

Connecting Microfinance with Water and Sanitation in Homes

New approaches for Financing

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CONO NORTE AREQUIPA
108,000 people

In Peri-urban in Peru, many households lack access to water and sanitation because of very last-mile, poor intra-households WASH: precarious tap, old latrine, no private bathroom, no effective water service and drain in the kitchen.



SUSTAINABLE DEVELOPMENT GOAL 6

Ensure availability and sustainable management of water and sanitation for all

6.1: “By 2030, achieve universal and equitable access to safe and affordable drinking water for all”

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THE UNSERVED SEGMENT IN PERU

“Invisibles” without basic goods & services:

- Low income families, informal entrepreneurs
- Peri urban areas, restricted services
- No formal ownership of land
- Unappropriate self construction
- No banking access, expensive informal loans

THE PROJECT :



- Financial institutions in Peru implement loan policies towards housing sanitary infrastructure in periurban areas
- Flexible loans, access to low income families (informal micro-entrepreneurs) who self construct their houses

Financed by:



Developed by:



CREDIAGUA is a methodology of interaction, linkage and creation of trust between microfinance entities and the population that seeks to facilitate access to sanitary improvements in potable water and sanitation



CREDIAGUA

CREDIAGUA Project
Access to Water and Sanitation
through Micro Finances in Perú

What is a improvement sanitary? Is any facility that directly signifies greater quantity or improvement of water service quality and drainage. Is any improvement made in the bathroom, kitchen, laundry and other areas of the house or family business



1 LOCATION OF POTENTIAL ZONES

Peri-urban areas with access to public water network



2 TRAINING TO SALES FORCE

Concept about improvement sanitary
Benefits for Families
Benefits for Micro Finances
Sales strategies



3 IDENTIFICATION OF DEMAND

Contact with leaders
Door to door sales
Fairs and campaigns
Inter-institutional alliances



4 CUSTOMER EVALUATION

Visits to houses
Customer credit evaluation
Credit Approval



5 CREDIT DISBURSEMENT

Free availability
Market rates



6 SANITARY IMPROVEMENT

Bathroom, kitchen, laundry
Training plumbing



7 MONITORING OF INDICATORS

Bankization, credit destination, arrears rate
customer satisfaction



INITIAL SITUATION

families in peri urban areas, connected to water and sanitation systems, require a bath, water in kitchen, multi-purpose laundry



FINAL SITUATION

94% of families that acquire a loan for improvement sanitary, develops best hygiene practices and improvement your economy



Main strategy

PENETRATE AND DEVELOP UNSERVED SEGMENT

The Project empowers and trains micro financial institutions with technical and social knowhow, providing the tools to penetrate and develop market, searching for a sustainable business with innovation and social purpose

Quality in self construction of sanitary infrastructure improvements

The project enables families on how to build the sanitary infrastructure with the best standard of quality and investment protection



Crediagua Crediagua ha subido un video



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**REAL ACCESS TO SANITATION
BASIC BATHROOM**



**REAL ACCESS TO SANITATION
PRIME BATHROOM**

CREDIAGUA: Results in 3 years (2014 – 2016)

57,700,000
USD granted

38,711
Families accessed
to micro loans

1,653
Trained microfinance
employees

Less than
1%
of arrears rate

331
Promotional campaigns
For microcredits

1,458
Persons trained
in plumbing

By 2019: **500,000** micro loans

Immediate impact

- **Business** with **Social** Responsibility
- Enrich the life quality and produces a change in the family health behaviors
- Improves Social and Economic **development**

