

1001 FONTAINES

# 2020

## ANNUAL REPORT





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# PROVIDING SAFE DRINKING WATER TO VULNERABLE POPULATIONS: A MISSION MORE RELEVANT THAN EVER



Julien Ancele,  
CEO 1001fontaines

Dear friends and supporters,

2020 definitely brought its share of twists and turns, with the whole planet going through unprecedented times. For 1001fontaines as well, the last year was exceptional in many ways.

The COVID-19 pandemic has highlighted more than ever the crucial role that WASH plays in the development and resilience of communities across the world. Never before has the importance of good hygiene practices and the availability of safe water been so evident at a global level. The mission of 1001fontaines, which enables vulnerable populations sustainably to access safe drinking water, has responded to the crisis and is fully aligned with the overall priorities stated by the UN Sustainable Development Goals.

I would like to thank and congratulate all of the teams in our four countries of operation, who have demonstrated remarkable responsiveness and agility in maintaining the continuity of service and ensuring that our 850,000 consumers could continue to drink safe water every day.

In parallel with our ability to respond to the health crisis, 2020 marked for 1001fontaines a strategic milestone in our history. Since 2005, when we pioneered the first water kiosk, each and every one of us – staff, volunteer, partner, donor, has striven to prove that social impact can go hand in hand with economic viability.

I have great pleasure in announcing that our target was reached in 2020 in Cambodia, our flagship program. With 258 water kiosks, the operations there are now self-funded, and cover 25% of the rural populations in the vicinity of those kiosks.

Far from being the end of the story, the achievement of this major objective in Cambodia gives us the ambition, the credibility and the duty to expand our actions to more geographies. Our goal now is to reach 3 million consumers by 2025, 8 million by 2030, and to position our water kiosk model as a global reference.

This next stage of our journey promises to be even more exciting. I invite each and every one of you to join us, so that together, we achieve our common vision: ensuring universal access to affordable, safe drinking water.

Thank you for your invaluable support to date. I look forward very much to continuing our journey with you,

Yours sincerely,

Julien Ancele



## THE WATER KIOSK: AN INNOVATIVE AND RESILIENT SOLUTION



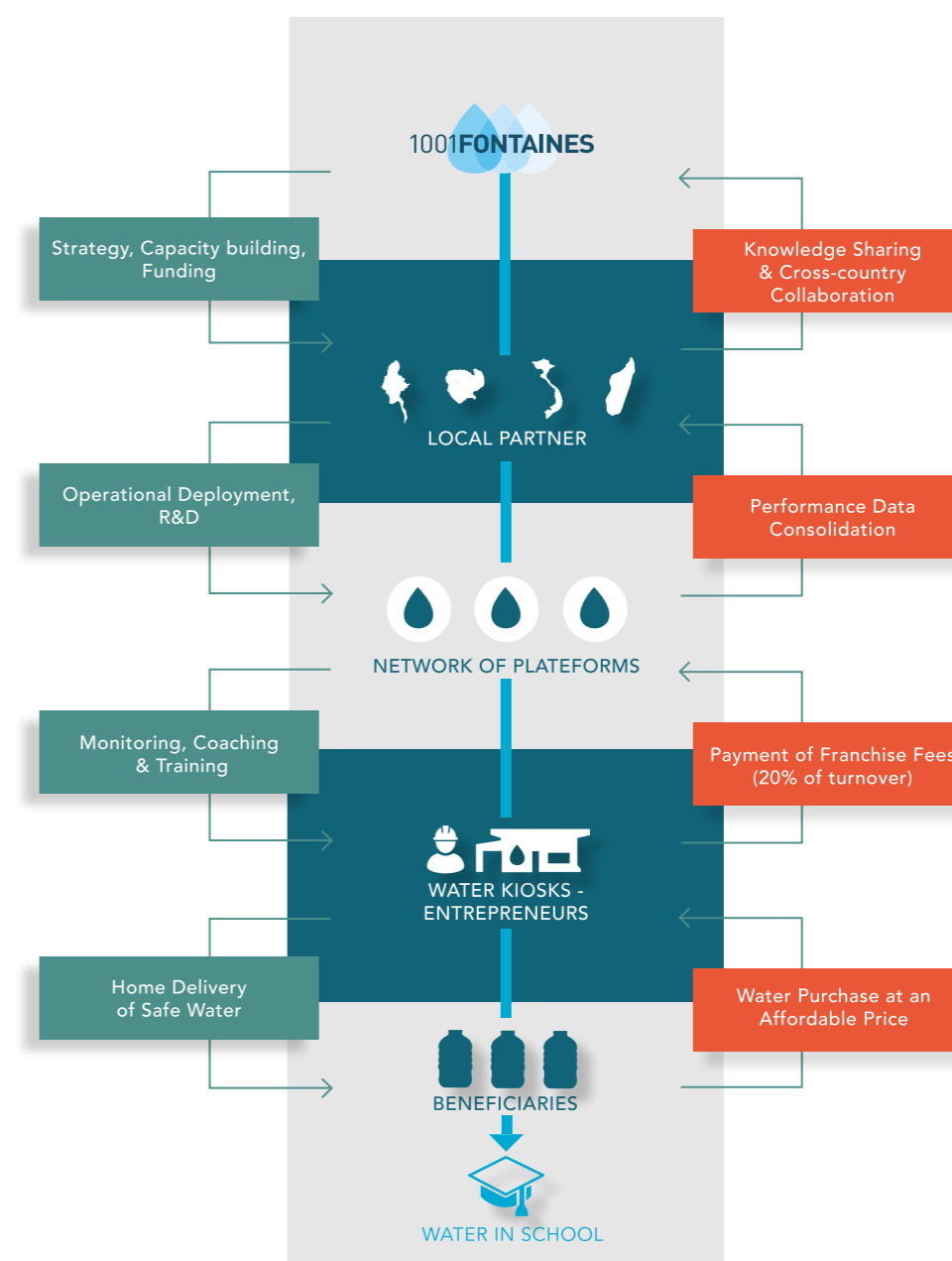
FOR THE PAST 15 YEARS, 1001FONTAINES HAS PIONEERED AND OPTIMIZED A MODEL CALLED WATER KIOSKS, ENABLING THE DECENTRALIZED PRODUCTION OF SAFE DRINKING WATER FROM LOCAL WATER SOURCES IN A SUSTAINABLE MANNER.

Water kiosks are small water purification plants, set up directly in underserved areas, where vulnerable populations face major health challenges. The kiosks are entrusted to local entrepreneurs, recruited and trained by our teams to ensure water purification and distribution of reusable 20-liter jugs to the consumers' homes.

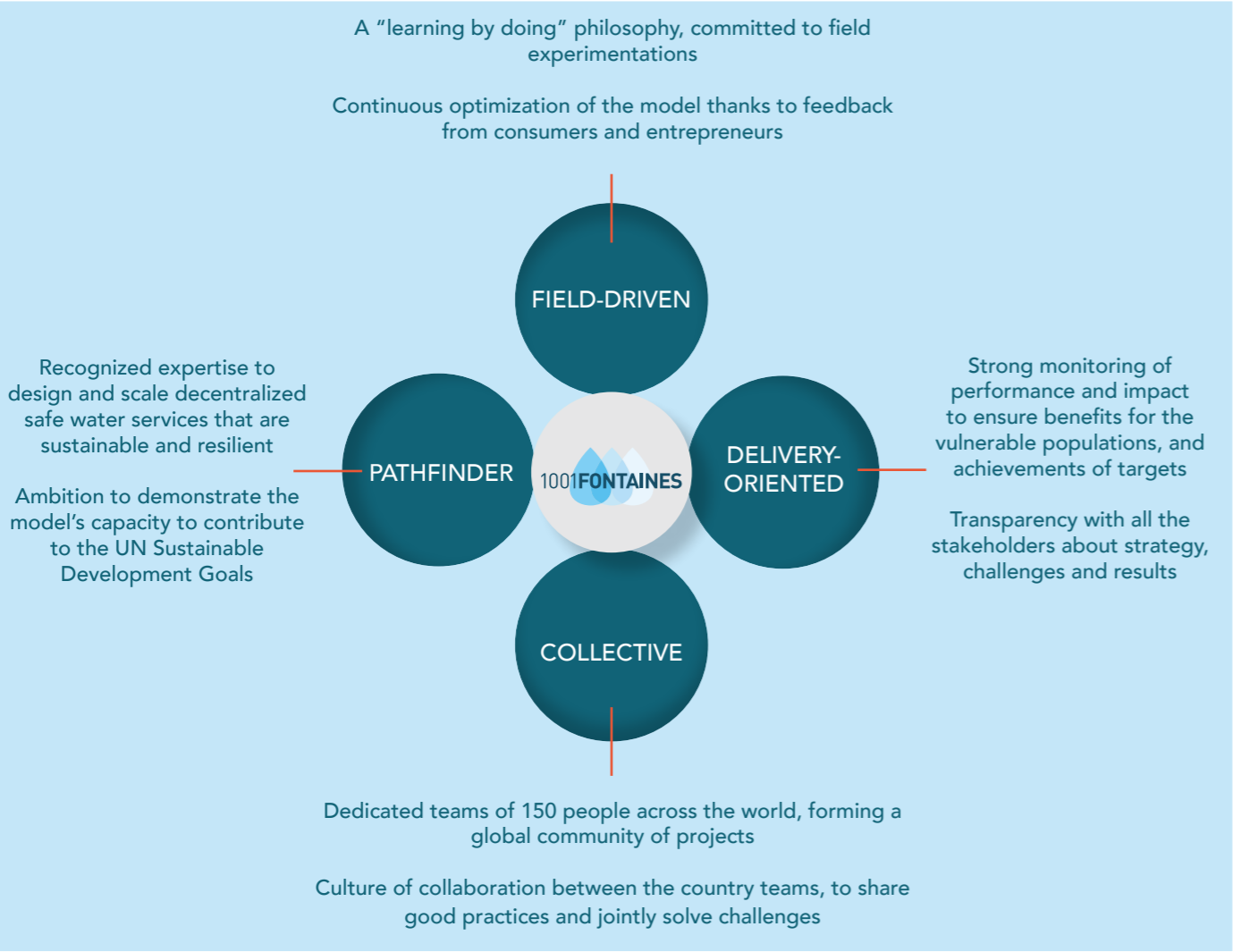
Water is also provided for free to the primary schools, in order to foster improvements in the health and educational experiences of the children.

To ensure the model's sustainability, a local entity is set up as a franchising organization. They deliver a range of services in exchange for a percentage of the revenues from water sales. These entities are the keystone of our model to ensure the successful deployment of new kiosks and the continuity of service over the long run.

1001fontaines acts as the head of a network of projects, with a global team that supports the local entities with strategic guidelines, knowledge transfer, advocacy and partnership development.



A SET OF VALUES EMBODYING THE PHILOSOPHY OF 1001FONTAINES



Providing global support to the local Finance teams in each country, by Quentin Pelletier, CFO, 1001fontaines

“Each country must have a strong finance department to control the projects’ budgets and to monitor the economic performance of their local organization. At the global level, our goal is to ensure that every Finance manager has the required tools and skills to achieve their objectives.

A key part of my role is to understand the specifics of each country of operation and the needs of the local finance management teams. This understanding of local contexts enables me to build personalized training plans for each member of the local finance teams. To give some practical examples; I have worked on accompanying the Madagascar team to have their accounts certified in accordance with local requirements, I have supported the recruitment and onboarding of the Vietnam Finance Manager and I have helped with the design of finance procedures for the Myanmar project.

Our shared global resources team is a key element of the 1001fontaines model. This team enables us quickly to build local capabilities, while ensuring the integrity of our approach across our family of projects.”

“

A balanced approach between community service and entrepreneurship, by Mrs. Htay, Entrepreneur in Myanmar

“I became a water kiosk entrepreneur in November 2019 in my village of Kan Thar Gyi. I really like my role, because I can see the impact of the project. I am supporting the communities to access safe drinking water and with a convenient door-to-door service. I meet everybody regularly and I can share the knowledge that I have gained on water and its importance for health. I also provide children with water at school – this is a particular source of pride for me!

And at the same time, I have ownership of a business with regular revenues. I acquired the skills to become an entrepreneur and I really want to maintain this role and develop my business.”



The critical importance of training the entrepreneurs, by Sota Horl, Development Director, Cambodia

“Over the years, we have learnt that a water kiosk that gets off to a strong start in its first weeks of operation will be much more likely to sustain its activity and reach high volumes of safe drinking water delivered to consumers. This means that the teams in charge of supporting the entrepreneurs at the very beginning of their kiosks’ lives are key to their success and long-term sustainability.

The Trainers of Entrepreneurs (ToE’s) are the people, who spend time working closely, interactively and supportively with the new entrepreneurs during their first 3 months of activity. With five main training modules (water production, financial management, planning and management, sales and marketing, and soft skills), the ToE’s coach the entrepreneurs to ensure that they have mastered good practices in these five disciplines and also have the requisite motivation to be successful in running their businesses.

The objective of the ToE’s is to help every water kiosk to achieve financial sustainability within 3 months – a significant contribution to the viability of the whole network.”



2020

## RESULTS AND IMPACT

### CAMBODIA

Local partner: Teuk Saat

**258** water kiosks

**527,000** consumers

**298,000** children benefiting from the Water in School program

**154 million** liters of water sold

**17/20** THE GRADE OBTAINED BY TEUK SAAT ON THE EXTERNAL EVALUATION OF THE LATEST PROJECT PHASE

The consulting firm Sevea notably acknowledged that “the project finds its legitimacy in the needs and expectations of the rural population”, while our local partner, Teuk Saat, “successfully managed to achieve all its targets [and] can ensure the conditions to self-support sites, platforms and the sustainability of the whole model.”

### MADAGASCAR

Local partner: Ranontsika

**11** rural water kiosks

**1** factory serving 4 urban sales points

**22,000** consumers

**16,000** children benefiting from the Water in School program

**8** THE NUMBER OF MONTHS OF LOCKDOWN WITH NO ACCESS TO RURAL SITES

“During the confinement, we had support from our HQ by phone and courier mostly. Luckily, we always got what we needed (masks, gloves, disinfectant and the usual supplies) to perform and stay open safely. We also had many requests from the government to support treatment centers and sanitary stations, which we did free of charge.”

Mr. Jean Bertho Ferdinand, Kiosk operator

### MYANMAR

Local partner: Network Activities Group

**2** water kiosks

**1,500** consumers

**2,000** children benefiting from the Water in School program

**99%** THE PERCENTAGE OF CONSUMERS SATISFIED WITH THE WATER QUALITY

“When 1001fontaines was not present in our village, I did not know that water could lead to diseases, and that my children were getting sick because of this. With my husband, we now understand the importance of drinking safe water, and we want our children to have a better, healthier life than ours. That is why we decided to start buying the 1001fontaines water.”  
Ma Htay, Myanmar consumer

### VIETNAM

Local partner: O-We Water Services

**1** urban factory selling more than 200 jugs (each of 20 liters) a day

**1,000** beneficiaries after 2 months of operation

**60,000** liters sold

**2** THE NUMBER OF FACTORIES HAVING DECIDED TO PROVIDE THEIR WORKERS WITH O-WE WATER

«Thanks to the O-we team for giving us the chance to take care of our staff better. I have been concerned about their health and physical condition for a long time. Improving the drinking water quality would be the 1st step for Biti's to move further on this journey. Let's target to provide high-quality drinking water to the majority of our employees' families in HCMC in 2021!»  
Ms Giang Nguyen, Biti's factory sustainability manager

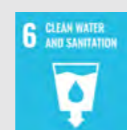
## A RESILIENT MODEL SUPPORTED BY 3 PILLARS OF IMPACT



### HEALTH

**850,000** beneficiaries having access to safely managed drinking water services, with quality guaranteed till the point of use

**550,000** people trained in good hygiene practices that curb the spread of the COVID-19 pandemic



### ECONOMY

**950** local jobs created, one third of them being held by women

**272** entrepreneurs trained to water kiosk management thanks to our in-house training course

**100%** of on-going operating costs of Teuk Saat (our local entity in Cambodia) self-funded

**315,000** children provided with better educational experience thanks to our Water in School program



### ENVIRONMENT

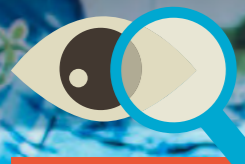
**15,000** tons of CO2 emissions per year avoided in Cambodia

**100%** rural kiosks equipped with solar panels

**1:120** ratio of plastic use compared to small PET bottles

**Resilience** to climatic events thanks to emergency response plans and long-term adaptation strategies





## IN FOCUS #1

## THEY BEAT THE ODDS TO BREAK EVEN

2005

First water kiosk set up in the Battambang region

2007

Creation of Teuk Saat 1001 as local NGO

2010

Opening of the 2nd regional platform in Phnom Penh

2012

Launch of the "O-we" brand for the water jugs

2016

Opening of the 3rd regional platform in Kampong Cham

2017

100 million water liters sold in one year

2020

Economic breakeven at country level



AVERAGE NUMBER OF SITES OPENED IN A YEAR



2005-2012: 8  
2013-2020: 31

## A THREE-FOLD EFFORT TO REACH BREAK EVEN, GUIDED BY FIELD LEARNINGS

### SUCCESSFULLY OPENING NEW WATER KIOSKS

Over the past 15 years, Teuk Saat 1001 has progressively improved its capacity to launch new water kiosks, both in terms of number of sites opened every year and of quality of the launching itself.

INDUSTRIALIZING THE OPENING OF NEW WATER KIOSKS HAS REQUIRED THE COORDINATION AND UPGRADE OF ALL THE ACTIVITIES CRITICAL TO SET UP A SITE:



Teuk Saat 1001 has now found its cruising speed, thanks to the concept of "wave": the whole process is packaged for a group of 10 sites, and repeated 3 to 4 times a year. These waves of site openings are dimensioned to facilitate the parallel work on several water kiosks, while mutualizing resources for activities such as entrepreneurs' training.

The latter has also been significantly upgraded in the past years, with our in-house training course, the Social Entrepreneur Academy, becoming always more performant in transmitting know-how to newly selected water entrepreneurs. The "learning by doing" philosophy has gained higher importance, with the new recruits spending several weeks working in an existing kiosk, and benefitting from the mentoring of a senior entrepreneur.

These optimized methodologies now enable Teuk Saat 1001 to complete a wave of 10 sites in 3 months, from site selection to site opening, and to take in average 3 additional months to have the water kiosk reach a volume of 1,700 liters sold per day – threshold from which the entrepreneur is then supported by the franchise services.

“



François Jaquenoud, Co-founder of 1001fontaines

"In 2005, when the first water kiosk was set up in Cambodia, we made some rough calculations on what it would take to reach economic sustainability at a country level. Our hypothesis was: 240 water kiosks in operation across the country, part of a national franchise network, receiving support services from 3 regional offices. And here we are: at the end of 2020, the breakeven was reached, with 258 active water kiosks and 3 regional platforms, serving 825,000 consumers across the country.

More than simply setting up new water kiosks, our journey since 2005 has required continuous optimization based on a field-driven philosophy, significant investment in local capacity-building to ensure operational and financial sustainability, as well as unfailing determination from the global and local teams to overcome various challenges along the way.

We are humble but also proud of how far we have come over the past 15 years, and we attribute that in large measure to the commitment of our local teams, as well as to the vital support of our global and local partners."

ENSURING EACH ENTREPRENEUR SUSTAINS THEIR ACTIVITY

The franchise services are the corner stone of the 1001fontaines model. Having regional offices, called platforms, supervising from 60 to 90 sites, is the major guarantee that each water kiosk will sustain over time. It is the reason why Teuk Saat can claim an impressive 82% of sites still in activity since 2005.

A team of advisors visits each entrepreneur twice per month. The first visit collects data on the previous month's performance and checks that the site is well maintained. The second visit focuses on coaching, with a combination of customized support and group training at provincial level.

“

Mr. Chreng Din, who started as an entrepreneur in 2017, values a lot these new monthly provincial sessions:

*“It is a great opportunity to meet with other entrepreneurs, and to understand the challenges they face and the solutions they have found. Like this, if one day I face the same issue, I know how to react. It also gives me the possibility to come with the two operators who work with me at the kiosk, and to have them refresh their good practices. We already learned a lot about selling tips, and I hope to get more in the future.”*

”

This platform support framework has been optimized over time to achieve the right balance between monitoring and coaching. Today it enables 78% of the water kiosks to be self-sustaining. Had it not been for the COVID-19 pandemic, this number, while already high, would have exceeded 85%.

OPTIMIZING THE EFFICIENCY OF THE NATIONAL ORGANIZATION

Over the years, Teuk Saat has grown to become a national organization with 100 local staff, supporting 750+ entrepreneurs and operators across the country. Accompanying the growth of the number of kiosks has required us progressively to upgrade the structure, as well as the methodologies and tools and to shift from ad hoc, paper-based monitoring to industrialized processes, which leverage digital. These changes have greatly increased productivity and enabled a step change between 2015 and 2020 at the Teuk Saat level: aggregation of monthly performance data is now done within 13 days compared to 40 days before, on-site technical interventions now take place within 48 hours versus 1 week, and delivery of consumables now occurs within 2 weeks versus almost 2 months previously.

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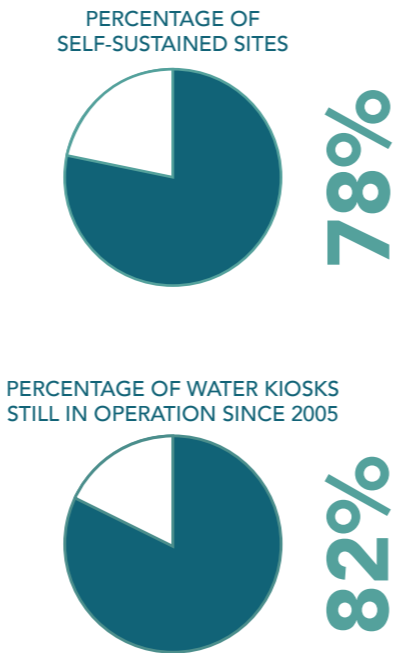


Somary Thuon, Social Franchise Director of Teuk Saat, also highlights the role of capacity-building of the teams, and of the new tools developed for the entrepreneurs:


*“I joined Teuk Saat 3 years ago, and since then, we have been working with a common goal in mind: reaching the sustainability of the model in Cambodia. This required to improve the efficiency of the national organization, to better support the entrepreneurs in developing their activity.*

*Our trainers of entrepreneurs and advisors have received continuous trainings to provide enhanced coaching. We have also invested a lot in strengthening the marketing department, to give entrepreneurs relevant tools. For instance, we organized seasonal promotions to convince more people to purchase safe drinking water, and point-of-sale materials for small shopkeepers who are ready to sell our water, in order to boost the sales. It has also meant further expanding the role of Teuk Saat, with new logistic services in place to supply consumables to all the network – a strong added value for the entrepreneurs.”*

”



A 5-YEAR PLAN DELIVERED ACCORDING TO THE STRATEGY

		2015 RESULTS	2020 PROJECTIONS MADE IN 2015	2020 RESULTS
	NUMBER OF ACTIVE KIOSKS	134	240	258
	NUMBER OF REGIONAL PLATFORMS	2	3	3
	NUMBER OF CONSUMERS (not including Water in School beneficiaries)	232,473	607,000	527,384
TEUK SAAT	TEUK SAAT NET RESULT (USD)	(230,622)	+ 19,564	+ 42,031





## IN FOCUS #2

# A COMMITMENT TO PROVIDE SAFE DRINKING WATER IN CRISIS TIMES



## OVERVIEW OF THE SITUATION IN THE 4 COUNTRIES OF OPERATION

### CAMBODIA

- Few cases in 2020, mostly detected among incoming visitors
- No lockdown, travel restrictions limited to festivals
- School closure from March to September and in December

### MADAGASCAR

- Country hit by the pandemic, with Tamatave as hotspot, and long lockdown
- Huge travel restrictions making it impossible to access rural sites for 8 months
- School closure from March to October

### MYANMAR

- Growing number of cases and deaths throughout the year
- Travel restrictions with quarantine in between regions, and local lockdowns decided by communities
- School closure since April

### VIETNAM

- Limited number of cases
- Temporary, local lockdowns when a cluster was found
- School closure from February to May

## ENSURING OPERATIONAL CONTINUITY

The main focus of 1001fontaines was to guarantee that each water kiosk could pursue its activity with adequate safety procedures and protection materials. The country teams and all the entrepreneurs received training in these enhanced processes.

In Madagascar, specific arrangements were made to provide support to rural sites through weekly telephone conversations, thus compensating for not being able to visit the kiosks.

The teams also reacted to local specificities. In Cambodia, the price of hand-washing solutions significantly increased in the shops, resulting in significant expenses for the water kiosks. Our regional laboratories then started producing hydro-alcoholic solutions, to provide entrepreneurs with quality products at an affordable cost.

## LEVERAGING OUR LOCAL NETWORK TO REACH THE LAST MILE

Having a decentralized network of water entrepreneurs has proven being decisive to share precautionary measures and essential products with vulnerable communities.

In Cambodia, we partnered with UNICEF to spread information about the virus, its effects and the gestures to adopt. Within 2 months, the entrepreneurs were able to raise awareness of 500,000+ people, while the country teams sent push-SMS on hygiene practices to over 60,000 people. Soaps were also given for free in remote villages.

In Madagascar, our teams designed a water dispensing system which limits hand contact and, thus, the risk of contamination, as well as hand-washing facilities with clean water and soap. These two systems are now placed at key locations in Tamatave (public offices, schools, health centers).

## ANTICIPATING THE NEW NORMAL

### Adopting a more holistic approach to WASH

We believe it is part of our mission to further highlight the importance of WASH for health in the post COVID-19 context, to ensure that good hygiene practices are implemented locally and that our messages go beyond the importance of water quality alone.

This means placing a stronger focus on awareness raising, in order to enhance the future resilience of communities to pandemics, such as COVID-19.

### Offering more products for more impact

1001fontaines has observed the capacity of entrepreneurs to distribute soaps to their clients during the pandemic, without any particular operational difficulties. This encourages us to explore the relevant options to widen the portfolio of products, consistent with our objective of improving health and hygiene.



## SCHOOL CLOSURES: A SIGNIFICANT IMPACT ON THE WATER IN SCHOOL PROGRAM

While 1001fontaines normally provides 300,000+ children with free safe drinking water at school, the pandemic has put the program on hold for several months. Looking at the whole year, it represented a gap of approx. 10% in the total water volumes delivered by the entrepreneurs.

The awareness campaigns have convinced more families to purchase safe water from our water kiosks, enabling children to drink it at home and some entrepreneurs have made it their mission to stress the need to provide children with safe water.

“

Mrs. Suy, who works with her husband in a water kiosk in South Cambodia, explains their dedication to this program:

“When the schools reopened, my husband and I got the funds from 1001fontaines to serve 4 primary schools located near our kiosk. There is one more school in our area and we felt it was our duty to serve it as well, after the long closure of 6 months. So we started delivering free bottles to them, at our own expense, to ensure that every child could drink safe water.”



## IN FOCUS #3

# ADAPTING THE MODEL TO CHANGING CONTEXTS

Creating lasting impact in the field is only possible if we are able to sustain it. That is why 1001fontaines has a key goal that each country project reaches sustainability, from both financial and operational perspectives.

Although the philosophy and the core model remain the same from one geography to another, the field-driven mindset of 1001fontaines has encouraged the country teams to demonstrate adaptability and agility to adapt to the local contexts.

2020 has been a great illustration of this capability, with every project having taken strategic decisions to ensure its long-term sustainability and resilience.



Romain Joly



Vu Luong



Phu Nguyen

## VIETNAM

### A STRATEGIC PIVOT TO CREATE A MORE SUSTAINABLE IMPACT IN THE COUNTRY

In Vietnam, there is already considerable availability of bottled water on the market. However, the quality of products remains a tremendous issue and is well known by consumers. This situation required 1001fontaines to adapt its model slightly and progressively to find the relevant strategy.

Romain Joly, Vietnam Country Director, and his teams took the decision in June 2020 to stop the activities of upgrading existing small-scale water producers in the Mekong Delta and to start a large O-we (the brand name of 1001fontaines water in Vietnam) water production factory in Ho Chi Minh City. *"This decision was made to guarantee our product and service quality for the long run, in a very competitive and fragmented market context. Our core mission remains: provide the safest water at the most affordable price to vulnerable households, especially to factory workers in suburban areas."*

Vu Luong, COO, has great memories of the factory set-up: *"All members of the team were really thrilled and excited, since this is the first factory of our own and it was built within only 3 months. There were a lot of new things to design and select, such as lay-out, materials, production capacity, and go-to-market strategy."*

The factory started operating in November, targeting both retailers to convince them that O-we was the best choice and factories that would like to offer quality water to their workers. The initial feedback from the clients is quite promising. Phu Nguyen, Sales Manager, relates that *"retailers really like the unique design and color of the bottles and see the combination of quality and affordability as critical reasons to switch to O-we water. So far they are very satisfied with the service delivered by the teams."*



The objective for 2021 is now to maintain sales to existing customers and to convince more retailers and factories to select O-we water.



Luke Barrett



Luca Randrianambinitsoa



Rinah Rakotondrazaka

## MADAGASCAR

### A PROMISING MODEL BASED ON A MIX OF URBAN AND RURAL SERVICES

Madagascar counts among the poorest countries in the world. Rural areas, in particular face immense challenges, in terms of economic situation and overall development. With 11 sites in such rural areas, and a limited potential to open more water kiosks in the same region, 1001fontaines and Ranontsika (its local organization) decided to investigate additional solutions that could help the project reach financial sustainability.

Luke Barrett, Country Director, was instrumental in designing these new services: *"We identified two major options that would both foster our mission to improve the health of vulnerable populations and generate additional revenues. Those were (1) opening a large production factory out of Tamatave to serve sales kiosks in the city, and (2) offering water testing services with our laboratory."*

The Tamatave Production Manager, Luca Randrianambinitsoa, is very enthusiastic about the initial results, and optimistic about the future outlook.

*"Despite the big challenges of 2020, sales have increased by a factor of more than 6, which shows that we are answering a big need of the vulnerable urban populations. We have had to hire new people to meet the demand. We are now employing 9 staff at the production station, 2 more for delivery and 8 at our sales kiosks in the city. With the peak of the hot season approaching, we even anticipate a bit of overtime, in order to serve everyone!"*

The laboratory services have also been advancing, with a key project on lead remediation. Rinah Rakotondrazaka, Project Coordinator, explains the context and the key actions taken:

*"We tested over 400 children and found that over 65% had blood lead levels higher than international reference values. This is due to the consumption of water coming from manual hand pumps. We remediated 500 pumps by removing the lead components and created an entire social marketing campaign to jumpstart behavior change."*

Thanks to these promising results, the complete operating costs associated with the two activities are already covered by the revenues that they have generated. Ranontsika is, thus, perfectly on track to reach economic sustainability by 2022, a very satisfying result, given the 2020 context.



2021 will provide more insights about the new revenue streams, whilst also enabling us to strengthen the rural sites.



Frédéric Dubois



Somary Thuon



Stéphanie Seng

## BUILDING FURTHER RESILIENCE TO CLIMATE EVENTS

Cambodia has seen a growing number of hostile climate events, and the 2019 droughts and floods convinced the teams that it was time to engage in further adaptation efforts.

Frédéric Dubois, Country Director of Teuk Saat, conducted the first workshops to kick-start the work: *"Climate change is an increasing reality and its consequences on the ground are terrible. Access to essential services is key to ensuring the resilience of communities but these climate events put that at risk. That is why we have become more pro-active in addressing them."*

Teuk Saat created a drought mitigation plan to support affected sites with complementary water supplies, coming from either a nearby kiosk, another local water source or water trucks. Somary Thuon, Franchise Director, was relieved to see the results of this plan since the 2020 drought left 15% of our water kiosks with a dry water source: *"The measures in place were extremely efficient. 85% of the impacted sites continued their activity without any problem. They even grew their sales as more people suffered from water shortages. The remaining 15% had to stop water production for a few days, time for the teams to implement the appropriate fallback solution. They started operating quickly thereafter and came back on track quickly."*

The capacity of Teuk Saat to address such events has caught the attention of public institutions, with both UNICEF Cambodia and the Cambodian Ministry of Environment recognizing the efforts. Stéphanie Seng, Partnerships Manager, coordinated the collaboration with them: *"The 2020 strategy of Teuk Saat was perceived as innovative and further enhanced the resilience of a model that was already quite resistant to climatic events. Both institutions decided to support us, financially and technically, so that we could continue expanding the impact."*



Building upon these first results, Teuk Saat will move ahead with long-term adaptation efforts in 2021, improving the assessment of water source resilience and engaging in their rehabilitation when necessary.



Amandine Chaussinand



Htun Than Oo

## GOING VIRTUAL: MANAGING THE PROJECT IN 2020

Myanmar is the most recent country of operation for 1001fontaines, with less than two years of local activity, but a clear potential to replicate the Cambodian success story at an accelerated pace.

Following the eruption of the COVID-19 pandemic in the country, the borders were closed in March, resulting in our Country director, Amandine Chaussinand, being blocked from being in Myanmar for months and forced to manage the project and the teams remotely. As she recalls, *"that was particularly challenging in March, given the fact that it is in a pilot phase, with teams recruited only in 2019 and the two water entrepreneurs having barely a few months of experience."*

In order to make up for the distance, a significant work of knowledge capitalization was performed, resulting in comprehensive guidebooks detailing all the 1001fontaines methodologies adapted to the Myanmar context. These were used to train entrepreneurs continuously, grow the sales with marketing campaigns and prepare for the opening of future sites. These materials build on the 15 years of experience of 1001fontaines and are off-the-shelf assets for local teams.

Htun Than Oo, Team Leader, reflects on this abnormal year: *"since March, my colleagues and I have been provided with intense weekly training on the different aspects of the project and that has made remote management feasible and efficient. I could see the teams progressing over time and acquiring good capabilities to support the 2 entrepreneurs."*

Given the situation, I am proud of our 2020 achievements: great relationships with the regional authorities, who now sponsor the project, continuity of operations during the lockdowns, and above all, a visible impact on beneficiaries who have started adopting good hygiene practices related to water storage and consumption."



In 2021, we intend to finish the pilot phase and to start preparing for regional deployment.




## KEEPING COMMUNITIES AT THE HEART OF OUR ACTION

ACCESS TO WATER IS A STARTING POINT FOR THE DEVELOPMENT OF ANY COMMUNITY IN THE WORLD. THE CONSUMPTION OF SAFE WATER CREATES A VIRTUOUS CIRCLE OF HEALTH, EDUCATION, ECONOMIC OPPORTUNITIES AND POVERTY ALLEVIATION.

What the communities reached by 1001fontaines have in common is that they do not have access to an affordable solution for safe drinking water. They often live in remote areas, which are deprived of essential services.

The model of 1001fontaines reduces inequalities by reaching the last mile, while guaranteeing both quality and affordability of safe drinking water.

In addition to providing a service, 1001fontaines believes in involving the communities in the project: every water kiosk is supported by a local volunteer committee composed of villagers who wish to promote the project in their community and support the entrepreneur's activity over time. This public-private-population partnership, through which all the local stakeholders take ownership of the project, has clearly demonstrated the benefits of setting up water kiosks in the villages.

“

**Mr. Than, Retailer,  
Vietnam**

*“I have been selling cheap bottled water for years but I never drank any of the brands that I was selling, because I was not sure of the quality. O-we has made me change my mind: the team is professional, the bottle is clean and beautiful and the water tastes great. I now drink it and give it to my family.”*

“

**Urban consumer,  
Madagascar**

*“I’ve been a customer of Ranontsika for about a year now. Our whole family uses the water for drinking at home. We like Ranontsika because it’s affordable and we trust its quality for the health of our family.”*

“

**U Soe Lwin Aye, Consumer,  
Myanmar**

*“In our village, we care a lot about leaving a legacy to future generations. My grandfather planted a palm tree, which has been providing sugar to all of us. Now, we can participate in the project of 1001fontaines, and set up a water kiosk here. I am 60 and my life is behind me, but thanks to this water kiosk, my children, grand-children and all future generations will drink water, which will not make them sick.”*

“

**Consumers who participated in focus groups,  
Cambodia**

*“The 1001fontaines project has a lot of positive impact: we spend less time and money on water as we do not need to boil it and we are less sick – especially our children who no longer suffer from diarrhea. The service is also excellent: we love to have water delivered to our doorstep.”*





# LOOKING FORWARD TO 2030: ON THE WAY TO UNIVERSAL ACCESS TO SAFE DRINKING WATER



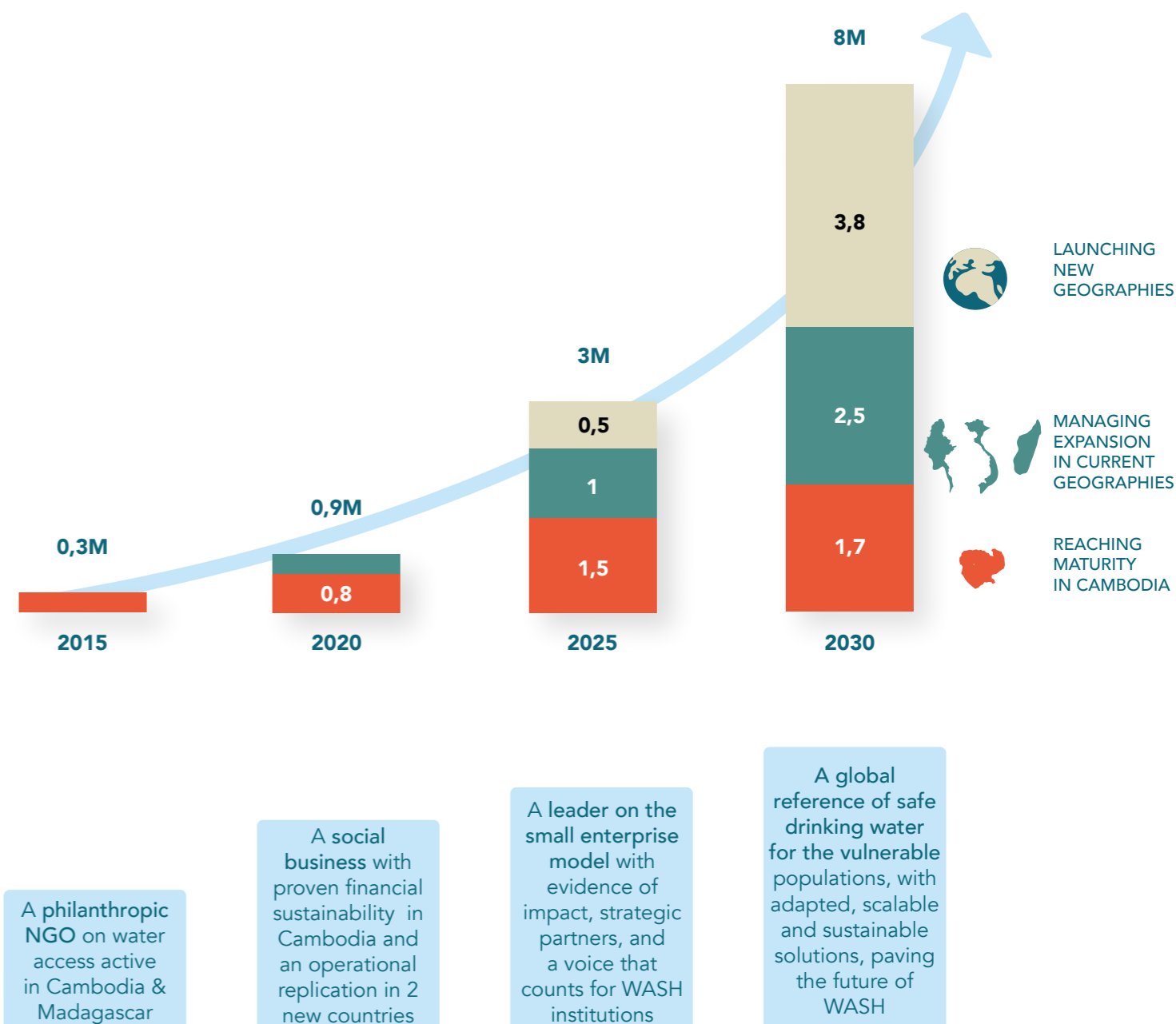
THE UNITED NATIONS HAS SET THE TARGET OF UNIVERSAL ACCESS TO SAFE WATER BY 2030.

Its latest reports state that 2.1 billion people are still deprived of this right, while the World Bank estimates that USD 14.5 billion per year should be invested in rural water supply if we are to meet the target of Sustainable Development Goal 6 (SDG 6) on universal access to safe water.

The achievement of the SDG 6 calls for cost-effective, proven models that can be scaled rapidly and benefit millions of people across the world.

Building upon our recent achievements, 1001fontaines intends to play a major role in this endeavor, by replicating the Cambodian success story in other geographies and positioning the water kiosk as a reference solution to provide safe drinking water to vulnerable populations.

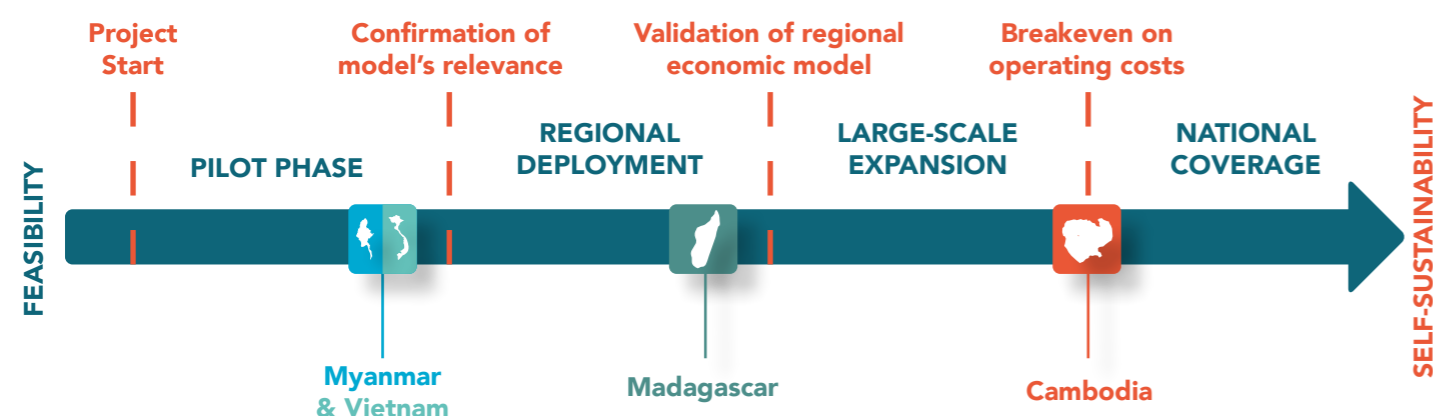
## OUR 2030 AMBITION: 8 MILLION BENEFICIARIES AND A GLOBALLY RECOGNIZED MODEL



## 2021-2023: A 3-YEAR OPERATIONAL PLAN TO PLACE 1001FONTAINES ON TRACK FOR LARGE-SCALE GROWTH

### SCALING IN OUR CURRENT COUNTRIES OF OPERATION

WITH 15 YEARS OF EXPERIENCE AND PROGRAMS IN FOUR COUNTRIES ALREADY, 1001FONTAINES HAS A CLEAR FRAMEWORK FOR SCALING THEM AND MAKING THEM SELF-SUSTAINING.



For the next 3 years, each country will be focused on progressing towards the ultimate goal of reaching a national footprint and economic viability:

**CAMBODIA:** with the breakeven on operating costs reached in 2020, the focus will now be on expanding our footprint in the country to cover 100% of the rural communes with 10,000+ inhabitants;

**MADAGASCAR:** with the new urban services, the Tamatave regional platform should reach breakeven on operating costs in 2022, enabling the pursuit of expansion to other parts of the country;

**MYANMAR:** with the pilot phase coming to an end in 2021, 1001fontaines will aim to launch the regional deployment phase, leveraging the experience from Cambodia to accelerate the pace;

**VIETNAM:** 2021 will confirm the model implemented last year, wherein a large factory supplied vulnerable populations in industrial areas – this will be the stepping stone to expansion in the country.

### PREPARING FOR FUTURE GROWTH

Our experience has taught us that operational deployment should always be paired with strengthening capabilities smoothly to absorb the growth. 1001fontaines will apply this key learning across our 4 pillars:

**OPERATIONAL NETWORK:** expanding the global team that captures knowledge and lessons learned and shares these with the country projects (water quality, marketing, finance controlling...)

**BUSINESS DEVELOPMENT:** identifying the next opportunities to launch a project and building the necessary partnerships to do so

**ADVOCACY:** embedding the water kiosk model in national public policies and increasing its international recognition

**FINANCIAL STRUCTURE:** setting up the relevant legal entities for each country, in order to avail of diverse funding mechanisms to support more widespread deployment of our model.

## PARTNERSHIPS ARE AN ESSENTIAL COMPONENT OF THE NEXT STAGES OF OUR JOURNEY

Reaching breakeven in Cambodia has demonstrated the decisive role that philanthropy has played in enabling 1001fontaines to initiate projects, fund the start-up investments required to launch water kiosks and build the capabilities of local organizations. Our shared journey with our partners underscores their catalyzing support over the past 15 years and demonstrate how we can jointly scale a self-sustaining and impactful model.

FURTHER SCALING OF ACCESS TO SAFE WATER FOR VULNERABLE POPULATIONS WILL REQUIRE AN EVEN GREATER JOINING OF FORCES AND AN ENLARGED NETWORK THAT BRINGS TOGETHER AND SHARES ITS EXPERTISE TO ACCELERATE THE ACHIEVEMENT OF THE SDG 6 AND ITS CONCOMITANT BENEFITS, NOTABLY HEALTH, ECONOMIC DEVELOPMENT AND THE ENVIRONMENT.



#### INTERNATIONAL ADVOCACY

Advocacy for the «water kiosk» model towards global institutions

Reinforcement of the relationship with national authorities in target countries

#### FUNDING

Funding of build and early run of new countries (new site opening, early-stage operations, capacity building...)

Funding of 1001fontaines development

#### HOW PARTNERS CAN SUPPORT US?

#### NEW COUNTRY OPENING

Enhancement of the deployment of the model in new geographies for 1001fontaines thanks to its existing international presence

#### EXPERTISE & KNOWLEDGE MANAGEMENT SHARING

Sharing of knowledge and best practices from other existing projects in portfolio

Enabling 1001fontaines to benefit from innovative in-house tools



# A GROWING RECOGNITION THANKS TO ALL OUR SUPPORTERS

CREATING LONG-LASTING IMPACT IN THE FIELD AND DEMONSTRATING THE POTENTIAL OF AN INNOVATIVE MODEL COULD NOT HAVE BEEN DONE WITHOUT OUR PARTNERS AND SUPPORTERS.

We would like to thank each and every one of them for their trust and their many contributions to 1001fontaines over the years. It is they, who have made our 2020 achievements possible and we sincerely acknowledge our gratitude to all of them.



**John Stone, Founder and Chairman,  
The Stone Family Foundation**

*"I congratulate the Board and management team of 1001fontaines and Teuk Saat on the success of achieving financial sustainability in Cambodia. This is a tremendous achievement and the social impact of providing safe, clean drinking water to rural Cambodians every day is something everyone involved in the operations and management should be very proud of."*



**Ophélie Bourhis, Country Director,  
Cambodia, AFD**

*"The French Development Agency (AFD) has supported 1001fontaines and its Cambodian partner Teuk Saat since 2011, in order to accelerate access to safe drinking water in the country. 9 years later, we are proud of the road traveled together and of the project's impact in Cambodia. We hope to see this success story happen again in the other countries of operation of 1001fontaines, especially in Madagascar, where the AFD also supports the organization."*



**Philippe Rombi, Chairman,  
Fleurance Nature**

*"Fleurance Nature has supported 1001fontaines for 10 years, as we are convinced of the efficiency and sustainability of the model. For the last 4 years, we have been supporting the Ranontsika project in Madagascar, to participate in improving the living and health conditions of the population, in particular the children for whom the consumption of drinking water is essential, for their health and their development. Taking part in this project is a source of pride for all of our employees, and we always have great pleasure in viewing the reports you send us."*



**Hélène Deresse  
Consultant at Accenture**

*"Consultant at Accenture, I had the opportunity to support 1001fontaines for 1 year in skills sponsorship and I had the chance to travel in Cambodia in the field. I was impressed by the social impact of the project and by the virtuous circle it generates for the most vulnerable thanks to its sustainable model. I was particularly moved by the Water in School program and how excited the children were to be able to drink Owe water. That's why I wanted to go further than my initial mission by creating a fundraising page on My.1001fontaines.com to finance the distribution of drinking water in schools. And even though my mission is now over, I continue to be a committed Water Angel!"*

## CAMBODIA

ACCENTURE  
CARTIER PHILANTHROPY  
CHOUPETTE STIFTUNG  
EUROPEAN UNION  
FONDATION PHILANTHROPIQUE PRIVÉE SUISSE  
FONDS DERVER au sein du Fonds de Dotation Transatlantique  
KUSANONE  
MINISTRY OF ENVIRONMENT CAMBODIA  
RICHEMONT INTERNATIONAL  
STONE FAMILY FOUNDATION  
UNICEF CAMBODIA  
USAID DIV  
UTIL STIFTUNG

## MADAGASCAR

AGENCE FRANCAISE DE DEVELOPPEMENT  
CALINAUTO  
COOPERATION MONEGASQUE  
FLEURANCE NATURE  
NUXE

## VIETNAM

COLAM IMPACT  
DANONE COMMUNITIES  
BITI's  
QLM label markers

## MYANMAR

FONDATION ALBERT AMON  
FONDATION CA INDOSUEZ  
IF INTERNATIONAL FOUNDATION  
UTIL STIFTUNG

## WATER IN SCHOOL

AIR LIQUIDE  
AMPEGEST  
ANTIN INFRASTRUCTURE PARTNERS  
ARKEMA  
BAUME ET MERCIER  
CAILLIAU DEDOUT & ASSOCIÉS

CID & CD CHARITY FOUNDATION  
CHRISTIAN BACHSCHUSTER STIFTUNG JONA  
CULLIGAN FRANCE  
DANONE WATERS  
DÄSTER-SCHILD STIFTUNG  
DIEHL METERING  
EY  
FONDATION ALFRED & EUGÉNIE BAUR  
FONDATION BARTHÉLÉMY  
FONDATION CÉCILE BARBIER DE LA SERRE  
FONDATION COLLÈGE CHAMPITTET  
FONDATION COROMANDEL  
FONDATION GERTRUDE HIRZEL  
FONDATION MADELEINE  
FONDATION MÉRIEUX  
FONDATION MICHÈLE BERSET  
FONDATION RAM ACTIVE PHILANTHROPY  
FRIBOURG FOUNDATION FOR CHILDREN  
GANESHA FOUNDATION  
GEORGES UND JENNY BLOCH STIFTUNG  
GERTRUDE HIRZEL  
GIFFARD  
GIFTS FOR CHANGE  
GROUPE FILATEX  
INTERMARCHÉ  
ISOTONER  
J&K WONDERLAND STIFTUNG  
MAZARS  
MICRODON  
MONDISAN STIFTUNG  
OLIVER WYMAN  
OPTEVEN  
PAYGREEN  
PING & AMY CHAO FAMILY FOUNDATION  
REMY COINTREAU  
SAITEX  
SOPARCIF

## STRATEGIC DEPLOYMENT

DAVID WEEKLEY FAMILY FOUNDATION  
FONDATION ARCEAL sous égide de la Fondation Caritas France  
VITOL FOUNDATION

## ADVOCATING FOR THE WATER KIOSK MODEL AND ITS IMPACT

### RESILIENCE TO CLIMATE CHANGE

1001fontaines participated in a joint [study on climate resilience](#) led by the Dalberg consulting firm. Together with other participants, we promoted the results during a [Webinar at the World Water Week 2020](#).

### COMPLEMENTARITY BETWEEN KIOSK AND PIPED SUPPLY

Universal access to safe water will require that solution providers join forces. [1001fontaines has prepared an initial paper on this topic](#). During 2021, we shall be discussing this further with other WASH organizations in Cambodia.

### INNOVATIVE FINANCE FOR GROWTH

In addition to private philanthropy and public funding, 1001fontaines is keen to explore new mechanisms, which could accelerate the expansion of the model. We have presented the potential of blended financing in two Webinars, respectively organized by the [French Water Partnership](#) and [Safe Water Network](#).



# FINANCIAL STATEMENTS

JANUARY 1ST, 2020 – DECEMBER 31ST, 2020

## ANNUAL EXPENDITURE ACCOUNTS (EUROS)

Fiscal year	2020 (€) 12 months		2018-19 (€) 18 months	
OPERATING EXPENSES				
1. SOCIAL PROGRAMS	1 581 395	71%	2 793 549	82%
1.1 In France	1 581 395	71%	2 793 549	82%
1.2 International				
Cambodia	1 212 611	54%	2 086 696	61%
Madagascar	132 111	6%	246 726	7%
Myanmar	132 742	6%	297 950	9%
Other countries	103 931	5%	162 178	5%
2. FUNDRAISING COSTS	298 475	13%	400 000	12%
2.1. Private grants	202 576	9%	271 480	8%
2.2. Other	95 900	4%	128 519	4%
3. MANAGEMENT AND ADMINISTRATION	131 917	6%	217 525	6%
I. TOTAL OPERATING EXPENSES	2 011 787	90%	3 411 074	100%
II. CHARGES FOR PROVISIONS				
III. INCOME TAX				
IV. COMMITMENT TO CARRY OUT ON ALLOCATED RESOURCES	215 730	10%		
V. TOTAL EXPENSES	2 227 517	100%	3 411 074	100%
VI. FISCAL YEAR SURPLUS	13 477		243 350	

Fiscal year	2020 (€) 12 months		2018-19 (€) 18 months	
OPERATING RESSOURCES				
1. DONATIONS FROM INDIVIDUALS	385 938	17%	375 155	10%
2. PRIVATE GRANTS & CONTRACTS	1 574 010	70%	2 450 044	67%
3. GOVERNMENT GRANTS & FUNDING	281 045	13%	829 225	23%
I. TOTAL	2 240 994	100%	3 654 424	100%
II. REVERSAL OF PROVISIONS				
III. CARRYOVER OF UNUSED RESOURCES FROM PREVIOUS YEARS				
IV. FISCAL YEAR DEFICIT				

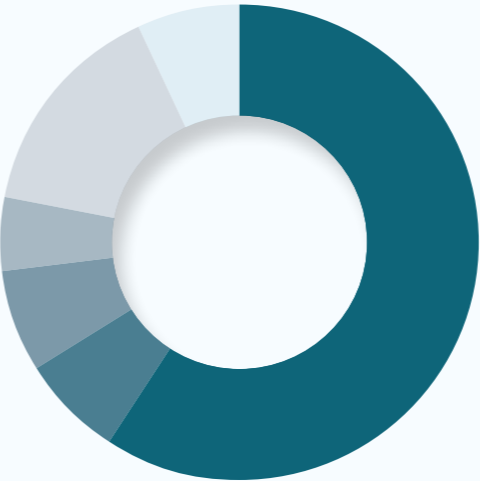
## ALLOCATION OF RESSOURCES

During the fiscal year 2020, the operating expenditures reached €2,012k, which corresponds to a decrease of 12% compared to the 2018-19 fiscal year. In addition, €216k of allocated funds were collected in 2020 for 2021 operations. Overall, the fiscal year ended with a surplus of €13k.

### COLLECTED RESOURCES

In 2020, €2,241k were raised. Funds collected from companies and foundations account for 70% of the fiscal year's resources, stable compared to the previous year.

### ALLOCATION OF EXPENDITURES



- 60% Cambodia
- 7% Madagascar
- 7% Myanmar
- 5% Others - social missions
- 15% Fundraising expenditures
- 7% Admin & Overheads

#### STAFF

By December 31st, 2020, the association was employing 5 staff members including 4 based in France.

The percentage of expenditures allocated to social purpose is 79%.

Including the funds collected for 2021, this percentage raises to 81%, a level similar to the previous fiscal year (82%).

Like the previous years, social purpose in Cambodia continued to absorb the majority of the budget, which accounted for 60% of the total expenditure this year (€1,213k). This amount enabled to fund the water kiosk deployment in new villages and the pursuit of the Water in School program.

The Madagascar and Myanmar programs expenditures both reached €132k, or 7% of the total expenditure, in slight decrease compared to the previous year. This can be explained by the ongoing consolidation in Madagascar, not involving any budget for new kiosk opening, and the delays faced in Myanmar because of the sanitary crisis.

The remaining social purpose (€104k) can be explained by the support given by 1001fontaines to the operations in the three aforementioned programs and to the Vietnam program. The latter does not directly impact the association budget as it is funded by our UV+Solaire subsidiary's co-stakeholders: Danone Communities and Colam Impact.

Operating costs remained under control, representing 7% of the total expenditure in 2020 (€132k). Fundraising costs are relatively higher, representing 15% of expenditure. This is due to one-shot expenses linked to the revamping of the 1001fontaines digital tools.

Project	Budget 2021* (k€)	
CAMBODIA	1 820	58%
Kiosks	1 000	32%
School program	450	14%
5G project	160	5%
Capacity building	210	7%
MYANMAR	220	7%
Phase I	70	2%
Phase II	150	5%
MADAGASCAR	260	8%
Phase III	250	8%
School program	10	0%
SUPPORT TO OPERATIONS	410	13%
Operational hub	220	7%
Business development	100	3%
Advocacy	90	3%
OVERHEADS	450	14%
Fundraising	300	9%
Admin	150	5%
TOTAL	3 160	100

\* excluding Vietnam project



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[1001fontaines.com](http://1001fontaines.com)