skills of smallholders, especially women and young people, to minimise food losses, develop household food strategies and practice sustainable agriculture, and advances policy and governance that sustains food access and market growth. It is founded on four interdependent pillars: adaptive and sustainable food production, zero loss or waste of food, informed decision-making at household level, and improved governance in favour of smallholder farmers.

In Ethiopia, where an estimated eight million people are chronically food insecure, this solution is already yielding results. Here, the majority of food insecure communities live in rural areas, are dependent on rain-fed agriculture, struggle with production

constraints, and lack access to financial services, market information and linkages. Gender inequities, limited opportunities to engage in income-generating activities, chronic malnutrition, and climate change all compound household food insecurity. As part of *Graduation with Resilience to Achieve Sustainable Development (GRAD)*, funded by USAID, SNV and partners are working with 65,000 households to reduce chronic food insecurity and poverty, and link over 43,000 households and marketing associations to secure markets.

Smallholder producers of honey, livestock, pulses, red pepper, onion, potato and malt barley are now working with business partners, gaining essential knowledge and training services, access to better seeds and fertilisers, and opportunities to tap into new markets. Engaging the private sector to strengthen access for smallholders to markets, and create business hubs to grow new commercial opportunities, are essential for resilient food systems. "In our view agriculture development is, and must continue to be, primarily private sector and innovation driven, while recognising and addressing the unique challenges faced by those at the bottom of the pyramid." observes Sarah Simons. >



Building resilient food systems is paying genuine dividends for these food insecure communities. For more than 3,000 households supplying Gondar Malt Factory, their collaboration with Gondar for access to improved seeds, training and business networks, has improved farm production, earning these households a combined income of over USD 350,000. In the livestock value chain, farmers have built profitable business relationships with Luna Export Slaughterhouse, benefitting these farmers with livestock sales valued at over USD 160,000. A further 1,671 households are engaged in livestock fattening for private sector traders, with 40 model farmers receiving forage seed and technical support for livestock feed from Edenfield PLC.

In Nicaragua the solution is boosting sustainable food production and building commercial markets, helping Nicaraguan coffee and cocoa producers overcome chronic food insecurity. With the collaboration of private sector company ECOM, this DGIS/RVO funded programme has so far enabled farmers to increase food production by 30%, increasing income and food security for 3,000 smallholder households.

"Solutions such as these increase farmer access to information and technology to produce market quality produce, create demand for their produce and secure a reliable market." remarks Nicholas Nyathi, SNV project manager.

Supporting sustainable nutrition for all

For many decades the effects of food insecurity were most salient, but in recent years the devastating impacts of under nutrition have come into the spotlight. 'Hidden hunger' affects approximately 2 billion people, and is a leading cause of death amongst children under 5 in Africa and Asia. Predominantly affecting women and children, micronutrient deficiencies damage the health and potential of this and future generations.

"Agriculture plays an important role in increasing the availability and affordability of nutritious food but on its own it cannot guarantee improved nutritional status, which is also affected by gender inequitable food allocation, socio-cultural norms, sanitation and hygiene." says Sarah Simons. In response SNV's Sustainable Nutrition for All solution addresses the broad range of factors contributing to improved nutrition: behaviour change, increased and

sustainable agro-biodiversity, women's empowerment, and multi-sectoral policy development.

Underpinning the SDC funded programme *Enhance Nutrition Security of Small-Holder Farming Households, Focusing on Women and Children* in Uganda and Zambia, the SN4A solution will address systemic barriers to sufficient nutrition for 214,000 people. "Our innovative model combines demand creation, improved supply and increased capacity for nutrition governance in order to enable replication and scaling of results. Given the large role that gender plays in decision-making around food, the model targets behavioural change communication to all citizens to facilitate change in gender roles and relations that would enable greater access to nutritious foods. It also addresses the paucity of evidence that currently exists to connect improved household agro biodiversity, with improved dietary diversity and ultimately improved nutritional status." says Sue Ellis, SNV Country Director Zambia.

In Asia where levels of stunting are up to 40% in some countries, the SN4A solution informs the *Nutrition-Sensitive Gender-Aware* agriculture project in Nepal, Indonesia, Cambodia and Laos. In cooperation with KIT, and funded by DGIS, this programme is developing and testing a community mapping toolkit assessing the roles of nutrition, agriculture, gender, and sanitation and hygiene in improving nutrition security. Targeting 40,000 people, this toolkit will assist organisations and communities to plan and design effective nutrition interventions.

Food and nutrition security remains a critical issue in the international development agenda, both now and for the foreseeable future. "By putting smallholder farmers at the centre of our solutions in Resilient Food Systems and Sustainable Nutrition 4 All; SNV's integrated and holistic approach is unique, delivers much-needed impact to vulnerable communities and is taking us an important step closer to breaking the deadlock on sustainable progress for food and nutrition security." observes Sarah. ●



Over 10,500 of the households working with the GRAD programme are female led. Women smallholders contribute significantly to production and invest more in food and nutrition for their families, but barriers such as lack of land ownership, and poor access to inputs and finance means they lack influence and benefit less from their labours. The Resilient Food Systems approach supports female empowerment through training, leadership opportunities and awareness raising of household labour divisions to balance the benefits of income and achievement between women and men equally.

Becoming Generation Zero Hunger: achieving food, nutrition and environmental sustainability

With a global population expected to hit 9.6 billion by 2050, the dominant view is that we need to increase food production by 50-100%. But how do we dramatically increase total global food production and what is the cost?

We must first recognise that producing more food doesn't mean more for those in need, nor that families will eat nutritious meals. The global development community, including SNV, learned this lesson the hard way. We all thought increasing production and incomes would lead to families being better fed. We now know this simply isn't true. In order to provide balanced diets for the world's population we need to boost resilient food and nutrition systems, reduce waste and build deforestation free supply chains while supporting fair inclusion in supply chains for decent incomes.

Animal protein based diets require 10 times more land than vegetable based protein diets, and livestock farming is responsible for most of total agricultural emissions. We surely need to look at ways to moderate meat and dairy intensive diets, especially in high-income countries. We also know that on average 30% of food we produce is lost or wasted. In low-income countries, food is wasted through inadequate harvesting, storing, transport and processing techniques. We can reduce this by investing in and implementing resilient food systems with strong supply chains.

And as the population grows, it is easy to understand why people are tempted to encroach into forests for agricultural expansion. While governments have put policies in place to prevent excessive logging, we need to do more. The world cannot afford more deforestation and forest degradation. Moreover, agriculture is responsible for 30% of greenhouse gas emissions and estimates suggest that agriculture-related emissions alone will take up almost 100% of the

world's carbon budget by 2050. Working with governments and farmers in developing deforestation-free supply chains and environmentally friendly farming techniques needs to be high on the agenda.

Closing yield gaps via agricultural intensification is often cited as the way to increase food supply without increasing our environmental footprint. It is clear that there are



significant opportunities to increase productivity in Sub-Saharan Africa. Yet, too often food production growth is due to increasing the amount of land under cultivation, or by introducing highly fertilizer-dependent production systems. In the end, these are not sustainable and often exclude poor smallholder producers. We need to balance the social, environmental and financial costs of food.

And what about the role of women? Women are responsible for 80% of global food production. The FAO calculates that if women had the same access to productive resources as men, they could produce at least 30% more, which could help to reduce hunger for 200 million people. Balancing opportunities and benefits equally between women and men is crucial.

Feeding the world and eradicating poverty can't rest solely on improving agriculture. We must also make sure that our efforts to attain a stable food supply don't adversely affect water and energy security.

Sustainably feeding a planet of 9.6 billion is a complex challenge. Is this a hopeless task? Not at all. The number of hungry people in the world is 216 million fewer than in 1990-92. So we are on the right track, but we need to keep pushing forward and build global partnerships that work. As FAO Director General José Graziano da Silva has said, "We can and must be the Zero Hunger generation."

Tom Derksen

SNV Managing Director - Agriculture

Bridging the gaps

Women, energy and environmental sustainability

Around the world, SNV improves the living conditions of women and their families by making them the agents of lasting change in their communities. By working with local partners, we develop solutions fit to the needs expressed by cooperatives, women's groups and local authorities.

Due to the different roles, rights and responsibilities women face in societies, they often face the brunt of devastating climate change events. Women are sometimes the primary managers of fuel, water and waste; and they often cook and clean with equipment and water that can be detrimental to their health and the environment.

With this issue in mind, SNV is conducting renewable energy projects that focus on climate change mitigation across Vietnam, Cambodia and Lao PDR under the ADB programme Harnessing Climate Change Mitigation Initiatives to Benefit Women, which is funded by the Nordic Development Fund (NDF). The main aim of the programme is to mainstream gender and climate concerns in government policies and strategies, and to translate policy into action through a number of pilot projects

"Even though we have seen a lot of progress in South Asia, we still need to look at ways to improve the living and working conditions of

women, especially in rural areas," says Dagmar Zwebel, SNV programme manager for renewable energy. "Governments in South Asia have been focussing their climate change efforts on adaptation rather than mitigation, and not going the extra mile to address the fact that climate change is not gender neutral."

"This is only the beginning. We want to take these pilot projects and scale them up across South Asia. The future looks promising."

The programme focuses on low carbon projects that are gender inclusive, ensuring that benefits not only reach men but also reach women. These benefits can be monetary, or relate to (economic) empowerment, changing power relations, improving access to climate financing and boosting government and project support. The projects support activities such as the development of domestic biogas supply chains, the use of domestic biogas and bioslurry for income generation, the supply chain of advanced cookstoves and the production of improved cookstoves and related products.

"We are training women to become sales agents of renewable energy technologies,

installers of biogas systems, and trainers themselves so they can teach other people how to use new technologies and adopt safe cooking techniques or use the technologies for increased income generation," continues Dagmar.

"In Lao PDR we supported the development of two improved cookstove production centres, among which one is for handicapped women, in partnership with the Lao Disabled Women Development Centre. The women produce stoves and various stove components such as buckets and stove grates. It gives them meaningful work and a source of income."

In Vietnam, SNV has set up a revolving fund to support female-led companies. "Access to micro finance to invest in renewable energy technologies is unique in Vietnam, and even more unique is the direct link between the fund and the female-led enterprises," says Dagmar.

A total of 12 female-led biogas companies are planning to build at least 400 digesters in Vietnam in 2015-2016 – a number expected to grow in the coming years. "This is only the beginning. We want to take these pilot projects and scale them up across South Asia. The future looks promising," concludes Dagmar. ●



Ironing out the kinks

While great improvements have been made to improve access to clean drinking water for people in Zambia, there is still a long way to go.

Over one third of the population of Zambia still suffer from inadequate access to clean, safe water, and the presence of high levels of iron in rural areas makes the situation even worse. Many people abandon perfectly functioning water wells due to the harmful effects the contaminated water can have on their health.

High iron levels in water can cause discolouration and taste problems, in addition to forming slime and iron oxide accumulations in pipes. Iron also promotes the growth of certain types of chlorine tolerant micro-



organisms in water distribution systems, including organisms harmful to human health, which can increase the costs of cleaning and sterilising systems.

To help combat this problem and help improve access to more water points in rural areas in Zambia, SNV, in partnership with a local service provider Knotin Environmental Systems, designed an innovative adsorption iron removal plant (A-IRP).

The A-IRP is an efficient and cost-effective alternative compared to existing conventional iron removal plants, which are labour-intensive, expensive, and difficult to operate and maintain at the community level. The A-IRP uses local materials, is cheaper than conventional iron removal plants, and is more efficient and user-friendly.

Between June 2013 and November 2014, 40 boreholes were equipped with A-IRPs, with two schools and one health centre that included mechanised solar pumping systems and water distribution networks.

The project has contributed to increased functionality and usability of water points which were previously abandoned or underused and which were, in many cases, dysfunctional due to neglect. There is improved use of the water facilities in the communities where such facilities have been installed, as the water is now used for a wide range of household needs. In total, the iron removal plants have provided over 32,000 people with access to safe water.

The innovative plants are a value-for-money solution (USD 1,500 compared to USD 3,000 for conventional plants) to water quality improvement in situations where high iron in water from boreholes is an issue. The intervention restores access to safe water at minimal cost and mitigates health costs associated with users opting for unsafe water sources. The Zambian government is also considering to make the pumps part of their national framework. ●

"The school population and surrounding villages are now using water from this borehole after installation of the iron removal plant; before that, even teachers used to walk about one kilometre to fetch water from Chambeshi River."

Deputy Head Teacher, Chambeshi Primary School, Muchinga Province, Zambia

The adsorption iron removal plants have provided over

32,000 people

with access to safe water



Stimulating the adoption of clean energy technologies with Results-Based Finance

With only 14% of Tanzanians having access to electricity, according to 2010 World Bank figures, and a vast majority of the country expected to remain off the grid for the coming decades, innovative financing mechanisms have been adopted by SNV to spur last-mile distribution of clean energy solutions.

The sun shines bright over rural Tanzania. It fills the air with a warm glow and provides households with enough light to go about their daily life. When the sun sets, however, many people have no other option but to retire for the day and slowly prepare for bed. That's because most people in rural Tanzania have limited or no access to electricity. Many families aren't connected to the national energy grid, which means that children can't study at night and people can't charge their phones to stay connected to friends and family. Lack of electricity impedes these people's chances of progress and development.

One solution to the lack of electricity is to use solar-powered products such as lanterns and phone chargers. Demand for these products is very high in rural Tanzania but supply is quite low. Market research conducted by SNV around Lake Victoria in Tanzania in 2012 shows that up to 60% of rural households prefer solar energy technology as their immediate purchase option, while an average of only 3.5% indicates to have access to these products. Suppliers of these products mainly operate close to the major cities where they are based, and they have been reluctant to enter remote markets due to limited market knowledge and the additional investments needed to get there.

To help overcome this problem, SNV is working on a financing programme that stimulates suppliers and retailers to sell and market their solar-powered goods in low-income and remote communities. In partnership with Tanzania Investment Development Bank (TIB), SNV has created a competitive fund valued at EUR 1 million employing the results-based financing (RBF) approach.

In the case of this initiative, results-based financing is a concept whereby companies who sell or lease their solar products in rural communities are given an incentive between EUR 0 and EUR 50. However, companies only receive the payment of these funds after they have proven that their solar products have actually been sold to people living in rural areas. This means that the burden of risk lies in the hands of the company until the time of sale. The initiative is financed through the Energising Development (EnDev) programme and funded by the UK Department for International Development (DFID).

SNV is among the first organisations piloting this type of financing in the energy sector, launching the initiative for products that range from small solar lanterns, to solar home systems that can charge phones, power radios, TV's and other household equipment.

Since inception in February 2014, things have really taken off. "Five companies were selected in the first round of funding, all dealing in a different set of energy products and services and applying different business models. Another batch of five companies recently joined the programme," says Martijn Veen, Sector Leader Renewable Energy for SNV in Tanzania. "Within three months of operation, three companies opened offices in this part of the country for the first time, started recruiting people and expanding their sales networks. High-quality and affordable energy products that were not present in the local market before, are now being offered to rural customers."

So far, 11 new solar-powered products and services have been made available to rural >

Within 6 months of operation, close to
11,000
rural Tanzanians have benefited from our results-based financing programme

In the first week of his tenure in office, UK's Minister of State, Grant Shapps visited Tanzania to see how people are benefiting from the Results-Based Finance programme. In a small village bordering the Serengeti National Park and Lake Victoria, he accompanied SNV's Josh Sebastian and representatives from EnDev to the home of Elizabeth, a local woman who has a pay-as-you-go solar system installed by a company who was funded under the RBF initiative.

A keen advocate of renewable energy technologies, Grant Shapps was very eager to hear about Elizabeth's experiences with her new solar system. "I am now paying the same amount I used to pay for kerosene, but have much more light," Elizabeth explained. "In the beginning I thought my grandchildren would have to help me with the solar system, but it is very easy to use. My son can even top up my solar credit from far away", she added.



consumers, while 111 new jobs have been generated. Total sales for the first six months of operation ultimately benefited close to 11,000 rural Tanzanians, with over EUR 100,000 worth of incentives transferred to the private sector, and results are increasing on a daily basis.

"This is not a project. This is a business proposition," says Malcolm Wigmore, Operations Director of Sunny Money - a company that specialises in distribution and sales of solar products. Or as stated by Xavier Helgesen, CEO of Off Grid Electric, "This incentive is exactly the kind of support we need to rapidly expand energy access to the customers who need it most. We believe it is an ideal model because it accelerates the market without distorting it."

Apart from designing and setting up the fund, SNV's main role in this initiative is to broker relations between the issuing bank and retailers to ensure fair, transparent and verifiable financial transactions throughout management of the fund.

Results-Based Financing is proving to be a powerful tool for supporting the private sector in increasing rural access to renewable energy technologies.

In order to assure quality, only products that have been approved by Lighting Global, an internationally recognised initiative to guarantee quality of solar products, are considered under the fund. The value of the incentive applied to each unit of solar products is calculated annually by SNV based on the performance of each product (brightness and running time) according to Lighting Global testing standards. The programme is open to solar companies until August 2017.

The most important thing about the programme is that people in rural communities are seeing improvements in their lives. "Previously, I would walk to a relative's house that is connected to the national grid to charge my cell phone. Now that I have my own solar system, I charge my phone at home and no longer have to feel ashamed of being the head of an underdeveloped household", says a farmer in Misungwi, Tanzania. ●

World's first in RBF

In 2014, SNV had the pleasure of certifying a Vietnamese man as the first mason in the world to install a biogas digester under a results-based finance programme. He has now set a target of constructing 125 plants a year, which will provide over 600 people with clean energy and will reduce CO2 emissions by 575 tonnes annually. Vietnam is the first country to use results-based financing for biogas installation businesses.



Research conducted by SNV around Lake Victoria in Tanzania in 2012 shows that up to 60% of rural households prefer solar energy technology as their immediate purchase option.

Shedding light on energy poverty: challenges and opportunities

Achieving universal energy access has never been higher on the international agenda. Through the likely adoption of the UN's Sustainable Development Goals in September 2015, energy is finally fully recognised as a fundamental pillar for development. And yet, particularly in Sub-Saharan Africa and South Asia, the reality is far off these ambitious goals. Still 1.1 billion people have no access to electricity and 2.9 billion people, mainly women, still cook on open fires and traditional stoves.

Electricity improves health, education, jobs, income, security and gender equality. Energy powers schools, hospitals, businesses and households, and energy poverty affects women disproportionately. Governments' energy policies and investments mostly focus on on-grid electricity connections, benefiting especially large industry and easy-to-reach people, while for many households and small enterprises there is no hope of getting access to the national grid in the coming years.

Indoor air pollution from traditional cooking kills over 4 million people every year, and many more suffer from respiratory and eye diseases. Traditional cooking also means that too much money is spent on wood and charcoal, which could have been spent on food or school fees. Traditional cooking and heating also contributes to climate change. We need to give more priority to clean cooking in policy and investments and recognise its contribution to food security. Instead of playing a minor role in rural health campaigns, clean cooking should be a focus area.

Notwithstanding this bleak picture, a transformational change is taking place. With increased awareness about climate and health issues, it is not surprising that renewable energy is embraced as a climate smart, often healthier and cheaper solution than heavily subsidised fossil fuels. Most people did not predict the extraordinary expansion of renewables that was to unfold in the last decade. We surpassed levels of renewable energy predicted for 2020 already in 2010. 95 developing countries now have renewable energy support policies; a number that has tripled over the past 10 years. Renewable energy systems

provide an unprecedented opportunity for households and small enterprises in developing countries to accelerate the transition to modern energy services.

Drastic price reductions, of particularly solar PV products, have made renewable energy technologies much more accessible and cheaper; prices have fallen 80% since 2008. More than 7.7 million people now work in the renewable energy industry, a spectacular 18 per cent increase from 2014. In developing countries, new markets are emerging, for example for people selling energy services like mobile phone charging kiosks powered by solar. A range of new business models are emerging, combining access to energy, innovative finance and information for a diversity of technologies. Renewable energy powered mini-grids, although still few, are rapidly making appearance as an increasingly viable source of electricity for remote rural communities and peri-urban areas.

Massive adoption of off-grid technologies and accelerated implementation of sustainable, well-managed mini-grid systems will require concerted action by public and private partners. Enhanced access to finance for upfront costs and working capital, and improved market intelligence are

important conditions, but market development alone is not enough. Governments, the private sector and other development actors should work together to develop more conducive frameworks and leverage investments. Raising awareness, building trust and providing more opportunities for consumers to voice their concerns is key.

We need a faster and more deliberate effort to scale access to renewable energy for low-income groups in rural areas and urban settlements.

Sustainable decentralised energy solutions are still largely unknown, and evidence gaps should be addressed. We also need to recognise and optimise the role of women as change agents for energy access through selling, maintaining and financing energy products.

Finally, a basic condition for transformative change is capacity development, involving all stakeholders. We need to share resources and knowledge to collectively achieve our goals.

Andy Wehkamp

SNV Managing Director – Renewable Energy

Building a better toilet

The story of the SAFI latrine

A place to sit or squat is one of our most basic needs – something most of us rarely give a second thought. But for many around the world, things aren't so simple. Some 2.5 billion people globally lack access to improved sanitation – yes, toilets – while an estimated 1 billion still defecate in the open. The reasons are many – cost, culture, understanding. But what if the real problem was that the toilets available just didn't meet people's needs?

In East Africa, SNV undertook an action research project to understand just this – to uncover what people's desires were in terms of a toilet. And to explore if they could help solve the sanitation crisis by simply listening and responding to their needs.

"We reflected on some of the major constraints that were affecting adoption of improved sanitation and latrine options in rural areas. And one thing that came to light was the lack of an affordable improved latrine that could be taken to rural areas," project leader Jackson Wandera says.

"The only improved latrine that people knew was the VIP – the ventilated improved pit latrine – and the costs were out of reach for most rural areas (USD 500-800). So whenever we would go to the villages, we would say 'you need to improve your sanitation' – and they would say, 'yes, but do you have any examples of an improved latrine that fits our pocket and responds to our desires?', and we realised we didn't."

Some research was obviously in order, but where to start? Jackson and his team decided to focus on groups with the greatest need – poor households, women and the elderly – to ensure their needs could be met, while also surveying middle-income households, those with the financial power to jumpstart sanitation markets.

Working across Ethiopia, Kenya and Tanzania, the team surveyed households, suppliers, masons and policy makers across 10 rural districts, seeking to uncover factors stopping people from investing in improved sanitation.

And despite the cultural, linguistic and environmental differences between the three countries, the results were remarkably similar.

"We found that the issues raised by rural households were similar across the three countries. In fact, if I gave you results from Kenya, Tanzania and Ethiopia you wouldn't even know where they came from," Jackson says.

"One key issue was the temporary nature of the toilets. Current toilets have been very expensive, because they have to be rebuilt nearly every season when the heavy rains come. So when we talked about affordability, they said – affordability means durability."

"We found out that over 90% of the latrines in use were pit latrines, which were very temporary – and some were actually very scary to use."

In the end, the team identified eight key characteristics that rural families wanted in a toilet. First, it should be durable, affordable and safe. But they also needed to be easy to clean, not to smell, have a pan that didn't spill, and also provide women with a place to bathe in privacy. Lastly, people wanted a toilet that was attractive.

The message was clear, but so was the problem – such a toilet simply didn't exist. So joining forces with Vocational Educational and Training Authority (VETA) in Mwanza, Tanzania, Isolo Polytechnic in Kenya, and Hawassa Polytechnic in Ethiopia, SNV set out to design a new latrine that was both affordable for rural families and met their broader needs.

We found out that over **90%** of the latrines in use were pit latrines, which were very temporary – and some were actually very scary to use

After months of designs and redesigns, the team produced a prototype that met the key criteria. A second design round followed, with each of the institutes working to refine the latrine to develop a model that could be produced and installed cost-effectively by local masons. In September 2014, a design from VETA Mwanza emerged as the frontrunner, and the SAFI (Kiswahili for 'clean') latrine was born.

The SAFI was everything rural families had asked for. Durable and affordable (with purchase and installation as low as USD 70), the SAFI offered a wet model for areas where water is abundant, and a dry version for areas where water is scarce. Designed to be easy to clean, it offered a private space for bathing (with sloped floor and dedicated wastewater outlet). A simple ventilation system and a pan cover (designed to be easily lifted and replaced with one foot) minimised smell and kept insects away, while its wire-mesh-and-concrete slab set back from the pit guaranteed safety.

The response from consumers was immediate – and a little overwhelming.

"As soon as we presented the SAFI to rural communities, the response was 'where can I >

The SAFI latrine is durable and affordable, with purchase and installation as low as USD 70.



“It’s not specific to class; anyone can have a SAFI. It’s affordable for people in both urban and rural areas.”

find it?” Jackson says. In a session in one remote community, more than 45 households signed up to receive a SAFI when it became commercially available, a previously unimaginable level of demand.

“Before, my kids could not use the latrine because it wasn’t that safe – the hole was too big and we were afraid of it collapsing,” Leticia Lazaro, one of the first consumers to receive a test model, says. “The SAFI is strong, we know how it was installed and that we can trust it.”

“My neighbours like the latrine and they would also like to buy one. Now I’m not ashamed to tell someone to use my toilet!”

And even 6-year-old Samson is a fan, “I like the colour!” he laughs.

VETA Mwanza are equally enthusiastic about their design. Amongst the screech of metal saws and the bang of hammers in their workshop, vocational trainer and SAFI designer Lawrence Mashindano proudly shows us moulds for squat pans and rings, templates for fly covers, and one of his own innovations – an optional pedestal for elderly or disabled users.

“I’m proud of the look and easy assembly of the SAFI,” Lawrence says. “I think it’s going to have a very, very big market. The need is very high in the villages, and our students are already acting as our ambassadors. SAFI is going to become a vital product. It is going to be spread all over the country, and if possible, all over Africa.”

Lawrence’s trainees are equally proud.

“It’s not specific to class; anyone can have a SAFI. It’s affordable for people in both urban and rural areas,” says Mihayo Peter. “I’ve built

a SAFI latrine at home, and now my neighbours have asked me to help them to build something like this as well.”

In Chato, Tanzania, Lameck Mgekikumbo is one of the first commercial SAFI masons. From his workshop in Msilale village, he makes SAFI components and installs them for a growing number of customers.

“There is big potential to expand. Whenever I have installed a SAFI, I have had more calls to go to other places from people who have heard about it or seen it. People like the SAFI and think it is good for them,” he enthuses.

“If there is one thing I like about the SAFI, it is very cheap. Even poor Tanzanians can afford it. I want to make building SAFI latrines the major part of my income. If we do a good job and build awareness in the community, I believe that everyone will use SAFI, and maybe one

day we will have an open-defecation free country.”

Back at the SNV office in Dar es Salaam, Jackson Wandera is smiling, but far from ready to rest on his successes.

“We think it can still be improved, especially its weight and in terms of distribution and handling,” Jackson says, outlining his plans to produce a lighter fibreglass model, as well as to tailor business models for SAFI production and distribution to meet the needs of local entrepreneurs and speed the spread of the new technology.

But with over 180 specialist masons, and the SAFI being rolled out across Ethiopia, Ghana, Kenya, Mozambique, South Sudan, Tanzania and Zambia, the future for the SAFI is bright. And everywhere the story is the same: people build a SAFI and their neighbours want one – now.

So what is Jackson’s vision for the future? A SAFI for every home in Africa? “Yes – a SAFI for every home in Africa. I like that!” Jackson laughs. ●



Lawrence Mashindano (centre), vocational trainer and SAFI latrine designer, together with trainees at VETA Mwanza, Tanzania.

Achieving our water, sanitation and hygiene goals: quality implementation lies at the root of progress

Despite the fact that access to safe drinking water and sanitation is a basic human right, 2.5 billion people do not have access to proper sanitation, and some 740 million people do not have access to reliable sources of drinking water. For many of us having no toilet to use - as and when we need - and/or having no safe water to drink, is unimaginable. Appallingly, it is the daily reality for a third of the world’s population.

Improving access to water and sanitation services is not only necessary for public health and wellbeing, but equally so for economic development. Improved practices in water, sanitation and hygiene (WASH) reduce the risk of disease burden, contribute to the reduction of stunting in children, and increase the productivity and income of millions of families.

The overall number of people with access to sanitation and reliable drinking water is improving. But gains have not always been sufficient to keep pace with the growing population in percentage terms, and nor has there been equal sharing of such gains.

Challenges to providing lasting water and sanitation services are several-fold; chief amongst them are inequality, non-functionality, and difficulty in realising commitments.

Despite the best intentions of many governments, we do not yet seem able to fully implement devised plans. Donor commitments too often fail, and domestic funding allocations are underspent year after year. The underspending is rarely deliberate but often boils down to capacity issues: administrative procedures, procurement delays, inadequate project preparation, and low public and private capacity to respond.

Even when implementation does go according to plan, the result is not necessarily sustainable services or even service at all. The rate of non-functioning rural water supply schemes is globally estimated to be 40%. In urban areas, high levels of non-revenue water and intermittent services

plague users. Urban sanitation services beyond the household toilet are simply non-existent, meaning that even the faeces that is captured in a toilet pit quickly ends up in the open environment.

The Sustainable Development Goals (SDGs) articulate a future where no one practices open defecation, where everyone has access to safe water, sanitation and hygiene both at home and at school, and where inequalities in access have been progressively eliminated.

The vision is a lofty one and will only be realised if we are willing to change the way we approach the challenges of sustainable water and sanitation services.



Quality implementation lies at the root of progress towards the SDGs. Without quality implementation, i.e. implementation that ensures lasting service delivery and addresses inequality, the SDGs will not be achieved. We often presume that a lack of money is all that lies behind poor quality implementation, but this is a simplistic view. Less than 60% of countries absorb more than 75% of their domestic commitments, and less than half absorb more than 75% of allocated donor funds. Clearly funding is not the singular issue.

Many of the challenges, including the underspending, boil down to capacity issues. We need to build the capacity of stakeholders to ensure that plans are fully realised (e.g. all available funding is used gainfully), that these plans result in sustainable services (e.g. consistently functioning water supply), and that accountability mechanisms hold duty bearers answerable.

More money for WASH is important, but on its own it will not be sufficient. Equally important is the way in which finance is organised – how can it be used to provide sufficient incentive for results and long term sustainability of services? Likewise the development of capacity to be able to implement with quality is key.

Mepan Ritchie
SNV Managing Director – Water, Sanitation and Hygiene

Sparkling a connection

The SNV-managed Vietnam Business Challenge Fund is connecting local businesses with low-income communities in a way that is benefiting everyone involved.

A local distributor sells affordable LED lighting to rural communities.

Even though Vietnam has witnessed significant economic and social improvements since the early 1990s, rising inequality remains a major problem for the country, with many Vietnamese, mostly from rural areas, still lacking access to markets, income opportunities and basic services. In 2012, the World Bank stated that one way to improve people's lives in Vietnam is to "make growth more inclusive."

Funded by the UK's Department for International Development (DFID), the SNV-managed *Vietnam Business Challenge Fund (VBCF)* is supporting private sector inclusive business models in Vietnam that create jobs, improve incomes and provide access to affordable goods and services for low-income people, while increasing competitiveness, market share, profits and sustainability

for business. The programme has invested USD 5.5 million across 21 small to medium-sized companies, with each company receiving non-reimbursable funding of up to USD 800,000. The fund focuses on three areas that are key to pro-poor growth and the sustainable development of Vietnam: agriculture, low-carbon growth, and infrastructure and basic services.

The programme not only supports these companies financially, but also with specialised technical assistance during application to the fund and when implementing their inclusive business model. We help the companies develop their inclusive business ideas and plans, and we provide training on how to align business models with low-income markets. We provide mentoring during implementation on areas such as marketing, supply chain development, financing,

ecosystem development, sustainability standards implementation, and licensing and permit procedures. SNV also helps to find further funding and business partner opportunities, by promoting the product and the business model among the business and investor community.

The Vietnam Business Challenge Fund in action

Projects range from affordable LED lighting and F1 hybrid seeds, to mobile banking for immigrant workers, and probiotic production for livestock and aquaculture. Here are a few of their stories:

Affordable LED light production

While high-quality LED products are already popular in



An LED manufacturing company in Vietnam has developed a high quality line of LED products that are affordable for low-income communities.

"Low-income markets are no longer invisible; they are billions of people and represent a major opportunity for businesses to grow. SNV supports hundreds of businesses worldwide to identify low-income market capacities and needs, create innovative ideas, develop business models and plans, and leverage the required financial and technical resources to implement them."

Javier A. Ayala, SNV Executive Manager - Vietnam Business Challenge Fund

middle-income communities due to their low operational cost and energy savings, many low-income communities still lack access because of the high initial investment and inadequate information.

To tap into this market segment, a leading lighting manufacturer in Vietnam has developed a high quality line of LED products that are affordable for low-income communities. And with planning, implementation and monitoring support from SNV, the company developed an inclusive business model that engages low-income people from the rural and mountainous areas of Vietnam as employees, distributors and consumers.

This venture will give millions of low-income people access to affordable LED products in the coming years. It will also create jobs for 300 and increase income for more than a thousand households in its distribution network. If target sales are met, over 24,000 tons of CO2 emission will be avoided by the end of 2015. And the average household will save up to USD 450 over the product's life cycle if it converts all of its bulbs to LED. >

Centralised water treatment, purification and distribution

In the southern coastal province of Long An, there is a lack of sustainable sources of clean drinking water. At times, people must resort to drinking untreated water that they obtain from informal water distributors, rain harvest, or from their neighbours' wells. This can pose serious health risks.

To help the community gain access to clean, safe water, the Holland Water Supply Company (Howaco) developed a centralised water treatment facility and distribution system that effectively supplies clean drinking water, which is 100% chemical free and of even higher quality than the water distributed in the main cities of Vietnam, at an affordable price.



Centralised water treatment facility and distribution system providing clean water to rural communities.



School children using clean water in rural Vietnam.

8,000 people
have new jobs

3 million people
have seen increases in their incomes

over 3 million people
have gained access to basic goods and services

And with SNV providing planning, implementation and monitoring support, things are going great. By May 2015, Howaco supplied tap water to 2,500 households, with the project extending to a further 700 households this year, and providing more than 10,000 people with clean, affordable water.

On average, the water now costs USD 0.25 per cubic metre, or a flat fee of USD 3-5 per month. Previously, people were paying as high as USD 0.5 or even USD 1.5-2.5 per cubic metre during the dry season.

"It's so inspiring and rewarding to take up the challenge, grow your business and bring good things to Vietnamese people. It makes my life more meaningful," says Vinh Ngo, Vice Director of Howaco.

Improving health, income and business with clean cookstoves

Many families in Vietnam still use cookstoves that are detrimental to their health and the environment. GreenGen, a clean cookstove producer, was chosen as one of the 21 initiatives because it not only manufactures cookstoves that are better for the environment and people's health, but it engages people in poor communities, especially women, as employees, consumers and distributors.

One woman that connected to GreenGen was Leo Huyen Thanh - an 18-year-old living in Son La province, Vietnam. After using the GreenGen stoves, Thanh and her family saw great benefits to their health and wellbeing. She also heard that she could earn money by selling the stoves to other people in her village. After connecting with GreenGen, Thanh now earns a commission of 10%-20% for each stove she sells. She also buys the stoves on credit so she doesn't need to invest large sums of money at one time.



Local woman, Leo Huyen Thanh, has now become an entrepreneur by selling eco-friendly cookstoves to people in her community.

"We are very excited at DFID to be participating in the VBCF, managed by SNV. Our objective with it is to provide a kind of finance that is not available from other sources, and a kind of technical support that is difficult for private sector companies to access. This is just the beginning...all we want to do is get the government, other donors, and a wider range of private sector partners to take these ideas to the next level, deliver them at scale, unleash the potential of the private sector in a way that hasn't been seen before in Vietnam."

Jim Carpy, Head of UK Department for International Development (DFID), Vietnam.

By becoming part of GreenGen's distribution network, she can start to pay for her college tuition and improve her life.

This connection was only possible through the funding and implementation support GreenGen received from SNV and the fund. GreenGen started one year ago with just one type of cookstove, but has since developed other models with a price range from USD 10 to USD 20.

GreenGen has so far sold more than 10,000 stoves through its distribution networks across 15 provinces in Northern Vietnam, benefitting thousands of low-income people.

Healthier animals provide healthier profits

Many farmers in Vietnam use antibiotics to prevent their animals contracting diseases. In the long term, however, antibiotics can destroy good bacteria and make livestock even more susceptible to disease. A better alternative to antibiotics is probiotics. Probiotics strengthen the digestive system, which in turn improves the quality of livestock. Better livestock results in higher income for the farmer and better products for the consumers.

The feed industry in Vietnam, however, has primarily imported probiotics at a high cost, which makes them especially less accessible to rural, smallholder farmers. This has now changed. BioSpring, a Vietnamese technology company, has developed a new generation heat-resistant probiotic that they are introducing to the market for the first time. And with promotion, marketing, planning, training and mentoring support from SNV, BioSpring is getting its new probiotics in the hands of smallholder farmers at a cost that is around 20-30% cheaper than imported probiotics.



Smallholder farmers learn about a new probiotic for livestock at an event organised by SNV and BioSpring.



A smallholder farmer administers probiotics to his pigs.

"The support of SNV has been critical for BioSpring to understand low-income markets, define strategies, innovate and leverage resources to achieve our probiotics business targets," says BioSpring CEO, Huynh Minh Viet.

Groups that are benefiting include farmers, and BioSpring's employees and distributors. Additionally, the product could significantly reduce the use of antibiotics and improve food safety in the livestock and aquaculture industries. The potential for scaling up is huge. In 2012, animal feed consumption in Vietnam was 15.5 million tons, which indicates a need for approximately 15 million kilos of probiotics per year.

The direct impact of our work on the Vietnam Business Challenge Fund has so far exceeded expectations. Almost 8,000 people have new jobs, over 3 million people have seen increases in their incomes, and over 3 million people have gained access to basic goods and services. ●

[Read our interview with BoP expert Dr Ted London >](#)

Co-creating value with the BoP

The Base of the Pyramid (BoP) is the largest socioeconomic group in the world. It is also the poorest.

Dr Ted London has been at the forefront of developing ideas and strategies on how to combine business with the BoP in ways that simultaneously alleviate poverty. He is Senior Research Fellow and Vice President at the William Davidson Institute (WDI) and a faculty member at the University of Michigan's Ross School of Business.



Dr Ted London

How does the BoP approach help to alleviate poverty? And has it worked in practice?

I have been deeply engaged in exploring the role of business in addressing social issues for more than 25 years. And reflecting on the development of the domain over these two plus decades, I can say that 'now is really our time'. The conversations have changed: business is seen as a key player in solving these social challenges.

We now know that enterprises properly constructed and supported can have a net positive impact on poverty alleviation. The biggest challenge facing us now is creating more enterprises that are sustainable at scale. While we have seen success, we still have a long way to go to generate the robust set of enterprises needed to create the level of impact we want.

In your book, *Next Generation Business Strategies for the Base of the Pyramid*, you changed the business approach from 'finding a fortune at the base of the pyramid' to 'creating a fortune with the base of the pyramid'. Can you explain why you changed this approach?

The original idea of 'finding a fortune at the BoP' was very

powerful because it made us think of the BoP as customers, entrepreneurs and employees, not just recipients of aid or our good will in some way. While valuable and motivational, this emphasis on fortune-finding also led to some unproductive thinking. For one, when you use the word 'finding' it suggests that the fortune is already there and it is all about the first one to discover it. Second, using the term 'at the BoP' depersonalises the poor and makes it feel like an actual place. There is no such place as 'at the BoP'; it is a socio-economic segment.

So what we tried to do, ten years after the original idea was presented, was to change the focus to 'creating a fortune with the BoP'. We need to create. It's about innovation, learning, patient investment and creating partnerships. And we need to do it with the BoP as active, equal participants in this approach.

How important is the role of NGOs, like SNV, in linking the BoP with the private sector? How do you look at the increasing attention given to civic-private and public-private partnerships and what are the pitfalls? NGOs play a variety of roles. They can catalyse and run businesses themselves; they provide connective tissue in

terms of last-mile distribution, market intelligence, and providing access to key local stakeholders; they can be an advisor to help enterprises better understand value creation and help them understand whether or not their practices may be considered as extractive and how to avoid these situations; and they can also provide some of the bits of the missing market that may be crucial, for example, access to distributors, awareness and training.

All the roles NGOs play are very important. Businesses seeking to operate alone in BoP markets would struggle to achieve scale without having the right set of partners. Enterprises must build the right ecosystem of partners. This is a key part of my current work; crafting a framework that enterprises can use to understand and develop the most appropriate partnership portfolio.

This partnership process also has to be effectively managed. Different organisations have different incentives and perspectives, so we need to understand how to create alignment that meets the goals of everyone.

Is there a risk that because multinational companies primarily seek to maximise the bottom line and

satisfy their shareholders that they may exploit these markets without actually contributing to poverty alleviation?

I do not think that there is something uniquely nefarious about large companies compared to others. I have seen small companies, non-profits, public officials and others exploit the poor. The challenge, as we seek to build sustainable, scalable business models, is to understand how to implement preventative mechanisms that protect the poor.

As we have discussed, it is very difficult for companies to do this on their own. They will need to form partnerships with what we can call strange bed-fellows, for example, non-profits and social groups, who have an interest in advocating for the BoP. These partners are unlikely to continue the collaboration if a company becomes very extractive.

In what ways can companies innovate their business models?

Apart from innovating their technologies or their products, companies need to innovate in at least three or four other ways. >



“Something many enterprise leaders tend to forget is that the BoP is just as smart as the top of the pyramid. If we don’t engage them in solving the problem, we lose half of the problem-solving capabilities.”

One is they need to think about how they set themselves up to be able to innovate in their business development. And that is really thinking about how companies align themselves internally.

Second, we have to innovate in terms of how we go from design to pilot to scale. You need to think about scale from the start, and think about what your pilot is designed to do. While this is familiar to all enterprises thinking about growth, the way you go about achieving this in BoP markets is quite different.

Then you need to innovate in creating a value proposition. Because to a large extent the value you are creating is very closely linked to the poverty you are alleviating. If you don’t understand how your enterprise is alleviating poverty in BoP markets, you probably have a very limited understanding of the value proposition you need to develop and how to improve it.

Finally, enterprises generally can’t do this alone. They need to build an ecosystem of partners. The idea of having a partner is not unique, but the strategies for understanding who to partner with and how to partner with them is.

In connecting to the BoP and poverty issues, the private sector is also confronted with complex environmental issues. Many of these cannot be addressed by individual businesses. But collaboration between businesses on such collective action problems seems to be difficult. What key elements and directions do you see in addressing these issues?



Environmental issues are extremely important, and similar to other factors like market awareness and infrastructure, require a more collective approach to effectively address them. So the question is: how do we begin to deal with issues that are beyond a particular enterprise?

When I first started looking at this, I found two things troubling. One, I increasingly felt that our community was starting to lack the humility it needed. Talking to people at events, hearing their presentations, I found that every fund, enterprise and incubator seemed to claim that things were going great. We weren’t comfortable acknowledging our challenges and accepting that some enterprises and investments are just not all that successful.

For the domain to move forward, we need to understand failure to predict success. We must regain our humility and willingness to share both our successes and failures.

The second is that everyone is focused on the enterprise of today, and not on the community of tomorrow. While still focusing on today’s enterprise, we also need to invest in building the community of the future.

What can we learn from the BoP?

We can learn a lot. When starting to work with our partners and colleagues in the field, it is important to get them to understand and unearth how they think about the BoP.

A lot of times we think about the BoP in terms of what they lack. They lack money, healthcare, resources. And then it becomes a sense of ‘how can we help them?’ A more productive way is to think about what they have. In large measure, this requires viewing the BoP as colleagues and partners, and figuring out how to work together. Something many enterprise leaders tend to forget is that the BoP is just as smart as the top of the pyramid. If we don’t engage them in solving the problem, we lose half of the problem-solving capabilities.

What does the future hold for the BoP and how can we engage with it?

Clearly, it is hard to accurately predict the future. That said, it’s very difficult to imagine a world in 10, 20 years where 4-5 billion people are still excluded from many of the benefits of a global, capitalist system. Grant-based donations are a wonderful mechanism, but they’re not going to be sufficient to address all the poverty-related challenges we face. Looking ahead, I see a bigger role for inclusive business, base-of-the-pyramid business, impact enterprise or pro-poor business – or whatever we want to call it – in our efforts to alleviate poverty in ways that make economic sense for those enterprises.

Now this is not to say that enterprise-based approaches are better than grant-based support; it’s about finding the right balance. We need to better understand which types of mechanisms work best in which situations and how to better integrate enterprise-based, donor-based and policy-based approaches. Indeed, integrating them all together is likely to prove the most powerful way. It has to happen. ●

A leap in the right direction

One of SNV’s main goals is to support local organisations and institutions in developing countries so that they develop the skills and knowledge they need to improve the living conditions of low-income people and communities. The old train of thought of throwing money at and imposing western ideas on the problems developing countries face has long proven to be unsuccessful. Lasting change is only possible when local people themselves have the capacity to make that change.

After a number of successful years working with local organisations and people in the development sector, SNV started the *Leadership Enhancement Action Programme (LEAP+)* in early 2015. The objective of this programme is to ensure that these local organisations are not only financially sustainable, but also remain prominent players in addressing the ever changing needs of low-income people and communities.

The programme is tailored to formal and informal leaders of development organisations that work with SNV, and by the end of the programme, it will have supported 150 local capacity builders in 19 countries.

The programme lasts for six months and consists of two, one-week long, face-to-face workshops. The gap between the two training sessions is approximately five months. In between the two workshops, an SNV advisor provides job support and mentoring. This nurtures an environment to explore the issues that have been learnt in the training and put them into practice. We also offer a personalised coaching session with an independent professional once a month.

The programme covers topics such as:

- Designing a business plan that makes their organisations financially sustainable while remaining relevant to societal needs
- Strategic positioning of the participant’s own organisation within the market and society
- Business management
- Personal leadership development
- Operating in a multi-stakeholder setting
- Gender in leadership

SNV has already conducted the programme across Africa and Asia with great results.

“I learnt a lot from the programme, for example, how to put together a business



The Leadership Enhancement Action Programme in action.



model. I now have proper processes to follow in my business, unlike the haphazard approach I used to use. I also learnt what exactly a leader is, what characteristics they have, and what they need to do to be successful. I got extremely practical knowledge on how to run my business.” Jane Walls from My Pads – a manufacturer of sanitary pads in Zimbabwe.

We will continually evolve and improve this programme based on our experience in 2015. We strongly believe that building the capacity and entrepreneurial spirit of local organisations is a crucial way to address poverty and to bring about sustainable change. ●

“The LEAP+ programme is helping us to not only answer our own challenges as an organisation, but to also sharpen the saw, for us to be more relevant as we work with the private sector in helping them to integrate social values.”

Sithembile Nyoni Mpof from the Regional Centre for Social Responsibility in Zimbabwe.

LEAP+
LEADERSHIP ENHANCEMENT ACTION PROGRAMME



Pastoralist communities in Kenya face extreme weather, mainly droughts, resulting in declining pasture productivity and water availability.

Adapting to a changing environment

SNV, the International Livestock Research Institute and the Kenya Livestock Marketing Council have together been implementing the three-year Kenya rural development programme. The programme provides pastoral communities with coping strategies to respond to drought, securing long-term food security through boosting agricultural productivity, and improving livelihoods in arid and semi-arid lands.

The Kenyan rangelands have long dry spells and short rainy seasons. Recently, the weather has become more unpredictable - leading to less rain and higher temperatures. Pastoralist communities face extreme weather, mainly droughts, resulting in declining pasture productivity and water availability. This puts stress on pastoralist economies, leading to livestock losses and inter-ethnic conflicts. Trading their animals instead of keeping large flocks helps herders survive when drought and hunger strike.

With funding from the European Union, SNV is working on a project that is giving pastoralists ways to improve their income by promoting fodder and camel milk production, creating strong markets by linking private businesses with government organisations, and teaching pastoralists how to sell their produce in the market during drought.

Many pastoralists still link animals to high status and wealth and, even when the pasture dries up and there is no water, they are often reluctant to sell them. This means animals

often die and people starve. "Building sustainable local markets and encouraging pastoralists to sell what they cannot hold helps," says Caroline te Pas, an SNV advisor. "Should I really keep 1,000 cattle when I can only feed 100? Only if we can make them understand their holding capacity and act accordingly, it will ease them out of the cycles of drought and food insecurity," she adds.

We strengthen livestock markets by implementing the co-management model. This is a public-private partnership between local governments and the Livestock Market Association in Kenya consisting of representatives from the local communities, and ensures an equitable sharing of market revenues, entitlements and responsibilities. By giving local communities more responsibilities, we have ensured a significant improvement in the market functioning, infrastructure, security and information provision, and have attracted more buyers, service providers and other businesses. The model has been implemented in 22 markets, where we have recorded sales of 20,000 livestock, and generated EUR 1.7 million weekly.

These markets provide a place for pastoralists to sell their livestock before a drought, leaving them with a smaller herd that can easier endure the drought, as well as with an income serving as a financial buffer.

SNV is also enabling better responses to drought and improving livelihoods through diversification activities such as increased



fodder production. The programme supports fodder enterprises to ensure the provision of hay during drought. 40 groups have received training on land preparation, farming practices, harvesting, hay making, storage and seed production. Improved fodder availability and accessibility benefits the productivity and health of animals and enhances milk production and consequently household food security during dry periods.

We have also given these communities a way to further increase their incomes by developing a women-led camel milk cooperative. Camels are drought-tolerant animals that produce milk longer throughout dry spells. We provide camel milk producers training on milking techniques, milk handling and hygiene, as well as support in obtaining milking buckets and aluminium cans for clean transport of the milk. Together with a bulking and cooling centre, this has significantly reduced milk spoilage and losses.

SNV has also built the cooperative's capacity on management and business skills, and has linked them to camel milk processors. The cooperative now has over 100 members, which delivers over 3000 litres of camel milk to the capital Nairobi daily.

From these interventions, we are developing a knowledge base so strategies for upscaling can be replicated in other markets. This will help inform policymaking and contribute to a strong approach to achieving climate change adaptation through market-based systems. In addition, projects like this are also helping to better understand how SNV can do better development work in the context of a changed global climate. ●



Results worth celebrating

There is a party going on in South Sudan. In Mugali Payam's Asai Village, in the far south of the world's newest nation, the beat of drums and voices raised in song rings through the air, while the stomp of feet raises dust in the shade of the village's biggest tree.

Life can be harsh in Asai, where the villagers live as smallholder farmers and pastoralists, too often at the mercy of the climate and the political push and pull of a fragile state - but today they have something to celebrate. "My people are proud of what they have achieved," village sub-chief John Iwii says. "We have joined hands to chase out disease."

The residents of newly open-defecation-free Asai are some of more than 500,000 people across nine countries who had already improved their sanitation situation by April 2015 under SNV's Sustainable Sanitation & Hygiene for All Results (SSH4A Results) programme.

Reaching out to people across Africa and Asia, the two-year programme is working to enable access to improved sanitation for over 2 million people and improved hygiene for over 2.7 million people in Ethiopia, Ghana, Kenya, Mozambique, Nepal, South Sudan, Tanzania, Uganda and Zambia by 2016.



Targeting over 120,000 villages, the DFID-supported programme focuses on motivating and sustaining sanitation behaviour change - challenging communities to commit to ending open defecation, while working with local authorities to enable change at scale through a government-led, district-wide approach to improving sanitation.

"What I like about this programme is that SNV and its partners have not come with already thought out solutions, instead the communities are devising their own solutions and using their resources to construct latrines without any financial assistance from the programme," DFID's Daniel Graymore says. "I believe in the long run this will be more sustainable because people are driving the change."

Sustainability is at the core of the programme - and not just in terms of its impact on the ground. As a Results-Based Finance programme, SSH4A Results links financing directly to outcomes. Donor payments within the programme are linked to actual delivery of results within set deadlines and with agreed indicators - guaranteeing impact for every dollar invested.

Most importantly though, the programme is enabling healthier, happier communities.

As John Iwii says, "We are happy because there is no place for disease here now. Diseases like cholera cannot reach our village." And that is something to celebrate. ●

Worldwide, over 1 billion people practice open defecation and 2.5 billion people don't have access to improved sanitation.

2 million people improving their sanitation and hygiene situation under the Sustainable Sanitation & Hygiene for All Results programme





Young Peruvians on their way to a fishpond training session.



Fishing for a future

Giving young people the skills and knowledge they need to develop a sustainable career

Fishing makes up a large part of Peru's economy. In 2014, Peru exported over USD 800 million worth of fish, making it one of the world's largest and strongest fishing industries. However, rivers and lakes that local villages once used as a source of food have been contaminated by exploitative mining, making the fish inedible due to high levels of mercury. One study found that native communities were exposed to mercury levels as high as five times the recommended limit. And children and expectant mothers are most vulnerable to illness, with the contaminant causing long-term health effects and even permanent brain damage to an unborn child.

"The fish some people in Peru consume is extremely unsafe. Villages that were once dependent on fish as their main source of food have had to abandon rivers and lakes and look for alternatives," says Milagros Alva, an SNV advisor who is working on a project managed and run by SNV that is aiming to restore a healthy supply of fish in the market. The project focuses on training young people how to firstly build and maintain a fishpond and then how to market and sell their produce after they harvest it.

The project has a two-fold effect: it builds up a healthy supply of fish for rural communities and

surrounding markets, while giving young people the skills and knowledge they need to develop a profession in the fishing industry. Rebeca Garriazo Jaime – one of the local youths enrolled in the project – says, "This project teaches me about sustainable fishing and business, which is an important issue for this region. In ten years I picture myself exporting fish to other countries."

Since starting in September 2014, the young trainees have made great progress.

"The project is doing really well. We have built five fishponds and have just started to populate them with fish. The young trainees are very

excited to see that their hard work will produce results. Their first experience in this market gives them even more drive and determination to continue," says Milagros.

Because living in underprivileged communities does not give these young people enough perspective, skills and confidence to integrate into mainstream society, SNV also provides psychosocial support throughout the entire project. It is important to empower them to be part of the working society so they can become promising entrepreneurs.

"A psychological assessment is part of the selection process. We look for underprivileged young people but they need to be able to continue and cope with the training for them to build a career. There needs to be a proper chance for success," says Milagros.

By the end of the project, SNV will have given these young people the skills they need to replicate the fishponds back in their communities. We are also involving the local government so that together we can find the funds to roll out the programme to even more remote communities. ●

People making a change

SNV is a people organisation. Our aim is to change the lives of people in poverty. And we do that with people who have the passion and drive to make a change. With our two-year junior professional programme, we have given hands-on experience to some of the next generation of development leaders – people whose dedication and enthusiasm is inspiration to us all.



Lynette Korir

Clean-cooking solutions that improve people's health and livelihoods

"My work takes me to some of the most remote areas of Nepal. The people live in extreme poverty, and prior to SNV entering the region, people said: 'No cook stove programme of this kind would work; people in the region are only used to subsidies'. But we have been there since 2012 and have installed over 44,000 stoves – a great accomplishment in my opinion. The current success of the programme is partly due to our work in promoting locally manufactured stoves in the communities. I found that the best way to do this is to connect with the women of the village. Once they realise the benefits of a clean cookstove, then it's just word-of-mouth. They love to chat with one another and this can be our most effective way to promote the stoves. I must say that the work is great. I feel very passionate about what we are doing and I can really see that we are changing people's lives for the better."



Geert Koster

Improving access to sanitation and hygiene facilities for rural communities

"One way we promote hygiene and sanitation is through, for example, radio broadcasts, posters and community workshops. Another is to introduce and market sanitation technologies that are easier and cheaper to produce. We also try to strengthen governance related to sanitation and hygiene to ensure ownership and sustainability even when the project ends. Some of our work may not be the most glamorous but it is extremely important. For example, to make people aware of the need for improved sanitation, we literally have to go into the villages and point out human poo left on the ground and show how it can contaminate their food. It is a simple but very powerful way to get the communities thinking about poor sanitation and hygiene issues. When they see the negative effects open defecation can have on their health, they become very proactive in changing their behaviours. I get a lot of satisfaction from seeing our work benefit the people who need help the most."



Caroline te Pas

Farming and livestock practices that cope with climate change

"In Cameroon's Food Security project, I was involved in making agriculture more resilient to climate change. In one campaign, we brought together over 30 farmers from different villages to train them in climate smart agriculture techniques. The farmers returned to their villages to set up their own 'farmer field schools' with demonstration plots in which they taught these techniques to other farmers in their communities. The participating farmers reacted very positively and were soon applying the new practices in their own farms. Being able to interact with local farmers and stay in their villages are the things I enjoy most. I can really bond with them and understand their needs. They are extremely inviting, and they get very excited about the work we are doing. It's a lovely feeling. My work has given me a lot of valuable knowledge and experience, and I look forward to helping more people improve their lives."



Herman Yiva Chick

Building better crops

"A lot of small holder farmers in the Democratic Republic of Congo have old oil palm crops that produce a small quantity of fruit and low quality palm oil. Our programme has been showing farmers how to grow crops with a higher yield; develop better techniques to extract the oil; and connect to new markets. For me, it's amazing to see how changing one process in the supply chain can benefit so many people. Women in Kinshasa often buy palm oil to make soap. However, they were not able to get palm oil of good quality. Together with local capacity builders, we strengthened their soap production and connected them to the palm oil producers some 700 km away. They can now get palm oil of improved quality, make a better product and sell more soap. Connecting with the local farmers is key to our work. We need to know their needs and find the best solution that works for them."

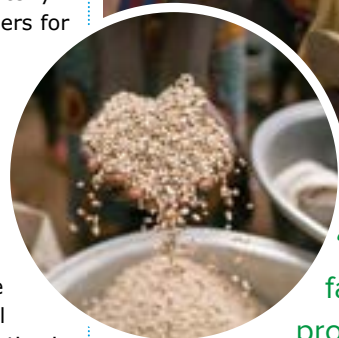


Food for thought

Feeding school children with produce from local farmers

At the base of Africa's second highest mountain, Mt Kenya, lies Laikipia County. Meaning "treeless plain" in the Massai language, Laikipia is a biodiverse region in the heart of Kenya with an abundant of wild animals, beautiful landscapes and is home to over 400,000 people from different ethnic groups.

Agriculture forms a large part Laikipia's economy, with farmers keeping livestock and growing food crops such as maize, carrots, peas, potatoes and wheat. But it has been difficult for smallholder farmers to find suitable, long-term buyers for their crops, and even though schools in the area purchase foodstuffs on a quarterly basis, there have been a number of barriers for farmers to enter these markets, such as inaccessible school-procurement procedures, lack of organisation among farmers and unreliable crop production.



Starting in 2012, SNV has been implementing a programme funded by the Bill and Melinda Gates Foundation that is breaking down these barriers. The programme not only operates in beautiful Laikipia County, but also in 14 other counties in Kenya, 54 communes in Mali and 20 districts in Ghana.

"Home grown school-feeding programmes have been operating for over a decade in Africa," says Eliana Vera, SNV project director. "Having local farmers supply their products to school feeding programmes guarantees kids have at least one nutritious, locally-sourced meal a day, while at the same time improving farmers' incomes. It should be a win-win situation for communities, but it has been hard for smallholder farmers to access these markets."

To bolster farmers' links with school-feeding programmes, SNV is piloting a number of solutions on both the supply and demand side. On the supply side, we work with associations of local farmers to build their awareness of school feeding procurement cycles and

"Having local farmers supply their products to school feeding programmes guarantees kids have at least one nutritious, locally-sourced meal a day, while at the same time improving farmers' incomes."

requirements. "By working as a collective," says Eliana, "it's easier for farmers to enter the supply chain and strengthen their capacity to submit tenders and participate as suppliers for school-feeding programmes." To date, the programme has supported 726 farmer organisations, representing 40,000 farmers, which resulted in 12,500 farmers with direct sales to school feeding.

SNV also builds capacity on the demand side, by training procurement officials on how to make public procurement accessible to smallholder farmers. From the planning phase, to the tender announcements, to assessing bids and selection, to contract management, the entire procurement process can better reflect the principles of "home grown", while still retaining the principles of transparency and value for money. We complement this capacity building by raising awareness of school feeding within the communities. By involving parents in the monitoring and evaluation of their children's school feeding programme, we reinforce transparency in public procurement processes and further publicise the market that school feeding represents.

State-funded school feeding programmes in Ghana, Kenya and Mali feed 2.5 million students and spend USD 70 million on food annually. According to Eliana, "the potential for scaling up and connecting even greater numbers of farmers to this large and local market is huge." ●

Donors

Over 70 different donors currently invest in SNV's quality programmes and services globally. We work together to promote sustainable development and alleviate poverty.



Leading SNV Donors in 2014

- Dutch Ministry of Foreign Affairs
- DFID
UK Department for International Development
- SDC
Swiss Development Cooperation
- USAID
United States Agency for International Development
- European Commission
- DFAT
Australian Department of Foreign Affairs and Trade
- SIDA
Swedish International Development Cooperation
- IFAD
International Fund for Agricultural Development
- UNICEF
The United Nations Children's Fund



Partners

Partnerships improve outreach and extend the impact of our work. We work with national governments, private sector innovators and local NGOs. Together we scale up our projects, replicate our successes and learn from each other. A number of our partners are featured on the right.



Taking care of business



Michel Farkas
Managing Director,
Global Support Services

The most important number for SNV is the amount of beneficiaries we reach. For the period of 2012-2014 SNV benefitted 11.7 million people, just short of our target of 12 million.

When I think of this number, I firstly realise that these beneficiaries are more than just a number; they are women, men and children, both young and old, who are one-step closer to breaking the cycle of poverty. They are people who have improved access to clean, fresh water; people who have a greater access to nutritious sources of food; and people who can power their homes with innovative renewable energy technologies. They are farmers, business people and entrepreneurs who are guiding their own development.

Being able to impact this many people came down to the fact that we were able to maintain the quality and deadline of our deliverables. We spent EUR 115 million in 2014 on projects across our three sectors, and when compared to

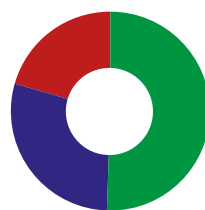
the amount of people it served, we can say that it has been money well spent.

While SNV is moving into a new phase without core subsidy from the Dutch government, our donors know that SNV has the knowledge and expertise to implement projects that get results. We have successfully built up resource mobilisation activities to ensure mission continuity beyond 2015. Substantial growth of 26% in the order book for future years was achieved (EUR 126 million in 2014 vs EUR 100 million in 2013) and the external project revenues realised in 2014 increased 39% on 2013 (EUR 69.0 million versus EUR 49.7 million).

2014 was a good year for SNV. However, we can and must push forward. By strengthening existing partnerships while building new ones, together we can reach out to more and more low-income communities and support them as they move towards a brighter future.

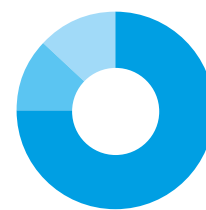
Finance

In 2014, we invested EUR 115 million in sustainable development programmes and services.



SNV Sector Expenditure 2014

- Agriculture EUR 50 million
- WASH EUR 28.5 million
- Renewable Energy EUR 20 million



SNV Regional Expenditure 2014

- Africa EUR 87 million
- Asia EUR 14 million
- Latin America EUR 15 million

Our impact

We improved the lives of **11.7 million** people from 2012 to 2014

We spent **€115 million** in support of fighting poverty

We provided **>275,000 advisory days**



We work in **38 countries**

SNV has been building local capacity for **50 years**

We employ over **1300 people** of which 34% is female

The majority of **our staff in the field is local**

Almost **70 different donors** consider SNV a **solid partner** and fund our work

Renewable Energy

- Energy poverty and rural electrification
- Women-powered businesses and youth empowerment
- Climate smart energy and low carbon growth
- Resilient value chains and technological innovation

We have provided almost **900,000 people** with renewable energy sources

>1.2 million tonnes of greenhouse gas emissions reduced

Agriculture

- Sustainable markets
- Food nutrition and security
- Gender and youth in agriculture
- Climate smart agriculture

We have contributed to an **increased income** for more than **880,000 people**

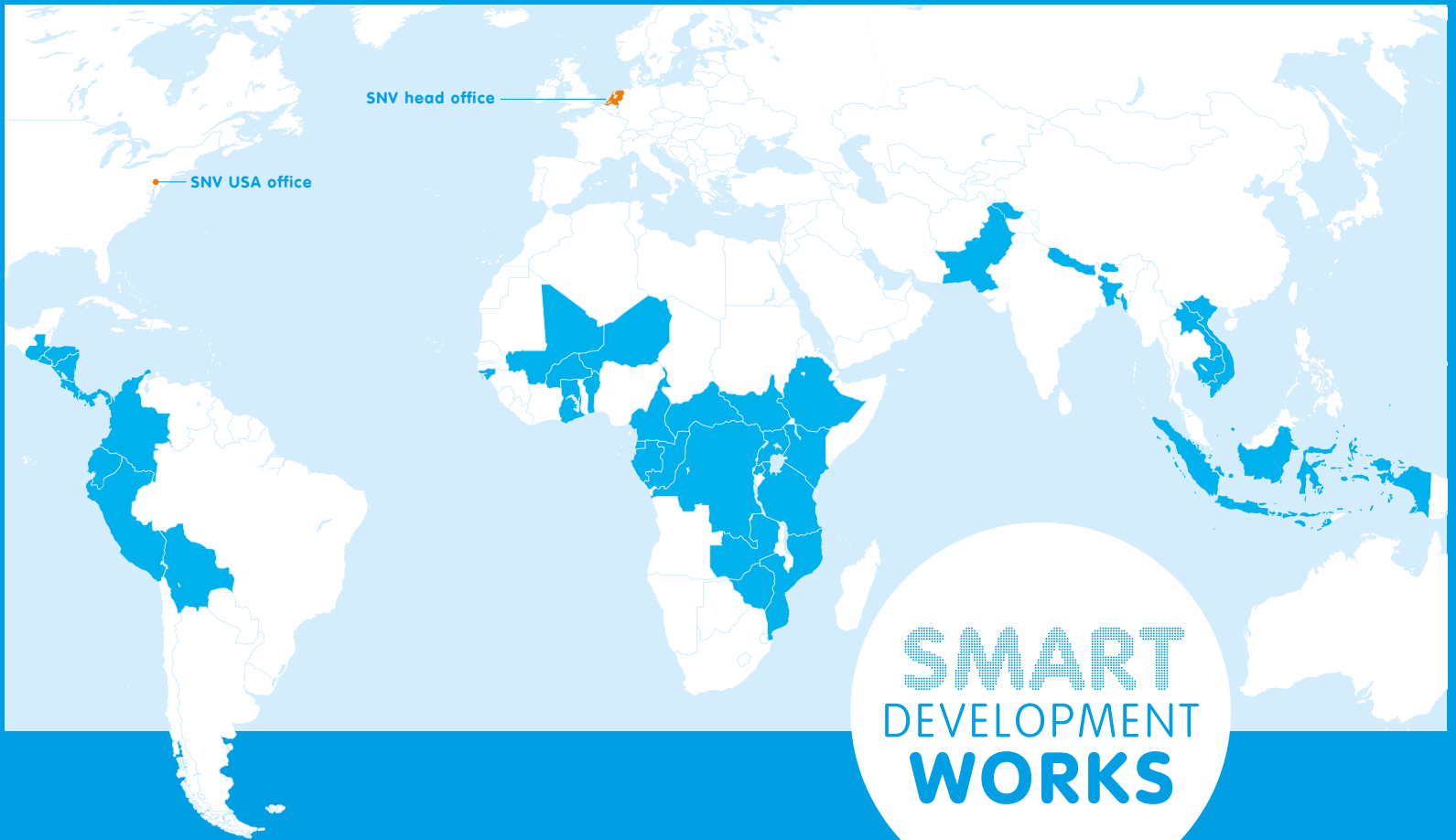
>390,000 people have an increased resilience to climate change

Water, Sanitation and Hygiene

- Rural sanitation and hygiene for all
- Urban sanitation and hygiene for all
- Functionality of rural water supply services
- Sustainable water supply services in small towns and peri-urban areas
- WASH in schools

We have improved **drinking water sources** for around **1.3 million people**

>1 million people have access to improved sanitation facilities



SNV is a not-for-profit international development organisation. Founded in the Netherlands 50 years ago, we have built a long-term, local presence in 38 of the poorest countries in Asia, Africa and Latin America. Our global team of local and international advisors works with local partners to equip communities, businesses and organisations with the tools, knowledge and connections they need to increase their incomes and gain access to basic services – empowering them to break the cycle of poverty and guide their own development.

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