

2015 | Annual Report



MILLENNIUM WATER
ALLIANCE

A member of the Ahuatepec water committee shows a *clorimeter*, a small tube to test that the residual chlorine level is adequate to protect water for human consumption.

Ahuatepec is a community in Puebla, Mexico, where Living Water International works as part of the *Lazos de Agua* program.

Photo by Anna Pollock, MWA 2015



Millennium Water Alliance Fiscal Year 2015 Annual Report

The Millennium Water Alliance is the 501(c)(3) consortium of leading charities helping to bring safe drinking water, sanitation, and hygiene education to the world's poorest people in Africa, Asia, and Latin America. MWA works with governments, corporations, foundations, individuals, and other NGOs to advance best practices, share knowledge, build collaborations, and advocate for greater commitment to this global goal. MWA's members in FY 2015 were **Aguayuda, CARE, Catholic Relief Services, Food for the Hungry, Global Water, HELVETAS Swiss Intercooperation, IRC – International Water and Sanitation Center, Lifewater International, Living Water International, Pure Water for the World, WaterAid in America, Water4, Water For People, Water Mission, Water.org, and World Vision.**

This report covers activities from October 2014 through September 2015.



Fiscal Year 2015 Board of Directors

Malcolm Morris, Chairman

Peter Lochery, CARE; Vice-Chairman

Eleanor Allen, Water For People

Agnes Montangero, HELVETAS

Patrick Moriarty, IRC

Chris Palusky, World Vision

Sarina Prabasi, WaterAid in America

Ryan Smedes, Food for the Hungry

Rich Thorsten, Water.org

Vanessa Tobin, Catholic Relief Services

Jonathan Wiles, Living Water International

Dennis Warner, Board Member Emeritus

Karen Dickman, Secretary

Mark Winter, Treasurer

MWA appreciates the generous support of the Wallace Genetic Foundation for its ongoing work in advocacy and communications to the general public.



Fiscal Year 2015 MWA Staff

Rafael de Jesus Callejas, Executive Director

John D. Sparks, Director of Advocacy & Communications

Peter N. Gichuru, Senior Accountant

Daniel Smith, Program Officer

Anna Pollock, Program Officer

Cynthia Nyaoro, Accountant

Allan Elvir, Program Assistant

Chris Mzembe, East Africa Regional Director

Melkamu Jaleta, MWA-Ethiopia Program Coordinator

Yisehak Leta, MWA-Ethiopia Finance Officer

Mussie Tezazu, MWA-Ethiopia CQI/MEL Manager

Doris Kaberia, MWA-Kenya Program Director

Violet Moenga, MWA-Kenya Program Grants Manager

Tabitha Gerrits, Aqua4All Liaison Officer

MWA greatly values the partnership in our field programs we enjoy with Akvo, Acacia Water, and Aqua for All.

akvo.org

See it happen

Aqua for All



A Major Achievement for the WASH Sector

Congress Approves the Water for the World Act, Bringing 5-Year Campaign to Amend Law to Successful End

The 113th Congress (2013-2014) went down in the record books as the least productive Congress in US history – but midway through our 2015 fiscal year, Congress did what many thought it could not do: Pass an authorization bill relating to US foreign aid, one of the very few such legislative actions in a long time.

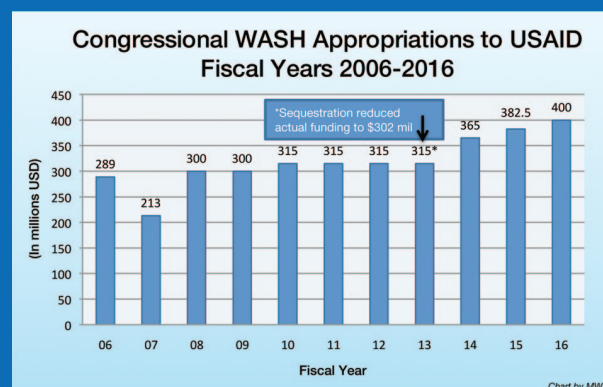
The WASH policy coalition in the US worked long and hard for several years to get a bill passed to amend portions of the **2005 Sen. Paul Simon Water for the Poor Act** to direct the United States Agency for International Development (USAID) to set stronger and clearer criteria for WASH programming, chart a course for the next US strategic plan for WASH, upgrade transparency and reporting requirements, and codify the senior level coordination of WASH at USAID.

MWA is proud to have played a leading role in the effort. We are honored to have worked with our allies in the broader international development community in the US, and in particular with our colleagues in the WASH Working Group. Forging a bipartisan Congressional coalition in a time when such across-the-aisle alliances seem so rare, Congressional WASH champions **Rep. Earl Blumenauer** (D-OR), **Rep. Ted Poe** (R-TX), **Senate Deputy Majority Leader Dick Durbin** (D-IL), and incoming **Senate Foreign Relations Committee Chairman Bob Corker** (R-TN) beat the odds and achieved a remarkable victory. President Obama signed the bill into law on December 19, 2014.

Great thanks to MWA members and MWA Board Chairman Malcolm Morris for their support, and a special nod to the Washington DC policy team at InterAction and MWA members WaterAid and World Vision for their unstinting commitment. Many others, too numerous to name here, played important roles and gave the whole effort a great spirit and a great result!

And Congress Did Another Good Thing ...

In late 2015 the US Congress approved the largest funding increase ever for programming under the Sen. Paul Simon Water for the Poor Act, requiring USAID to spend at least **\$400 million** in US Fiscal Year 2016, up from **\$382.5 million in FY 2015** (which was itself an increase over the \$365 million that had been appropriated in FY 2014). We are grateful for the continued support from key House and Senate appropriators, who clearly recognize the importance of WASH in America's international development efforts. WASH spending under the Act has generally increased over recent years:



The annual appropriations process is separate from “authorizing legislation,” such as the recently-passed Water for the World Act. MWA works with others in the WASH coalition to urge Congress to maintain a strong level of annual funding through USAID for partnership with governments, NGOs, and the private sector for WASH implementation in the countries of greatest need.

2015: A Benchmark Year

Hundreds of international and local nongovernmental organizations work around the world for better access to safe water and sanitation and better hygiene behaviors. Many have had real successes, some have been acknowledged failures, but overall, they are clearly having an impact. Working with governments, other international partners, and most importantly, with the communities themselves, MWA's members played a role in reaching the 2015 Millennium Development Goal of reducing by half the number of people in the world without access to safe drinking water, five years ahead of schedule.

That is a tremendous achievement, even when understood that statistic does not always mean that all of the **2.6 billion people*** who gained access to safe drinking water from 1990 to 2015 still have *consistent* access to water. Systems that have strong local governance, the capacity to make repairs, and that plan ahead to meet challenges from population shifts, economic fluctuations, and accelerating climate change, can keep the water flowing; projects that do *not* focus on building capacity and ownership tend to have serious problems over time.

The water goal for 2015 was met, but the global goal for sanitation was not, although **2.1 billion people*** are estimated to have obtained improved sanitation services in that same period of time. Many more people still lack improved sanitation – latrines, toilets, and waste disposal systems that are safe for both the environment and for the communities themselves – than lack safe drinking water. For many reasons, sanitation remains the tougher challenge.

In sum, according to the World Health Organization's 2015 Joint Monitoring Program Report*:

- 147 countries met the MDG drinking water target.
- 95 countries met the MDG sanitation target.
- 77 countries met both targets.

Last year, the United Nations adopted the successor plan to the 2015 MDGs: the new **Sustainable Development Goals (SDGs)** with a goal year

of 2030. While NGOs will play a critical role in all of this, ultimately, national and local governments are responsible for planning and delivering on the commitments in the SDGs. MWA works closely and effectively with governments, which is key to attaining programs of higher scale.

Collective Impact is the Accelerator

Fundamental to meeting the SDGs is working harder – and smarter – to build programs of scale, and that means broader and more diverse partnerships, more planning, more government commitment, and aiming to build systems rather than completing isolated projects.

MWA is built on the concept of **collective impact** – that when various actors share a common goal and a commitment to similar standards and practices, they can tap the specialized strengths of each actor to pull together as one and achieve greater impact for their work.

Rehabilitating an old well, drilling a new borehole, or establishing a new piping system to improve community access to safe water are the most visible, outward results of water and sanitation programs. However, keeping the water flowing and making *the systems sustainable* is a bigger task. We really “move the needle” when we can create conditions for systems to last, and when water and sanitation services are **expected** and **maintained**.

In the last five years, many international development organizations have moved their focus from facilitating or providing basic infrastructure to more emphasis on **governance, long-term planning** in concert with national and local governments, on community **ownership**, and on improving **water quality**. Simultaneously, we work more to **integrate** our work with other implementers and experts in development – such as in education, environment, women's empowerment, health care, agriculture, and other

*http://www.who.int/water_sanitation_health/monitoring/jmp-2015-key-facts/en/

development areas where water and sanitation can have an important multiplier effect.

Those are the common goals of the 16 nongovernmental organizations that compose the Millennium Water Alliance. In pursuit of those goals, MWA has adopted a 10-year Strategic Plan to build stronger collaboration among themselves and with other partners in three areas:

1. Campaign for universal, sustained services

Goal: Establish guiding principles to support or promote campaigns to achieve full and sustainable WASH coverage in rural districts that members and partners seek to incorporate in their WASH programming globally

2. Monitoring, evaluating, and learning to improve our work

Goal: Establish a common global MWA MEL platform to contribute to the evidence base

3. Evidence-based advocacy

Goal: Develop and implement the strategy for international and US advocacy

While MWA works on WASH issues from a global perspective, we also directly manage three major implementation programs with our members in Kenya, Ethiopia, and Latin America. We have demonstrated this impact in collaborative planning, information sharing, advocacy and communications, and coordinated action in other key areas. Here is a snapshot of those partnerships since the inception of MWA:

MWA Member Consortia Programs 2004 to 2015

Country	Program Dates	Donors	Partners (MWA Members & Local)
Kenya	2005-present	USAID, Aqua For All	Acacia Water, Akvo, Aqua for All, CRS, CARE, Food for the Hungry, IRC, Water.org (until 2010), World Vision
Ethiopia	2004-present	USAID, Coca-Cola Africa Foundation, Conrad N. Hilton Foundation plus matching funds	Akvo, Aqua for All, CARE, CRS, Ethiopian Evangelical Church Mekane Yesus, Food for the Hungry, Kalehewot Church, HELVETAS Swiss Intercooperation, Hope2020, IRC, Lifewater International, Living Water International, Relief Society of Tigray (REST), Water Action, WaterAid, WaterPartners International (now water.org), World Vision
Colombia	2013-present	FEMSA Foundation, Coca-Cola Latin America	Aguayuda
El Salvador	2010-2011	IDB, Coca-Cola Foundation	CARE, CRS, Living Water
Guatemala	2010-present	IDB, Coca-Cola Foundation, FEMSA Foundation, Coca-Cola Latin America	CARE, CRS, Water For People
Honduras	2010-present	IDB, Coca-Cola Foundation, FEMSA Foundation, Coca-Cola Latin America	CARE, CRS, Water For People, IRC
Mexico	2012-present	FEMSA Foundation, Coca-Cola Latin America	Living Water International, World Vision
Nicaragua	2010-present	IDB, Coca-Cola Foundation, FEMSA Foundation, Coca-Cola Latin America	WaterAid

MWA Consortia Programs FY 2015

Kenya

Kenya Arid Lands Disaster Risk Reduction – Water, Sanitation, and Hygiene (KALDRR-WASH) Program

Program Duration: December 2012 to April 2015

Budget: \$9.83 million (\$4 million from United States Agency for International Development, \$4 million from USAID Office of Foreign Disaster Assistance, and \$1.83 million from Aqua for All and matching funds from MWA members)

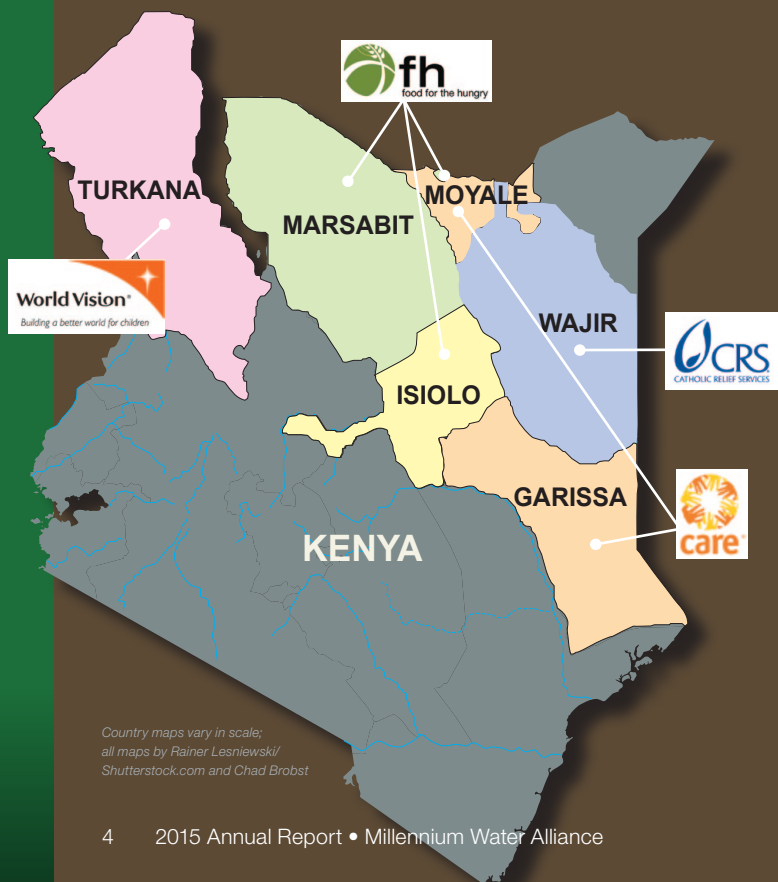
Counties of Operation: Garissa, Isiolo, Marsabit, Moyale, Turkana, and Wajir

Program Partners: Food for the Hungry, CARE Kenya, Catholic Relief Services, World Vision, Aqua for All, IRC, and Acacia Water

Targeted Beneficiaries: 160,000

WASH Beneficiaries Reached, through FY 2015: 160,000

Donors:



Country maps vary in scale;
all maps by Rainer Lesniewski/
Shutterstock.com and Chad Brobst

Ethiopia

Multiple Use Water Improvements in Seven Rural Woredas

Program Duration: April 2013 to February 2015

Budget: \$1.5 million (\$1.155 million from The Coca-Cola Africa Foundation via the Global Environment and Technology Foundation, \$298,560 from CNHF, and \$60,476 from community/government funds)

Program Partners: Catholic Relief Services, IRC, World Vision Ethiopia

Total Beneficiaries Reached: 47,776



Latin America

Lazos de Agua

Program Duration: January 2013 to November 2016

Budget: \$12.3 million (\$6 million from Coca-Cola Latin America & The FEMSA Foundation, \$6.3 in matching funds from MWA & partners)

Operating in: Mexico, Guatemala, Nicaragua, Honduras, Colombia

Program Partners: Living Water International, World Vision Mexico, CARE Guatemala, Water for People – Honduras, WaterAid in America – Nicaragua, Aguayuda – Colombia

Total Program Targeted Beneficiaries: 100,000

WASH Beneficiaries Reached through FY2015: 70,626 access to water; 6,700 improved sanitation; 74,513 sanitation and hygiene promotion/education

Millennium Water Alliance – Ethiopia Program (MWA-EP)

Program Phase: July 2014 to June 2017

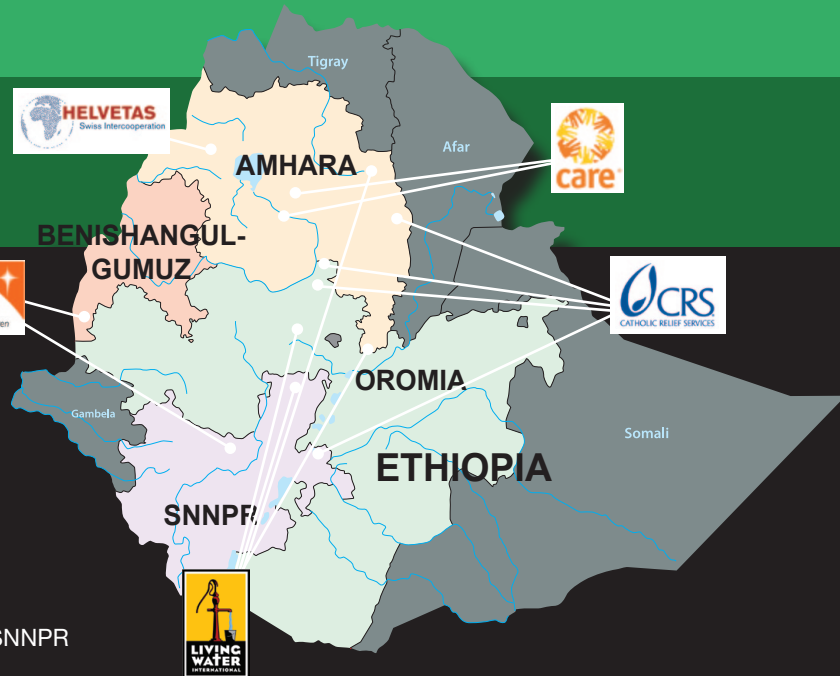
Budget: \$5 million from the Conrad N. Hilton Foundation (CNHF), \$5 million in matching funds from partners

Regions of Operation: Amhara, Benishangul-Gumuz, Oromia, SNNPR

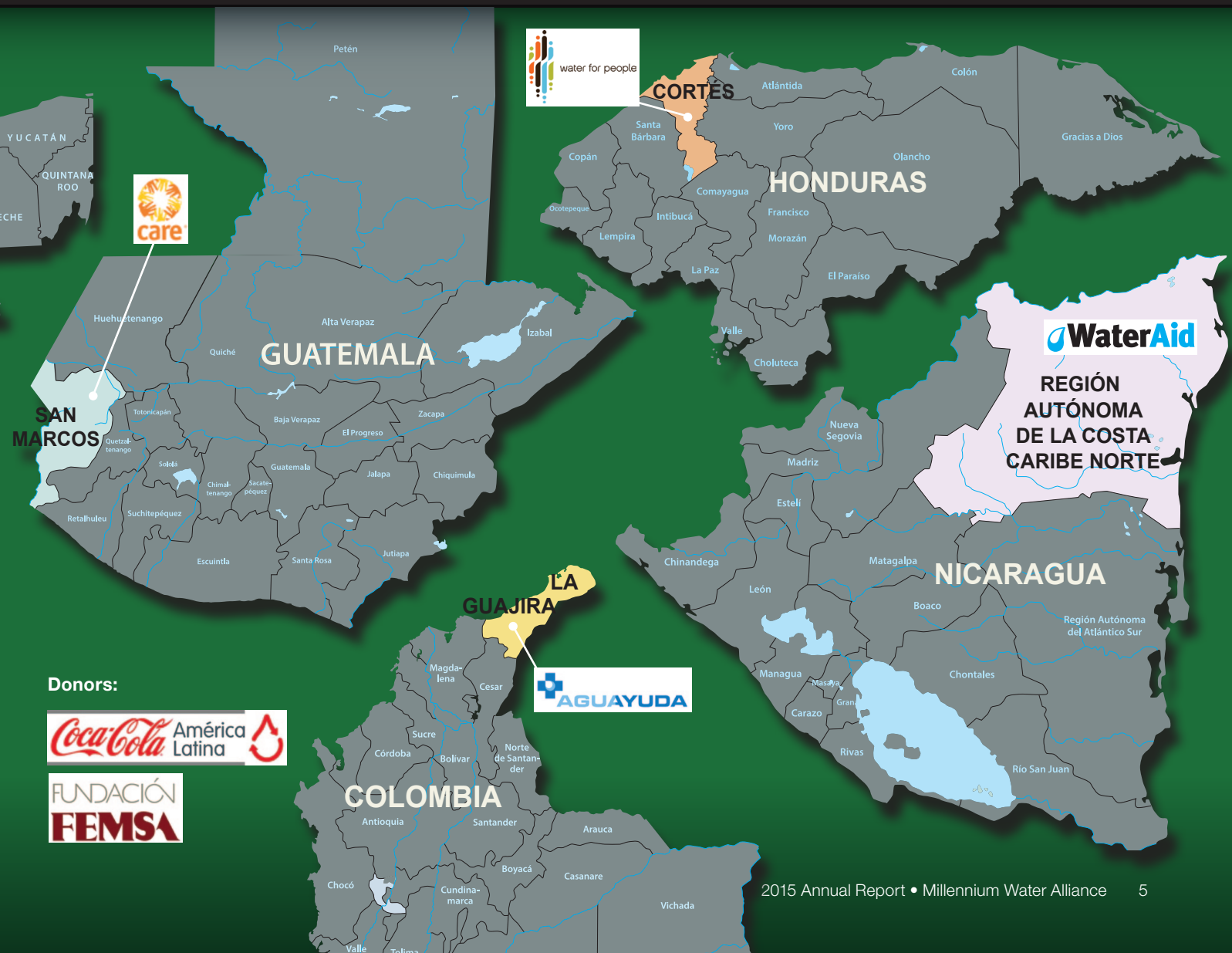
Program Partners: CARE Ethiopia, Catholic Relief Services, HELVETAS, IRC, Living Water International, World Vision Ethiopia

Total Beneficiaries: More than 400,000

WASH Beneficiaries Reached in FY2015: 200,000



Donors:



Donors:



Looking Ahead to FY 2016

As FY 2015 came to a close, MWA members and staff were preparing for changes in some programs and anticipating continuation in others. We shared a sense of accelerating forward movement, as more and more pieces fell into place.

More Support for Country Advocacy

We laid groundwork for increasing our effort on country advocacy — helping our members and partners in developing countries refine their own advocacy and communications efforts with the public and policymakers, and capturing the progress they make on the ground so that we may share it with others in the US and globally. The entire WASH sector needs to improve its ability to tell the story of the many impacts of WASH, and to show how our commitment to integration with other sectors can yield bigger, faster results.

With the incredible success of our campaign to help pass the Water for the World Act in December 2014, we now work with USAID as it implements the Act in high-priority WASH countries. We continue our advocacy for sustained funding by Congress, not only for WASH programming, but also for the entire budget of USAID, because that institutional capacity is critical to achieving the results the Act is meant to provide.

From KALDDR WASH to Kenya RAPID

In Kenya, our two-year Kenya Arid Lands Disaster Reduction and Resilience WASH program (KALDDR WASH), while achieving important results on its own, was to a degree the pilot for a proposed follow-on program, much more ambitious in scope. MWA is working with USAID and other potential funders to build upon the concepts and experience of KALDDR. The proposed program to begin in FY 2016, the Kenya Resilient Arid Lands Partnership for Integrated Development (Kenya RAPID), would increase water coverage from the current average of 37% of the population to more than 50% in Garissa, Isiolo, Marsabit, Turkana, and Wajir by 2020.

Kenya RAPID not only includes higher numbers, but would be funded by more diverse partners than before, with even stronger emphasis on government engagement, nationally and with each of the five county governments. This is at the core of the common agenda now. MWA will encourage counties to develop their own data management systems that will contribute to informed decision making.

Building on Government Commitment in Ethiopia

In 2015, in the middle of our Millennium Water Alliance – Ethiopia Program funded by the Conrad N. Hilton Foundation (CNHF) and MWA members, we expect to emphasize the self-supply accelerator concept, in which communities and individual households are helped to create new water points and rehabilitating wells and supply lines that have fallen into disrepair.

Building Knowledge Management, Moving Toward Common Standards

Our evidence-based advocacy and communications program relies on data from the field. The knowledge sharing among MWA members has been a key part of the MWA mission from the beginning; now we see need to develop a stronger system for knowledge management, to capitalize on the experiences of all members and to document how the use of knowledge advances our theory of change.

We look forward to a stronger emphasis in 2017 on knowledge management systems and also moving toward common standards for water quality and program monitoring and evaluation. This work is central to the goals of MWA's 10-year Strategic Plan, adopted in FY 2014.

INDEPENDENT AUDITORS' REPORT

Board of Directors
Millennium Water Alliance
Houston, Texas

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, 2015, 2014, and 2013, and the related statements of activities, and cash flows for each of the years in the three-year period ended September 30, 2015, 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.

Auditor's 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, 2015, 2014, and 2013, and the changes in its net assets and its cash flows for each of the years in the three-year period ended September 30, 2015, 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 May 11, 2016, 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.

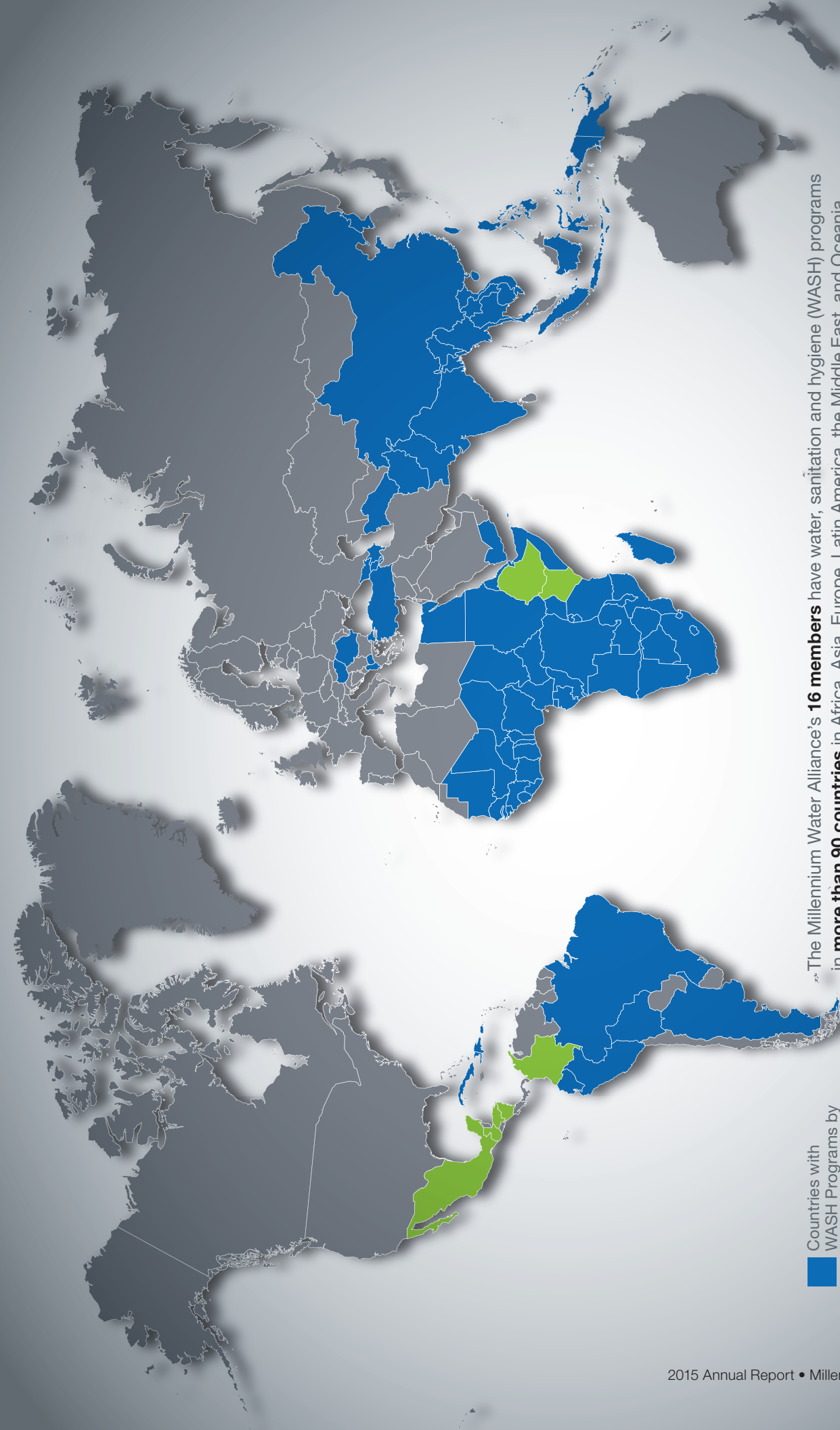
May 11, 2016

J. Ronald Martin, P.A.

Financials

September 30

	2015	2014	2013
ASSETS			
Cash and equivalents, including refundable grant advances	\$ 2,186,708	\$ 3,318,207	\$ 1,933,474
Grants receivable	(144)	859,156	962,402
Other receivables	71,403	8,763	20,602
Due from members		-0-	-0-
Prepaid expenses	14,521	14,239	13,072
Grant advances to subrecipients	538,101	592,896	581,290
Equipment	5,316	5,316	-0-
(Less) accumulated depreciation	(2,126)	(1,063)	-0-
	3,190	4,253	-0-
	\$ 2,813,779	\$ 4,797,514	\$ 3,510,840
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable	\$ 19,876	\$ 25,162	\$ 257,765
Due to grant subrecipients	331,633	1,663,075	1,017,385
Refundable grant advances	1,913,110	2,493,535	1,783,592
Accrued expenses	34,887	94,716	31,111
Accrued payroll benefits	9,439	8,272	17,523
Due to members	500	1,000	-0-
Accrued payroll	53,194	73,393	53,520
	\$ 2,362,639	\$ 4,359,153	\$ 3,160,896
Net assets:			
Unrestricted	451,140	438,361	349,944
	\$ 2,813,779	\$ 4,797,514	\$ 3,510,840
SUPPORT AND OTHER REVENUE			
Federal awards	\$ 2,156,741	\$ 3,900,406	\$ 1,858,695
Contributions:			
Individuals	-0-	500	-0-
Foundations	4,347,410	4,780,322	3,171,010
Non-profit organizations	50,000	-0-	-0-
Member dues and assessments	157,000	87,000	85,000
Interest income	2,801	2,892	3,355
	\$ 6,713,952	\$ 8,771,120	\$ 5,118,060
EXPENSES			
Program services	\$ 5,952,722	\$ 8,043,966	\$ 4,539,114
Supporting services	747,799	637,541	572,827
Fundraising	652	1,196	1,138
	\$ 6,701,173	\$ 8,682,703	\$ 5,113,079
CHANGE IN NET ASSETS			
	12,779	88,417	4,981
NET ASSETS, BEGINNING OF YEAR	\$ 438,361	\$ 349,944	\$ 344,963
NET ASSETS, END OF YEAR	\$ 451,140	\$ 438,361	\$ 349,944



Countries with
WASH Programs by
MWA Members

MWA Consortia
Program Countries

The Millennium Water Alliance's **16 members** have water, sanitation and hygiene (WASH) programs in **more than 90 countries** in Africa, Asia, Europe, Latin America, the Middle East, and Oceania. Members run these programs independently or in partnership with local and international organizations. In seven of those countries, several members have joined to implement a major consortium program under MWA management: the **Millennium Water Alliance Ethiopia Program**, the **Millennium Water Alliance Kenya Arid Lands Disaster Risk Reduction WASH Program**, and the **Lazos de Agua WASH Program** in Mexico, Honduras, Guatemala, Nicaragua, and Colombia, the **Lazos de Agua WASH Program**.

For all members, MWA provides a forum for sharing knowledge and best practices, and advocates for sustainable WASH development and greater global commitment.

FY 2015 Annual Report



MILLENNIUM WATER
ALLIANCE

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