



MID-TERM REPORT

2022 SEMESTER 1



With 1 in 4 people across the world still lacking access to safe water, 1001fontaines focuses its efforts on designing and deploying at scale sustainable solutions providing safe drinking water to the vulnerable.

We set up safe drinking water production units and ensure the distribution of 20L bottles to the last mile, thus guaranteeing quality until the point of use. Bottles are sold at an affordable price for all.

In rural areas, both production and distribution are set up in the targeted communities, through a network of water kiosks durably supported by a country-level franchising organization.

In urban areas, larger water production facilities serve decentralized points of sale, reaching out to vulnerable populations through specific distribution channels.

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After two years of constant adaptation and uncertainty during the global health crisis, 2022 has seen the emergence of a renewed focus on the basics, particularly with respect to our team. The main steps that we took in the first half of this year were all directed towards consolidating our model and strengthening our team.



Julien Ancele
CEO

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CAMBODIA AT A GLANCE

Become the major rural safe drinking water player



838,000 consumers
Stable - expected increase in the second half of this year thanks to new water kiosks
2025 goal: 1.5 million



287 water kiosks
+ 17 since January 2022
2025 goal: 400



In my observation, patients and people of the community who drink O-we water have good health and no more problems related to diarrhea.

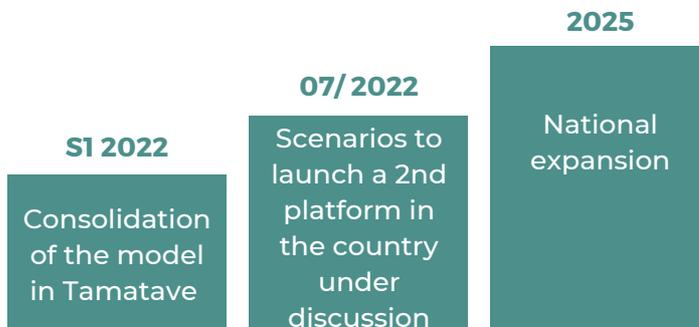
Hieng Sreylin, midwife nurse at Tonle Bet Health Center, Tbong Khmum Province, Cambodia

MADAGASCAR AT A GLANCE

Scaling up in an extreme poverty context



34,000 consumers
+20% since January 2022
2025 goal: 100,000 consumers



80% regional operational expenditures covered by revenues from activities + 40% of sales in S1 2022 compared to S1 2021
Financial sustainability of the 1st regional platform

MYANMAR AT A GLANCE

Replicating the Cambodian success story



8,800 consumers
x 2.5 since January 2022
2025 goal: 60,000 consumers



4 water kiosks
+ 1 since January 2022
2025 goal: 20



VIETNAM AT A GLANCE

Sustainably reaching low-income populations in dense urban areas

20,000 consumers
+43% since January 2022

2025 goal: 600,000, incl. 300,000+ highly vulnerable consumers



2025 business plan approved, leveraging blended finance to achieve our social and financial goals

First production facility on track to achieve breakeven by the end of 2022

Financial sustainability on operating costs



“ My job is to work with our retailers and meet our end-users to ensure O-We water effectively reaches the vulnerable population across Ho-Chi Minh city. Getting daily insights from our consumers helps us provide a service that is at the time affordable and convenient, whose quality is well perceived. ”

Tue, Social Impact Measurement Officer at O-We Water Vietnam

A new leadership in place



Ms. Amandine Chaussinand became Executive Director of Teuk Saat 1001 in March 2022, taking over the management of the organization, after almost 5 years under the leadership of Mr. Frédéric Dubois.

Your journey with 1001fontaines

It started 8 years ago! I was working in Cambodia till 2018, managing the Operations department of Teuk Saat 1001. I then got the opportunity to become Country Director in Myanmar, where I designed the model building upon my experience in Cambodia. It means a lot to be back today! The context has changed and the team has grown a lot. I want to thank and congratulate Frédéric for all his work, and I am now glad to take the lead and expand our footprint and impact across the country.

Your first 100 days as Executive Director

I spent them mostly in the field, connecting with 120 entrepreneurs (out of 280) and understanding the past years' achievements and emerging challenges. I realized that the model remains extremely relevant in the rural context, with high satisfaction from consumers and local authorities. New innovative programs have also been launched, for instance, to upgrade the water kiosk infrastructure.

At the same time, both entrepreneurs and teams have suffered heavily from the COVID-19 context and faced more difficulties in growing the sales. I am convinced that we need to focus on the fundamentals so that every entrepreneur and every team member of Teuk Saat 1001 masters all of our know-how and can recover from this exhausting COVID-19 period.

What's next?

Focus on people and back to basics! We'll position HR at the core of the organization, ensuring that Teuk Saat 1001 provides best-in-class integration and training to our staff. I have just created the position of HR director to supervise these actions. We shall also keep on optimizing the franchise services thanks to a strengthened culture of service within the whole organization. I want to ensure that entrepreneurs receive quality support and fully benefit from the added value of the franchise.



MADAGASCAR

Water in School relaunched

With the schools closed during several months in 2020 and in 2021 due to the COVID-19 pandemic, the Water In School program, through which we provide free safe drinking water to primary schools, was suspended. It is, thus, with a lot of enthusiasm that the Ranontsika team returned to Tamatave schools in 2022. Two public schools have been served with safe drinking water since March onwards, reaching 1,400 children overall.

In May, the Ranontsika team, joined by several water quality students from the University of South Florida, came up with a set of fine-tuned educational activities covering the importance of hydration and safe behaviors linked to drinking water and hand-washing.



Teachers were then empowered to monitor the outcomes among their classes, recording children's average drinking water consumption and hygiene behaviors. A key piece of feedback that they provided was the lack of empty bottles to be filled with safe water at school, limiting some children's capacity to stay hydrated every school day.

Building upon the pilot's learnings, 1001fontaines and Ranontsika will extend the Water in School program to new schools during the upcoming school year and look for ways to ensure that all children get a safe container at school by further promoting the importance of safe drinking water to their families.



MYANMAR

The fourth water kiosk is live

When the pilot project was launched in Myanmar back in 2019, the journey ahead seemed all mapped out: replicating the success story of Cambodia at an accelerated pace, starting with the establishment of the first 5 water kiosks by the end of 2020.

The next three years have taught us once more that plans and reality can sometimes look very different. The severe consequences of the pandemic coupled with political uncertainty have even put at stake the project's very existence.

We are glad to share today that our local team has demonstrated impressive resilience throughout the crises, keeping the first 3 kiosks in operation and even managing to launch the fourth water kiosk early April 2022.



The new entrepreneur is Ms. Daw Kyi Kyi. She used to be a labor worker and has started this new professional journey with a lot of enthusiasm and motivation to serve her community. The context is obviously not easing the work, but she is confident that she will manage to onboard more consumers in the coming months.

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I applied to become an entrepreneur because I wanted to make a living and I was excited about learning how to produce safe drinking water. Now that I am serving my community, I understand that safe water can solve critical issues related to health. I am glad to contribute to raising awareness by going door to door.

Daw Kyi Kyi, entrepreneur of a water kiosk

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VIETNAM

A successful funding round to accelerate our scaling journey

After almost two years of operation, our first water production facility in the suburbs of Ho Chi Minh City is now serving 20,000 consumers, filling the gap in a market, where there was no safe water solution affordable for low-income families.

Through innovative partnerships with factories and targeted distribution channels, our local entity O-We Water has managed to build a specific positioning, well perceived and valued by our beneficiaries.

These promising results convinced us to move forward with an acceleration phase, aiming at serving **1 million** people within 10 years. We will set up a second production facility, larger than the first one and strategically located in an industrial area to target low-income workers. New distribution channels will also be piloted to find the most efficient ways to serve the vulnerable.

This acceleration phase will require a total funding of €3 million, out of which €2 million will be raised in 2022. Under the management of the social business arm of 1001fontaines, O-We International, we are glad to share that **€1.5M** has already been committed by shareholders, institutional banks and philanthropic sponsors. Their engagement already allows us to confirm our capacity to launch the expansion plans in early 2023 and reach out to thousands of new poor households in the coming months.



Updates

Position paper

After months of collaborative work with Cambodian piped water supply stakeholders we published a position paper paving the way to successfully combine piped networks with bottled water to scale safe water services, leaving no one behind in rural areas. 

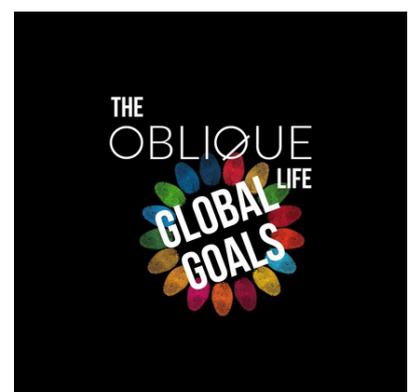


Water Story

Check out the story of Yi Vatanak, a former construction worker, who has grown as a successful entrepreneur, providing people with affordable safe drinking water. Within 18 months, he has transformed his village community into a healthy, thriving population and developed a sustainable economic activity. 

The Oblique Life podcasts

This semester, we were excited to partner with The Oblique Life, a network connecting the most active change makers and enabling them to share ideas and collaborate with each other to spark the change that humanity needs. Listen to their inspiring Global Goals Podcast and check out the 1001fontaines' vision of sustainable development starting with safe drinking water. 



They have joined the 1001fontaines adventure

thewaterloofoundation*

As we intend to transition from a regional presence to a larger scale expansion in Madagascar, we are excited to count the Waterloo Foundation as a new strategic partner.



The French Development Agency (AFD) has been a decisive partner in supporting our programs in Cambodia and Madagascar. We are thankful for their renewed support to further deploy our initiative in Myanmar.



After a field visit in Cambodia to discover the water kiosk model in practice, the Foundation decided to provide Teuk Saat 1001 with a strategic multi-year funding to deepen its impact through network expansion, franchise services' optimization and team strengthening.

LA ROSÉE
PARIS

We are proud to count among our new partners La Rosée, a clean, natural and eco-responsible cosmetics company. This innovative company has anchored its social and environmental commitment in its *raison d'être* and supports access to drinking water through our Water in School program.

THE
CHALK
CLIFF
TRUST

We are grateful to the Chalk Cliff Trust for becoming the first foundation to support our UK office, providing a very helpful contribution to the Water in School program.

*1001 thanks to all our partners and supporters
without whom nothing would be possible!*



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