



Fiscal Year 2019 Annual Report

The Millennium Water Alliance Convenes and Influences Governments, the Private Sector, Research Institutions, and Non-Governmental Organizations to Accelerate Global Progress in Water, Sanitation, and Hygiene

MEMBERS IN FY 2019:



Our member organizations work in more than 90 countries around the world to bring safe drinking water, better sanitation, and hygiene practices to millions of the world's poorest people

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Expanded MWA Membership Reinforces Value of a Hub in the Future of WASH

In 2019 the Millennium Water Alliance advanced its refreshed value proposition to support the scaling of WASH services globally by **Convening** members and partners for collective impact, **Accelerating** critical learning, and **Influencing** sector policy, resource levels, and decision makers.

As a permanent alliance of the world's premier WASH enterprises, MWA is uniquely positioned as a hub to advance impactful work, develop and share evidence, and amplify the voice of our members. We do this both in specific countries of service in funded programs such as in Ethiopia and Kenya, as well as globally. The MWA global and local secretariats, together with our member organization representatives and board members, are more coordinated and aligned than ever to combine our knowledge and resources for the good of the WASH sector and communities in need.

In 2019 MWA benefited from the addition of new members that bring diversified skills and perspective to the alliance. We welcomed our first *for-profit business member*, **Acacia Water** from the Netherlands, and our first research institutions, **The University of Colorado-Boulder Mortensen Center for Global Engineering**, and the **Desert Research Institute of the Nevada System of Higher Education**. By diversifying our membership to include business and research institutions, MWA broadens its skills and perspectives. At the close of 2019, we had 15 members whose expertise spans more than 90 countries around the world.

I hope that you will enjoy this report that provides highlights of MWA's work and collective impact achieved with our members in 2019.

Keith Wright
Executive Director

Advocacy in the U.S. and Globally

MWA has been a leader in WASH advocacy for 16 years, in the U.S. and international forums. From the landmark Sen. Paul Simon Water for the Poor Act passed by Congress in 2005, through successful efforts over a decade to increase U.S. government funding for the WASH sector and improve USAID policies and programs, MWA has led in coalition with NGOs, political leaders, and private citizens to make WASH a major priority in U.S. development strategy. MWA works with other civil society groups and governments in Sanitation and Water for All, and advocates for greater WASH investment by the public and private sectors.

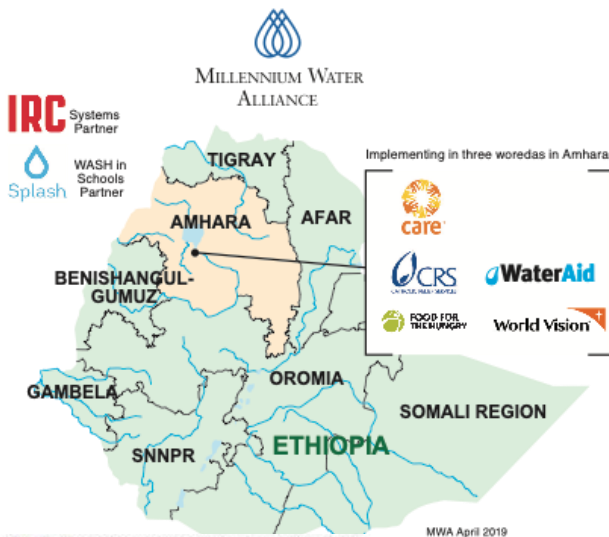
In FY 2019, MWA played a leading role to gain a major increase by Congress in the run-up to the FY 2020 federal appropriations for USAID, increasing WASH spending from \$400 million to \$450 million, the highest level ever.

The Millennium Water Alliance Sustainable WASH Program in Ethiopia

MWA's five-year program in Ethiopia is generously funded by a major grant from the Conrad N. Hilton Foundation with matching funds from five implementing MWA members. Aimed at supporting Ethiopia's nationwide achievement of safe, affordable, and sustainable water services delivery by 2030, the Sustainable WASH Program of the Millennium Water Alliance supports three woreda governments in Amhara National

Regional State to achieve long-term plans for full WASH coverage. MWA helps district governments achieve improved service delivery levels by reaching 18% safely-managed and 69% basic water supply service levels by 2024.

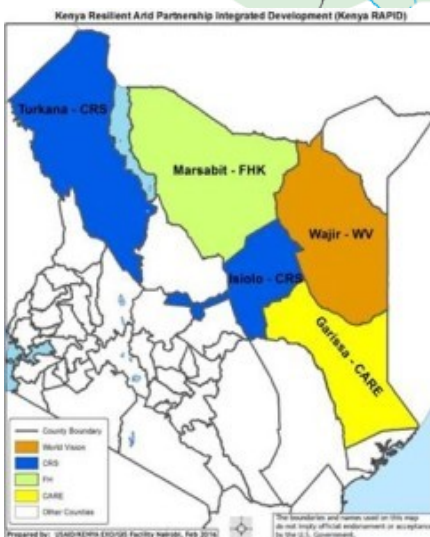
MWA members **CARE**, **Catholic Relief Services**, **Food for the Hungry**, **IRC WASH**, **WaterAid**, and **World Vision** implement with technical support partners **Evidence Action**, **Splash**, the **U.S. Centers for Disease Control and Prevention**, and the **Stanford University Woods Institute**.



Kenya Resilient Arid Lands Partnership for Integrated Development

Kenya RAPID is a five-year development program bringing together public and private institutions to increase access to water and sanitation for people and water for livestock, and to rebuild a healthy rangeland-management ecosystem.

Kenya RAPID strongly supports the Ending Drought Emergencies Common Program Framework launched by the Government of Kenya in November 2015. From 2015 through 2020, Kenya RAPID focuses on five northern counties that have high poverty rates, chronic food and water insecurity, and low access to basic services: Garissa, Isiolo, Marsabit, Turkana and Wajir. Funded by USAID the Swiss Development Corporation, MWA implementers **Acacia Water**, **CARE**, **CRS**, **Food for the Hungry**, and **World Vision**, and other partners in Kenya RAPID work with national and county governments to build sustainable WASH systems.



HOW MWA CONVENES

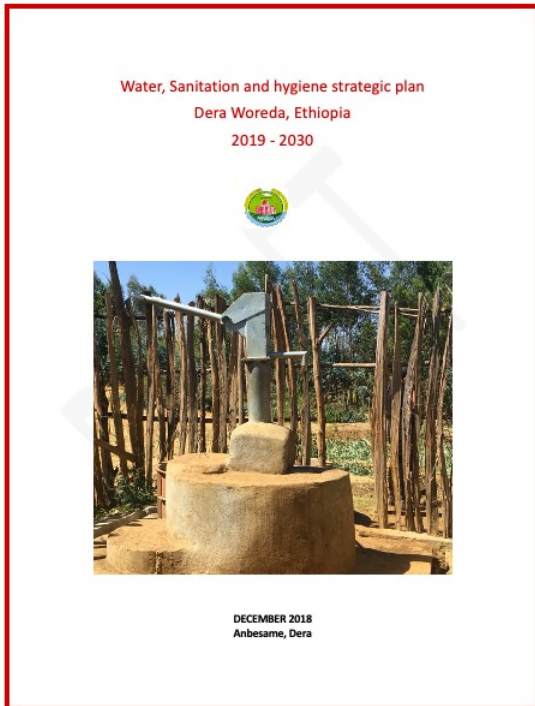
MWA was founded in part to bring together the skills and knowledge of leading implementing WASH organizations to help them improve their WASH strategies and programming. Over the years, our members and other organizations in the international WASH sector have placed higher value on this function, pulling together WASH implementing NGOs with researchers, and partners from other disciplines to forge new models and build new consortia to design, fund, and execute best practices.

Some actions in the global space by MWA to convene partners and researchers in FY 2019:

- With other organizations, MWA helped author this blog on a session at the annual University of North Carolina Water Institute conference in October:- [Blog: What are Collective Action Approaches Anyway?](#)
- At the major sector conference “All Systems Go!” convened by MWA member IRC WASH in The Hague, Netherlands, in March 2019, MWA helped plan and convene several popular sessions - one on government-driven approaches, one on district-wide planning, and one on collective action. MWA also contributed to a symposium paper about systems work in Ethiopia.
- At a WASH symposium hosted by the Mortenson Center in Global Engineering at University of Colorado Boulder (an MWA member), the work of MWA on Self-Supply Acceleration methods in Ethiopia was featured an interactive workshop/debate.

In FY 2019, the MWA Sustainable WASH Program in Ethiopia:

- Added new tools to program monitoring, utilizing Building Block Analysis to help monitor systems change.
 - Finished the long-term, district-wide, strategic planning process with three districts of the Amhara National Regional State.
 - Organized a “partnership development workshop” with 15 participants in October 2018. Facilitated by Desert Rose Consulting, the workshop built a better understanding of the key strengths that each organization brings to the table.
 - Convened and funded a training on how NGOs can serve as facilitators working to put government at the front and center.
 - Convened partners working on innovations in self-supply. MWA also convened the monitoring visits, trainings with government and partners, and serves on a national self-supply task force.
 - In March 2019 successfully completed the Bridge Program funded by CNHF begun in in December 2017 and was awarded \$7.5 million to begin the five-year Sustainable WASH Program on April 1, 2019.



*In FY 2019, the **Kenya Resilient Arid Lands Partnership for Integrated Development (Kenya RAPID)**:*

- Hosted USAID Deputy Administrator Bonnie Glick in recognition of MWA's innovations and commitment in this major USAID WASH program.
- Led the 7th and 8th Program Management Group and Learning meetings to bring together the program partner representatives, including major donors (USAID and SDC), MWA US, private sector partners (SweetSense, IBM Research, MWA business member Acacia Water, and Maji Milele) and county officials. Under the themes "Shifting responsibilities, sustaining results" and "Closing the gaps, facilitating multiple transitions," the meetings provided reflection on progress, sharing of experiences and lessons, to help participants execute for greater impact.
- Participated in the Pastoralist Summit in Garissa that brought together national level legislators from the 14 Arid and Semi-Arid Lands counties, which in part considered how to better manage water resources to prevent conflict.

HOW MWA ACCELERATES LEARNING

- Maji Milele, the private sector partner working with prepaid water meters, continued its county visits, such as in Turkana to engage with county governments to scale up the use of prepaid water meters for communal water points/water kiosks arising from the successful pilots already done in Marsabit with very positive results. In Marsabit, there were notable reduction of unaccounted-for water and increased revenue collections. Total county demands for prepaid communal water meters were then consolidated at 50 meters, and conversations continue on logistics of acquisition across different locales in collaboration with each county government.
- The installation of prepaid water meters at water kiosks in Marsabit, Turkana, and Isiolo counties has improved revenue collection by 150-300%, with significant reduction of non-revenue water and improved transparency.
- As part of shared learning, counties continue to embrace 3R (Recharge, Retention and Reuse) as a sustainable water resources management mechanism. Turkana County being the leading county in this initiative. A 3R dissemination workshop took place in Turkana and generated critical renewed interest and commitment in 3R and integrate water resource management activities across Turkana County.
- Open Defecation Free: Following training of county professionals on Community Led Total Sanitation data capture and verification, a number of villages are lined up for ODF declaration in program areas.

J. RONALD MARTIN, P.A.

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INDEPENDENT AUDITORS' REPORT

Report on Financial Statements

We have audited the accompanying financial statements of Millennium Water Alliance, which comprise the statement of financial position as of September 30, 2019, 2018, and 2017, and the related statements of activities, and cash flows for each of the years in the three-year period ended September 30, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material **misstatement**.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Millennium Water Alliance's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Millennium Water Alliance's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of **significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements**.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Millennium Water Alliance as of September 30, 2019, 2018, and 2017, and the changes in its net assets and its cash flows for each of the years in the three-year period ended September 30, 2019, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 10, 2020, on our consideration of Millennium Water Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Millennium Water Alliance's **internal control over financial reporting and compliance**.

June 10, 2020

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J. Ronald Martin, P.A.

MEMBER AMERICAN INSTITUTE OF CPA'S AND NORTH CAROLINA ASSOCIATION OF CPA'S

MILLENNIUM WATER ALLIANCE STATEMENTS OF
FINANCIAL POSITION

	<u>2019</u>	<u>September 30,</u> <u>2018</u>	<u>2017</u>
ASSETS			
Cash and equivalents, including refundable grant advances	\$ 2,509,082	\$ 2,107,603	\$ 1,892,924
Grants receivable	866,530	699,392	659,734
Other receivables	3,150	17,828	74,095
Due from members	-0-	2,000	15,000
Prepaid expenses	16,906	16,693	15,000
Grant advances to subrecipients	843,290	489,803	585,903
Equipment	-0-	5,317	5,317
(Less) accumulated depreciation	<u>-0-</u>	<u>(5,317)</u>	<u>(4,253)</u>
	<u>-0-</u>	<u>-0-</u>	<u>1,064</u>
	<u>\$ 4,238,258</u>	<u>\$ 3,333,319</u>	<u>\$ 3,243,720</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable	\$ 15,630	\$ 37,645	\$ 16,460
Due to grant subrecipients	1,768,756	1,287,365	2,214,482
Refundable grant advances	2,114,991	1,497,148	324,614
Accrued expenses	43,556	70,543	87,928
Accrued payroll benefits	6,818	12,464	8,313
Due to members	17,000	-0-	-0-
Accrued Payroll	<u>60,538</u>	<u>71,219</u>	<u>68,966</u>
	4,027,289	2,976,384	2,720,763
Net assets without donor restrictions	<u>211,669</u>	<u>356,935</u>	<u>522,957</u>
	<u>\$4,238,258</u>	<u>\$3,333,319</u>	<u>\$3,243,720</u>