Building self-reliance, ending aid dependency
As I look back on Pump Aid’s achievements during 2018, I’m pleased to report that we have provided tens of thousands more Malawians with the opportunity to fulfil their potential and escape poverty for good. Pump Aid enters its 20th year continuing to break new ground, yet as true to its original mission as it was in 1998, when its great journey began.

Looking back over the past 20 years of Malawi’s economic development, it is clear to me that Pump Aid’s focus on high-impact, innovative and sustainable programmes is needed more than ever. Malawi’s Poverty and Vulnerability Assessment in 1998 recorded that 54% of the population were living below the poverty line and that 24% were in such extreme poverty that they could not meet their daily food needs. The comparable figures for 2018 were 52% and 22%, which is a poor return on the billions of dollars of foreign aid that Malawi has received in the intervening 20 years.

We recognised back in 2014 that simply repeating past approaches was not the best way to move forward and, in that year, began piloting the approach that became our ground-breaking self-supply initiative. In 2018 we continued to focus on innovation and integration for maximum impact and sustainability and, with the roll-out of our self-supply pilot gathering speed, it is hugely satisfying to see that this strategy is continuing to pay off.

“Pump Aid enters its 20th year continuing to break new ground, yet as true to its original mission as it was in 1998, when its great journey began.”
Pump Aid’s self-supply approach acknowledges that giving things away undermines local providers; that subsidising markets prevents the emergence of for-profit enterprises; and that promoting irrigation systems farmers don’t want both hinders productivity growth and creates a culture of ongoing dependency. Pump Aid doesn’t just give pumps away, it also sells them – because ownership encourages maintenance; Pump Aid doesn’t undermine local businesses, it helps to create them – because businesses sustain communities; and Pump Aid doesn’t tell farmers what they need, it helps them source what they want – because they know their needs better than we do. Where other NGOs see beneficiaries, we see customers; where other NGOs see needs, we see business opportunities; and, where other NGOs reinforce dependency, we offer a route to independence, to self-reliance and to long-term sustainability.

Our decision to focus on entrepreneurship, choice and early years development has been endorsed by our receipt of two high-profile awards and by further funding from the UK’s Department for International Development. This will enable us to roll-out and scale-up our innovative business-led approach and transform even more lives through our work.

We are still excited by the future, replicating what has worked, learning where we can improve and being even more ambitious as we expand our most effective programmes.

I would like to thank everyone who has made this possible: the trustees of Pump Aid, our senior management team, our staff in the UK and Malawi and our community of supporters and volunteers. We hope you are proud of what we have achieved so far and enjoy this report.

Yours sincerely,
Professor Stefan Allesch-Taylor CBE
Thanks to our community of supporters, we have continued to advance our mission, which is to help people in poor communities to reach a point of self-reliance where they no longer need ongoing external support. While we are busy planning and delivering more impactful projects, we have taken some time to reflect on the positive achievements of 2018 and are pleased to share some of the highlights with you.

During 2018 we continued to support ordinary Malawians to address water poverty, food insecurity and aid dependency through three main programmes, each of which is outlined on the pages that follow.

Our programme highlights
Looking back over 2018

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We hope these examples of our work illustrate not only what we are doing to lift thousands of Malawians out of poverty, but what they are doing to lift themselves. They are necessarily brief, but more information can be found on our website and we are always happy to provide further examples of our work on request.
**Self-supply programme**

Increasing sustainability and resilience through entrepreneurship and choice

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**WHY IS THIS PROGRAMME IMPORTANT?**

Malawi is woefully short of sustainable water supplies for domestic and productive purposes. Pump Aid aims to beat water poverty and food insecurity by focusing on these stubborn challenges:

- **Unreliable water supplies**
  Up to 40% of community pumps in Malawi are not reliable or adequately functional, so millions are forced to use unsafe water

- **Lack of irrigation**
  Only 11% of small-scale farmers use irrigation, leaving them vulnerable to unreliable rainfall

- **Lack of convenient access to water**
  The further one travels for water the less it is used for hygiene purposes

- **Lack of skills and choices**
  Which encourages and perpetuates aid dependency

- **Unreliable water supplies**
  Up to 40% of community pumps in Malawi are not reliable or adequately functional, so millions are forced to use unsafe water

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**HOW DO WE TRANSFORM LIVES?**

We promote entrepreneurship and provide choices which enable people to move out of poverty and invest in their own future livelihoods, replacing a culture of aid-dependence with pride, ownership and opportunities:

- **Train, mentor and support entrepreneurs in business, technical and marketing skills**
- **Stimulate customer demand**
  by focusing on the economic benefits of investing in irrigation and household water supplies
- **Develop supply chains**
  make spare parts more accessible and provide links to finance and loans

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**2018 Impact in numbers**

- **60** entrepreneurs benefiting from training, mentoring and support to develop financially sustainable businesses
- **4,336** farming households benefiting from improved harvests and food security as a result of investment in irrigation pumps
- **46,250** community members benefiting from reliable and safe communal water supplies
- **9,015** household members benefiting from convenient household water supplies closer to their homes
This programme has led to:

**Productivity**
Farmers' productivity at least doubled - greater income, resilience and food security

**Community pump functionality**
Increased - health and productivity benefits for all

**Income**
Entrepreneurs at least doubled income - more sustainable local economies

**WHY IS THIS EFFECTIVE?**
We develop skills, build local economies and treat people as customers with choices rather than as beneficiaries of aid. This promotes health, food security and independence and delivers safe water at less than half the cost per capita of a traditional community water point project.

**We have proved that, given the opportunity:**
- Local entrepreneurs are willing to work hard to improve their income and livelihoods and better serve their communities
- People will pay for and maintain goods and services where they perceive value. The senses of pride and ownership are key to sustainability and scalability.

**HIGHLIGHTS OF 2018 AND THE FUTURE**
In 2018 we added 35 new entrepreneurs to our programme and expanded into a second District in Malawi. We aim to transform at least 150,000 lives (by 2021) by making water supplies more convenient and reliable for consumption and irrigation. We are also engaging with Malawian distribution partners to extend our reach deep into rural communities.

**Our ambitions don’t stop there**
We have targeted nine Districts in Malawi over the next 5-10 years and aim to establish 270 small-scale businesses and extend our impact to 450,000 people in farming households, 105,000 rural families and 5,000 community pumps.
Case study
Cultivating opportunities for Kambale and his children with affordable irrigation

LIFE BEFORE THE PROJECT
Kambale is a farmer living in a rural Malawian community and wants the best opportunities for his family, but with limited access to irrigation he could only plant in the rainy season and harvest in the dry. Often his one annual harvest would be insufficient for himself and his family, leaving them hungry and dependent on handouts and aid.

“I started winter cropping using a watering can and drawing water from a shallow well, but this was tiring and there was a limit to how much land I could irrigate in the dry season”.

INVESTING IN LOW-COST IRRIGATION CHANGED EVERYTHING
Kambale never looks back on his decision to buy a rope and washer irrigation pump bought from one of the entrepreneurs supported by Pump Aid. The pump enables him to grow crops all year round and irrigate a much greater area in less time and with less effort compared to using a watering can.

Just like nearly 90% of Malawi’s rural small-scale farmers, Kambale used to rely solely on rainfall for his agriculture which limited his food productivity during the dry season.
KEY LESSON: THE ECONOMIC BENEFITS OF THE PUMP

Kambale was willing to invest in an irrigation pump because he saw how it could improve the health and life chances of his family. To encourage more farmers to invest in irrigation, we ensure that marketing focuses on the economic benefits, for example, using demonstration plots and model pumps to show the pump’s efficiency and features. We also facilitate links to credit and loan facilities to increase access and affordability.

IMPACT OF THE PROJECT

Thanks to his irrigation pump, Kambale expected to grow enough extra crops to raise 180,000 Kwacha (£200) in his first year, more than enough to recoup the full cost of the pump.

"With the extra money I can provide better opportunities for my children by paying for education and invest in better seeds and tools to grow a wider variety of quality crops."

The money from future harvests will enable him to:

- Increase his resilience and provide opportunities for his family;
- Increase the quality and quantity of his produce;
- Improve his home and lifestyle.
**WHY IS THIS PROGRAMME IMPORTANT?**

Community-based childcare centres (CBCCs) are rural pre-schools for children under 5. There are over 9,000 CBCCs in Malawi, but fewer than 25% have access to safe water or basic sanitation, exposing young children to life-threatening risks of water-borne diseases. These factors affect cognitive and physical development and reduce educational and life outcomes.

- **Diarrhoea is the second biggest killer of children** under-five, 90% of which is avoidable and attributed to poor Water, Sanitation and Hygiene (WASH).
- **Stunting is common** (46%) and a sign of malnutrition caused by repeated bouts of diarrhoea and poor diet.

**HOW DO WE TRANSFORM LIVES?**

We give children a chance to stay healthy and fulfil their potential by providing a safe environment in which they can learn, grow and play:

- **We install safe water supplies, child-friendly toilets and handwashing stations.**
- **We reduce the spread of disease** by providing hygiene education to children and their communities.
- **We improve nutrition** and diets by establishing kitchen gardens at the CBCCs.
- **We promote sustainability** by providing training, confidence and resilience to enable communities to maintain their facilities long after we have gone.

**Programme impact in numbers:**

- **45** CBCCs in the programme with improved water, sanitation and hygiene (WASH) and nutrition
- **5,800** children now attending a CBCC with improved WASH and nutrition
- **5,625** other community members with access to safe water
- **24,910** people reached with hygiene behaviour education
This programme has led to:

18% to 13%  Typical reduction in rates of diarrhoea
16% and up  Typical increase in CBCC enrolment

1.4 million  Nutritious meals served to children during 2018

THIS BENEFITS CHILDREN AND THE WIDER COMMUNITY:

- Children spend more time and thrive in school as they are not sick or collecting water.
- Care-givers also spend less time collecting water and have more time to teach, supervise, cook and clean.
- Community-wide engagement means hygiene behaviours learned in CBCCs are reinforced at home.
- Parents’ time is freed up for more productive tasks.
- Better opportunities for girls and women who are primarily responsible for fetching and carrying water.

HIGHLIGHTS OF 2018 AND THE FUTURE

The impact solely related to new activities in 2018 is:

- 13 new CBCCs reached by the programme.
- 2,303 children attended one of these 13 CBCCs or started their first year at one of the other 32 CBCCs.
- 1,625 new community members benefited from close access to safe water.
- 6,705 new community members were reached by hygiene behaviour education.

Our ambitions don’t stop there

We will continue to expand this programme to transform more lives for disadvantaged children attending CBCCs.
**Case study**

**Improved health and educational outcomes at Chiluzi CBCC**

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**LIFE BEFORE THE PROJECT**

The absence of nearby clean water was a constant source of worry for parents and caregivers. It affected children’s ability to learn, increased the risk of disease and was discouraging parents from leaving their children at the CBCC.

“Before the new facilities, we had to walk over 1km to collect a tank of water and that was not enough for everyone to use for hygiene and handwashing”

said Prisca, one of the caregivers

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“They could not have any water for washing their hands before and after eating their porridge or after visiting the toilet. As a result, cases of diarrhoea could hardly be avoided. A total of 5 children were being affected by diarrhoeal diseases every month”

Prisca, caregiver at Chiluzi CBCC
**PUMP AID DELIVERED**

- Clean water for drinking, hygiene and cleaning
- New toilets suitable for children and those with mobility issues
- Healthy children are happy children and more likely to attend and learn
- Community members welcome training and support to build their capacity and resilience

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**KEY LESSON**

**OWNERSHIP AND ENGAGEMENT ARE KEY TO SUSTAINABILITY**

Our overall learning from working with CBCCs is the importance of engaging with the local community and CBCC committee to secure commitment, raise confidence and ensure ownership of the project.

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**IMPACT OF THE PROJECT**

108 children and 584 additional community members benefited from this project as will future generations:

- Fewer cases of diarrhoea: 1 per month rather than 5
- Increased CBCC attendance: 57% increase
- Improved diets and nutrition: maize, spinach, groundnuts and onions grown in the kitchen garden; severely underweight children reduced from 4% to 2% and a sustainable source of food and income.

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“We are very happy with the pump and latrines. Having water nearby means we can reinforce handwashing behaviours and keep children clean, healthier and happier”

Prisca, caregiver at Chiluzi CBCC
WHY IS THIS PROGRAMME IMPORTANT?

Malawi’s informal urban settlements have limited access to solid waste management. This is due to the lack of council resources and is exacerbated by poor access for motorised transport and refuse collection services. Access to clean water, sanitation and hygiene (WASH) has been decreasing due to rising populations and unreliable water supplies. Many households share a latrine or defecate in the open.

These factors contribute to high rates of sickness and mortality from diarrhoea and other waterborne infections and there is also a lack of skills and income opportunities for people living in urban settlements.

HOW DO WE TRANSFORM LIVES?

We collaborate with local partners and mobilise entrepreneurs to improve their income and livelihoods through the provision of solid waste management and the sale of compost and WASH-related goods.

- We encouraged over 100 poor city dwellers to collect and sift household waste then process the organic materials to make compost for sale.
- We built sanitation centres where entrepreneurs could advertise their services and sell WASH-related products such as water filters and sanitation slabs.
- We stimulated demand with marketing, hygiene behaviour messaging and access to loan facilities.

Programme impact in numbers:

- 119 entrepreneurs and sales agents engaged in the programme
- 18,139 people benefiting from safe drinking water
- 11,852 people benefiting from improved sanitation
- 16,955 people benefiting from solid waste management
- 41,914 people reached with hygiene behaviour education
WHY IS THIS EFFECTIVE?
We work with organisations who share our vision and mission. We all believe that urban poor people have a right to live in a clean and healthy environment, but also a duty to take steps to minimise and address the issue of waste.

- We harnessed the drive of entrepreneurs who were willing to work hard to improve their incomes while promoting cleaner cities and healthier lives.
- We supported local councils and helped to bridge gaps in resources and the local road infrastructure.
- People were willing to pay for waste collection and safe water treatment if given the opportunity.

HIGHLIGHTS OF 2018 AND THE FUTURE
This 3-year project came to a close at the end of August 2018. One of the key successes included supporting entrepreneurs to raise and maintain standards of compost to be sold to a major retailer, thus securing future business which benefits all local residents. One of Malawi’s universities has expressed an interest in exploring how to further process the residual waste after the organic matter has been extracted.

We will continue to monitor opportunities for strategic partnerships to extend this programme to improve the health, livelihoods and living conditions for more of Malawi’s urban poor populations.
Case study
Diana was supported to set up a profitable small-scale business with a huge social impact

LIFE BEFORE THE PROJECT

Diana lives in Kauma, Lilongwe, with 4 children. She had been engaged with our local partner, LUPPEN (Lilongwe Urban Poor People’s Network) since 2012: “I joined LUPPEN in 2012 and ever since we have been working in the low-income areas like here in Kauma to address some of the basic needs of the communities because we realise that change begins with us.”

Diana was pleased to hear that LUPPEN had partnered with Pump Aid on a project to engage slum dwellers in small businesses selling compost and sanitation products.

“I was very happy to hear this because I realised that I would be supported in a business, therefore, I did not hesitate to choose what business I should venture into: I decided to be a water filter agent.”

Diana had no capital to start her own business so was very grateful when Pump Aid provided her with her first supplies of water filters and training on different business skills:

“I started from zero but was astonished when I managed to sell all the filters and realised a total profit of 110,000 Kwacha (£120). I was able to quickly pay back the cost of my first supplies and to apply for clean piped water from Lilongwe Water Board.”

Most people in urban poor settlements do not have access to safe drinking water because of their low income; this means they cannot afford piped water and often collect water from wells and streams.
KEY LESSON: FINDING EFFECTIVE PARTNERSHIPS

This project enabled Diana to show her entrepreneurial skills and start a positive ripple of change and was only possible thanks to the start-up capital and training provided and LUPPEN’s existing network of local activists.

IMPACT OF THE PROJECT

- **Diana has improved her own livelihood** while promoting health for all her customers through safe water treatment and helping to maintain cleaner urban living conditions by collecting waste to turn into compost.

- **Diana used to spend about an hour every day drawing water** far from home but has been able to afford piped water supplies thanks to income generated through her business.

“I’m now a successful businesswoman. I have my own tap thanks to the project and bought school uniforms for my daughters, so they can go to school. I am looking forward to more sales and profits that will continue to improve my life.”

Diana, urban entrepreneur in Kauma
As Pump Aid enters its 20th birthday year, it is a very different organisation from the one I joined in 2014 but, while it has completely transformed the way it works, it has remained absolutely true to its commitment to achieving lasting and positive change.

A note from
Michael Chuter
Chief Executive of Pump Aid

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TO OUR SUPPORTERS

In five years I have been Chief Executive of Pump Aid, I have seen its community pump building programme bring clean, safe water to almost 180,000 poor and disadvantaged people in Malawi and its latrine improvement programme give over 110,000 people access to improved sanitation.

For too long, Malawians have had to tolerate shockingly poor levels of community pump functionality due to a focus on international handouts and short-term results. They have been categorised as aid-dependent, but they neither deserved nor chose this description. We have shown, and are continuing to show, that ordinary Malawians are willing to improve their own access to water and are both willing and able to pay for products that are desirable, dependable and which provide a tangible economic benefit.

The figures in this report tell one part of the story but, for me, the greatest impact of our work has been its effect on the people who have engaged with it. We’ve included just three stories in this report but have plenty more to share.

I’d like to thank all our supporters for making this possible, from the learning to the development and implementation of our innovative programmes and being shortlisted for a further two prestigious awards. We could not have done this alone, so thank you all.

Yours sincerely,
Michael Chuter
Organisational highlights

During 2018 we were also pleased to receive recognition for our innovation and impact:

Pump Aid were one of three finalists for the Bond Innovation Award 2018 in February and finalists and highly commended for achievements in sustainable development at the FT/IFC 2018 Transformational Business Awards in June.

These achievements came after winning the International Aid and Development Award in the 2017 Charity Awards and being one of four finalists in the 2017 AidEx Innovation Challenge. We are delighted to have received such authoritative and independent validation of our work, which is especially encouraging for a relatively small organisation such as ours. We share these achievements with our supporters because it is their support that has allowed us to repurpose our projects for the greater impact and innovation they have achieved.

Of our many achievements in 2018, by far the most pleasing was the roll-out and scale-up of our self-supply pilot into a fully-fledged stand-alone programme.

When we began the pilot programme in 2014 (with just £248k of funding from DFID through UNICEF) we had high hopes of success but knew we were attempting something very new. Our actual success amazed even our most ardent supporters and led to the award of £1.3m from DFID and a further £800k from other sources, which has enabled us to roll-out our pilot across two whole districts of the Central Region. This, in turn, is bringing us to the attention of other funders and there is every possibility that this programme will soon dwarf everything we have done before.

Working with ambitious entrepreneurs our self-supply programme has the potential to fundamentally change the way aid is delivered in Malawi and is a testament to the enthusiasm of our staff and the determination of our entrepreneurs. We really couldn’t be prouder.

Thanks to our supporters for making all this possible

We are pleased to share these achievements and to show how even relatively small investments can increase resilience and opportunities for thousands of people in Malawi. The impact of our work will transform lives and last for generations, but none of it would have been possible without the generosity of our supporters which include:

We thank everyone who helped advance our mission, by directly donating money, by buying from our corporate partners, by talking kindly about us to others, and by engaging with us on social media. You can help us to continue advancing our mission by making a donation or putting us in touch with other people or organisations who would like to help us transform even more lives.

We hope you found this report interesting and please do let us know if you have any questions or if you would like to find out more about the people in these stories or our programmes.