



The MILLENNIUM PROGRAMME seen by an expert from the south

The MILLENNIUM Programme is without doubt the best idea tested to date to resolve the essential water supply and sanitation problems suffered by the Third World. It has the merit of having earned the confidence of most of the financiers supporting the water and sanitation sector.

Weaknesses of the programme

Attaining the ambitious MILLENNIUM goals could substantially improve the living conditions of large populations and more generally relieve the problems of drinking water supply and sanitation in the Third World. However the success of this programme cannot be guaranteed unless we first eliminate a number of factors that tend to block projects. Particular attention must be given to the constraints below:

- Most of the countries receiving financial aid are characterised by an absence of clear government policies and lack of support in the local private sector. All too often private sector projects involve mainly foreign water distribution companies to the exclusion of local construction companies. The needs to support the emergence of local private businesses and to transfer know-how is not adequately integrated in the programmes.

- The planned programmes are implemented using imported foreign expertise, often without making use of skills available locally
- NGOs and enterprises in developed countries absorb too large a slice of the allocated budgets, only a small percentage being spent on actual infrastructure in the field.
- These credits are released very slowly due to the long and tedious management procedures imposed. In most cases it is not allowed to reallocate residual allocated funds to other uses. Financiers give with one hand then take away with the other.

Potential solutions

At the moment we observe a strong willingness of developed countries to mobilise the funds necessary to achieve the MILLENNIUM goals. In response, it is important that the beneficiary southern countries prove that they have the maturity that justifies such financing and that they will put it to good use. The following recommendations are intended to eliminate the malfunctions observed in past projects:

- Choose projects of reasonable size compatible with the communities' resources and local expertise.
- Apply a sound decentralisation policy granting sufficient autonomy to the communities.
- In countries receiving financial aid, firmly promote the local private sector. This development should not concern only the water distribution sector (as is the case at present) but also engineering and design firms.
- Create simplified procedures for releasing funds with regular upstream and downstream control.

Conclusion

The MILLENNIUM challenges are considerable. Across the African continent alone, demographic growth will create the need for drinking water and sanitation services for more than 400 million people. As Jean-Pierre Elong Mbassi, General Secretary of the Municipal Development Partnership (MDP), points out: "The MILLENNIUM goals are achievable if the international community gives itself the necessary means. But we also need to ensure the transparency of the financing and fund management mechanisms, both in the north and the south. Access to information on the management of these mechanisms is an important element of the democratic debate."

Amadou DIALLO
Conakry (Guinea)
a.foret@yahoo.fr

The VERGNET HYDRO mast-mounted photovoltaic generator

VERGNET HYDRO has developed a mast-mounted photovoltaic generator (MPG), self-supporting and lowerable, with a nominal power output of 1,000 Wc. This MPG exploits Vergnet's familiar mast erection principle which enables horizontal configuration during the assembly phase, then erection of the mast, raising the solar panels to a sufficient height (6 metres) to prevent theft and vandalism. Panel inclinations can be adjusted between 5° and 30° to adapt to the latitude of installation.



New staff member at VERGNET HYDRO



Jean-Michel COUSSEAU, who will be based in Bamako from early November 2006, joined VERGNET HYDRO on 2nd October. An engineer specialised in tropical agro-development and an international development agent, Jean-Michel worked for several years in Central Africa before spending 7 years in French Guyana. Working in coordination with our project managers, he will be in charge of Vergnet Hydro's development and maintenance policies implementation in West Africa.

Afoco KONENIN
Republic of Côte d'Ivoire
koneninafoco@yahoo.fr

years. As a well-informed private player, your announcement could well be a starting point for the resolution of the problem which is seriously holding back new investment in this sector. In these conditions, it is up to our governments to offer in exchange the guarantee of an appropriate environment preceded, if need be, by courageous reforms.

2) Your preoccupation with the beneficiaries
I hope that you will be heard in order that in the final assessment you will find project implementation rates that reflect the efforts of our collective mobilisation and not just sterile echoes of slogans and incantations.

Reaction to VERGNET HYDRO Letter N°1

It was with great pleasure that I read the first issue of "VERGNET HYDRO LETTER" in December 2005 that you kindly sent me. I congratulate and thank you, and I wish long life for your newsletter. In future issues I hope you will include a space for interchange between Vergnet Hydro and its many partners. The first issue, as you may expect, brought me get up to date on the company's progress and ambitions. I note with satisfaction that your company is making two strong commitments to preserve what it has already achieved and to pursue innovative rural water supply projects, through:

1) Your desire to work in Africa to support the emergence of new forms of infrastructure management and maintenance organisations in partnership with the public and private sectors:

We observe almost everywhere that the systems created in our countries are subject to limitations, despite progress made in recent

VERGNET HYDRO newsletter

N°2
December
2006



In this issue:

- Progress on the MILLENNIUM goals
- Restructuring of the network of african partners
- Network days in Bamako, in 2007
- The VERGNET HYDRO offer: tomorrow's solutions for construction and management of small water networks
- The true price of water
- The regional solar programme (phase 2) in Burkina Faso, or the story of Vergnet Hydro's first major water tank installation project...
- The first pilot wind-powered village opens the way to renewable energies in Haiti
- The MILLENNIUM PROGRAMME seen by an expert from the south
- Reaction to VERGNET HYDRO Letter N°1
- The VERGNET HYDRO mast-mounted photovoltaic generator
- New staff member at VERGNET HYDRO



6, rue Henri Dunant
45140 Ingré (France)
Tél. : +33 (0) 2 38 22 75 10
Fax : +33 (0) 2 38 22 75 22
Web : www.vergnet.fr
e-mail : eau@vergnet.fr

Editorial

I dream for tomorrow of new Vergnet technologies, clean and well adapted to sustainable development of the rural world.

Why not:

- irrigate the central delta of the Niger by high-power wind-pumping?
- deliver wind-generated electricity to Gao, Tombouctou, Agades...?
- generate solar electricity in villages for pumping and domestic use?
- use wind-generated electricity to desalinate seawater?
- supply energy to small rural industries?
- build new water tanks, water towers, simpler and more economical and easier to operate with water networks?

I dream that if we could allocate to African needs just 2% of the solar panels (widely subsidised) in northern countries, this would mean that more than 10,000 villages enjoying the benefits of solar-powered water networks for years to come!

I dream of seeing the emergence of effective and legitimate decentralisation, with a multitude of small rural enterprises to encourage adoption of water technologies by communities. I should like to see widespread delegation of water network management to small African operators to encourage dynamic development from the base upwards, in other words from the rural world.

I continue to strive to promote a new form of cooperation involving less red tape, less suspicion and more partnerships, with real mobilisation of the international community to support African development.

Realistic ambitions?

I believe so. We just need the courage to fulfil them.

Marc VERGNET
CEO



Progress on the MILLENNIUM goals

Should we in turn try to analyse MILLENNIUM Objectives figures and data? How many people have been supplied with drinking water to date? How? Where? Until when?

No, I don't think so! It's still too early to draw conclusions about what has been done.

It's true that the MILLENNIUM goals are very ambitious, and for good reason. They reflect the

size of the challenge of improving living conditions in numerous countries.

The first feedback reports all point to the same conclusion: the implementation is too slow. Even if new projects are tending to appear faster than in recent years, we are still not moving fast enough.

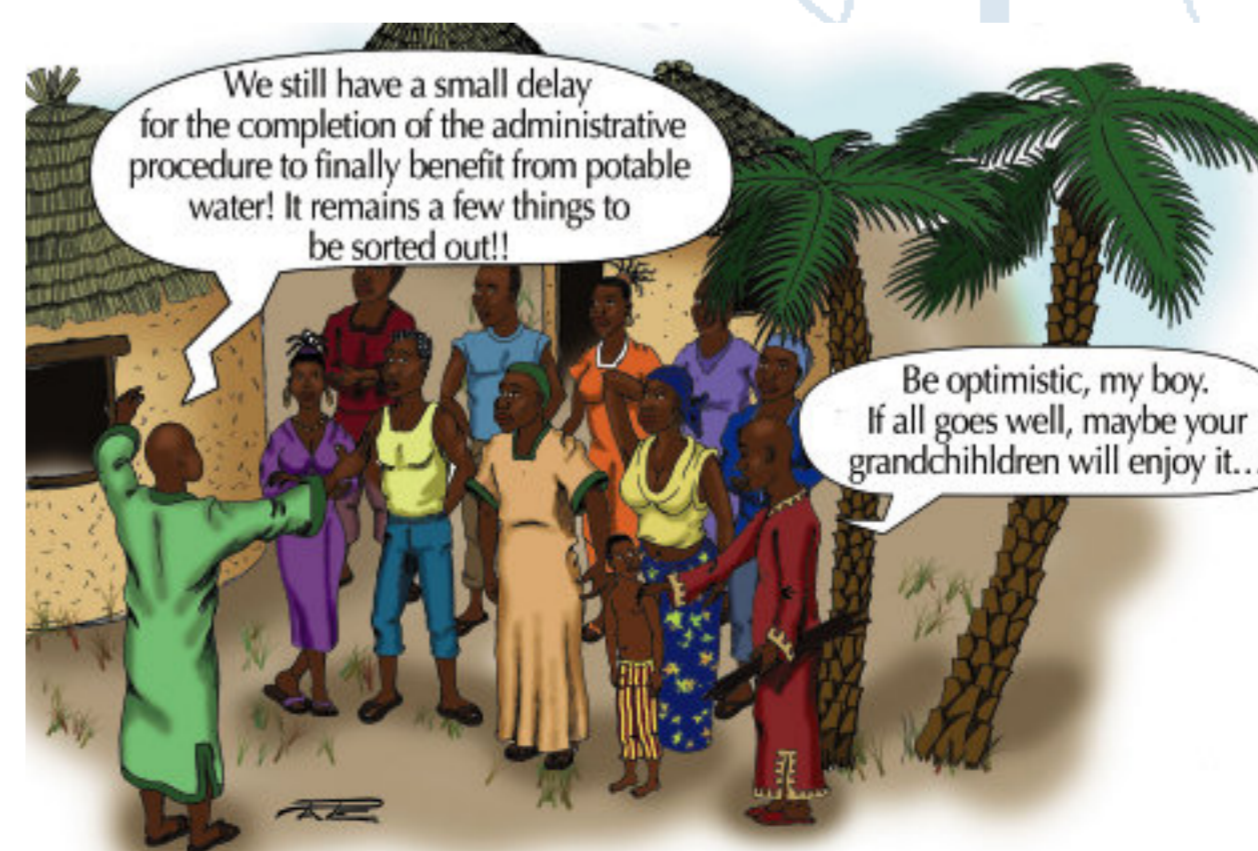
Even more serious is that project managers are reaching the limits of what they are able to handle. The procedures involved in launching invitations to tender are getting longer while the number of projects to manage is increasing. The decentralisation is too young to be efficient.

We must be realistic. The need to make a break with routine is becoming more pressing. Strong public-private partnerships based on risk sharing between Local Authorities and the private sector are essential if we are to have a chance of success.

Let's do everything we can to mobilise funds and make them accessible; let's make "turnkey" the flavour of the day; let's strengthen the ability of public authorities to act as project managers.

We must accept a commitment to produce results, not just to provide means. We must adapt the technical standards. We must be prepared to make long-term commitments to service providers to ensure durable operation and maintenance.

We are more than ever convinced that these elements are essential for success.



Be optimistic, my boy. If all goes well, maybe your grandchildren will enjoy it...



6, rue Henri Dunant - 45140 Ingré (France)
Tél. : +33 (0) 2 38 22 75 10 - Fax : +33 (0) 2 38 22 75 22
Web : www.vergnet.fr - e-mail : eau@vergnet.fr



L'ensemble des services conception, fabrication, distribution, installation et maintenance de systèmes hydrauliques de VERGNET HYDRO est certifié ISO 9001 version 2000.



Restructuring of the network of african partners

For more than 20 years VERGNET HYDRO has based its own development on the constitution of a network of local partners. Progressively enriched over the years, the network now covers about thirty African, Asian and Caribbean countries in the form of subsidiaries, shareholdings or commercial agencies.

Since the very start, the role of these partners has been mainly to implement projects then provide after-sales service.

However, over the last decade the landscape of public support for development in general, and aid for the water sector in particular, has changed radically.

Aid for Africa dropped sharply during the 1990s as funds were diverted to the reconstruction of Eastern Europe. Foreign competition also appeared carried by the wave of globalisation, driving down prices. At the same time, the African private sector developed and increased local competition.

The water market, which involved a relatively small number of enterprises, declined. Yet, paradoxically, the number of players increased. This led to

the fierce competition we see today among consulting engineering firms, equipment suppliers and contractors.

In these conditions it was therefore necessary to adapt our means of action in order to maintain our presence and to make numerous proposals for the years to come. Today, against the backdrop of our MILLENNIUM goals, promising perspectives are opening.

Ensuring sustainable water supply systems in rural zones is tomorrow's challenge. But this can be based only on economic viability, something which is possible only if local structures are used.

This is why VERGNET HYDRO decided to restructure its network of African partners and to consolidate it in terms of technologies and maintenance.

A regional structure has been created in Bamako at the centre of the sub-region. Working from this base, a team organises and controls the after-sales service of the installed water systems, mainly manually-operated pumps and small networks. When necessary it calls on relay teams formed in neighbouring countries (new relay teams are also being created).

Thanks to this organisation, VERGNET HYDRO is able to continue working closely with final users. This approach is vital to ensure a highly reactive after-sales service. It displaces the technical and financial management of the installations away from the headquarters and into the heart of the support network, offering the best guarantee of smooth long-term operation.



Network days in Bamako, in 2007

Setting up a network of serious partners to provide after-sales service is an indispensable starting point. But this is just a prerequisite: the network must live and perform; ambitions must be turned into real daily action. With this goal in mind, next year VERGNET HYDRO will convene its entire network in Bamako, near its regional centre, for a contact and interchange meeting. This will be an opportunity for all the participants to pass their knowledge to others, share experience, raise problems and find solutions.



The VERGNET HYDRO offer: tomorrow's solutions for construction and management of small water networks

Pumping, storage, distribution, treatment... by analysing more than 10 years of experience in meeting the challenges of autonomous small town networks, VERGNET HYDRO is now able to propose a range of solutions whose prime characteristic is the simplicity of their installation and management. A specific solution for each specific situation.

In an isolated Sahelian zone or on an island the use of concrete presents a problem in terms of materials, skills and time. By helping local entrepreneurs we can simplify their task and their tools or reduce their material costs by making use of local labour while encouraging increased professionalization.

This is what the current VERGNET HYDRO range of tanks proposes: galvanised metal tanks with a food-quality liner. They are reliable, easy to transport and quick and simple to install: 3 to 7 days depending on the height (from ground level to 14 metres).

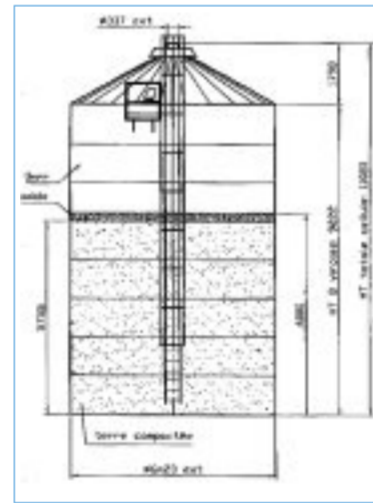
At a time when countries of the Africa/Caribbean/Pacific (ACP) region can legitimately fear the effects of rising oil prices (and aware that they will be served last if there is a real shortage), VERGNET HYDRO is promoting more vigorously than ever alternative and renewable solutions such as high-performance wind-powered pumps and simple, modular photovoltaic cells, still promised to new innovations.

Obviously the durability of systems depends on their fabrication quality (one reason why VERGNET HYDRO worked hard to earn its

ISO-9001-2000 quality certification). Yet this is not enough: their social environment must also be taken into account.

Just two examples:

- To reduce theft of photovoltaic modules (the prime cause of non-operation in Africa): the photovoltaic mast.
- To reduce water wastage and damage to water fountains: long-life, anti-leak fittings.



Finally, every day, working with our partners, we untiringly study questions such as modes of transport, pipe laying, civil engineering works, systems maintenance and support for water management programmes. And always with the same goal in mind: provide a water supply that is not subject to a never-ending cycle of rehabilitation.

Ballasted tank Diagram

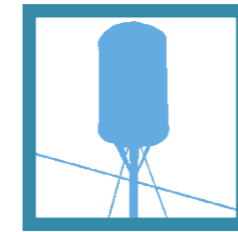
The true price of water

The experience of the ADAE (Water Supply Development Association) in Burkina Faso on more than a twenty small town water projects whose management is shared reveals a fragile balance between expenditure and income.

Looking back over five years of experience, we conclude that if the selling price falls below 500 CFA francs/m³ it becomes difficult to cover the operating costs. The costs breakdown is as follows (source: GRETE):

- 15 CFA/m³ Water Point Committee operating costs. Part paid after deduction of all other charges.
- 60 CFA/m³ Revenues of water point managers
- 60 CFA/m³ Service contract (with the ADAE) to ensure shared management of the systems.
- 100 CFA/m³ Network maintenance. Budget shared by the ADAE under the authority of the Water Point Committees Federation.
- 100 CFA/m³ Renewal of extraction means. Budget shared by the ADAE under the authority of the Water Point Committees Federation.
- 45 CFA/m³ Investments in network extensions. Budget shared by the ADAE under the authority of the Water Point Committees Federation.
- 120 CFA/m³ Operating expenses (diesel, pumping station management, incidental expenses) and network maintenance.

* (cost of gas oil = 590 FCFA per litre)



The regional solar programme (phase 2) in Burkina Faso, or the story of VERGNET HYDRO's first major water tank installation project...

The installation of these water tanks started in Africa more than five years ago.

About twenty units have been installed in Senegal, Mauritania, Niger, Gabon, Chad, Burkina Faso and the Central African Republic.

Within this programme VERGNET HYDRO is responsible for the supply of thirty-five 15 m³ to 20 m³ water tanks and their installation on stayed masts within 30 months.

This programme is a veritable springboard for the entire sub-region since it has enabled:

- Creation within Faso Hydro, a VERGNET HYDRO subsidiary in Burkina Faso, of a totally autonomous team for installing, servicing and repairing the mast-mounted tanks. The reputation of this team enables it to intervene even in neighbouring countries.

- Creation of a logistics structure at sub-regional scale: a 6x6 flatbed truck equipped to transport equipment, a new lightweight 4x4 pickup, a tool kit specifically designed for assembling mast-mounted tanks, etc.

- Faster site preparation and tank assembly: two civil engineering works in one week, then one week for drying, then two assemblies and erections in one week.

- Limitation of the quantities of concrete required in most cases thanks to the use of geotextile backfilling technology: just 1.6 m³ for 15 m³ and 20 m³ tanks.

- Validation of the participative approach enabling tanks to be mounted on Vergnet masts: in this project the excavation and backfilling are carried out entirely by the village itself which, apart from enjoying the benefits of their water tower, makes a saving on the actual construction project.

This know-how is already being exploited in Mali as part of this same Regional Solar Programme ("PRS2").



Unloading of a mast-mounted tank



The first pilot wind-powered village opens the way to renewable energies in Haiti

Bearing the sad distinction of being the "poorest nation in the northern hemisphere", Haiti suffers from chronic disorganisation in the construction and management of its infrastructures.

The reform of drinking water and sanitation services in rural zones, a Government priority, is now the responsibility of the National Drinking Water Service (SNEP - Service National de l'Eau Potable). The Inter-American Development Bank (IDB) and the World Bank are solidly backing this effort by creating a programme that involves many participants: NGOs, engineering firms and private players.

For more than two years, VERGNET HYDRO, working alongside its Haitian partner FORATECH, has demonstrated its robust and easy-to-maintain VERGNET Hydropump which has proven its value in Africa. Today VERGNET HYDRO is supporting rural drinking water innovations in Haiti too.

VERGNET HYDRO and the SNEP will receive financial aid from the World Bank as part of the financing of the "Development Market Place 2006" project.

In 2007, the first wind-powered pump and cyclone-proof storage reservoir will be in ser-

vice in the north of the country. The challenge is considerable:

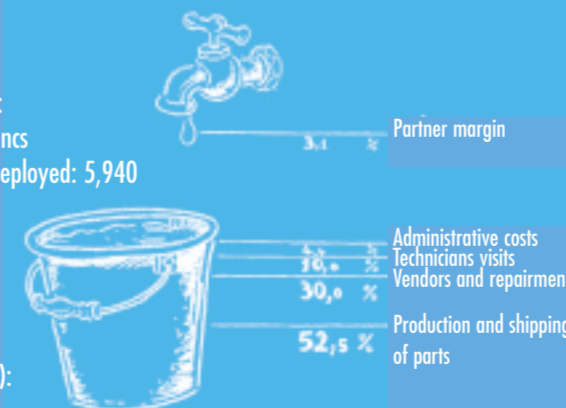
- introduce innovative, reliable technology that has proven its worth in other countries (for example, in Mauritania, with the support of Cooperation 92, the first mast-mounted tanks and aerogenerators have become references in rural drinking water supply); estimate then verify a water price that is acceptable to consumers and sufficient to cover long-term maintenance of the installations.

More news in the next newsletter...

The true cost of the after-sales service of VERGNET hydropumps: experience in Burkina Faso

Key figures:
Year: 2005
After-sales turnover: 37.2 million CFA francs
Number of pumps deployed: 5,940

Breakdown of the selling price of spare parts (Faso Hydro - 2005):



Theoretical expenses per installed pump: 6,265 CFA francs (€9.55) per pump-year

The rural water supply after-sales activity is economically viable only once about 6,000 pumps are installed. Below this figure Vergnet Hydro must support its local network financially.



The discharge Hydro-India, a technology made for schools and health centres⁽¹⁾

(1) off grid



School water supplied by a discharge Hydro-India Financing: UNICEF - Angola, HUILA Province 2006

