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GRANT PROJECT LESSONS AND OUTCOMES

# Danish Refugee Council, Mobile Payments for Safe and Sustainable Water in Refugee Settlements in Uganda

GRANT PROJECT DATES

August 2019 to February 2021

**Danish Refugee Council (DRC) provides help and protection to refugees and internally displaced persons across the globe in conflict-affected areas, along displacement routes, and in host countries. In cooperation with local communities, they strive for responsible and sustainable solutions. Their vision is a dignified life for all displaced peoples.**

## KEY STATS

**1960 water cards**
active and registered

**350 households**
provided with a mobile phone, digital literacy training, and cash

*Data source: DRC Project Reporting*

## BRIEF DESCRIPTION:

DRC received a GSMA grant to test the use of the AQtap "Water ATM" solution in Kyaka II settlement in Uganda.

The solar powered Water ATMS provided by DRC's partner Grundfos supported access to clean water for more than 2,500 refugees. The model used payment cards to transact for water and promoted the use of mobile money for loading these, and encouraged communities to set up a Water User Committee in order to take ownership or resource management and ongoing operation and maintenance.

The intention had been to digitize the water user committees, payments and remote servicing of the water ATMs, however it was discovered that there was insufficient network coverage in the camp to do this fully.

The DRC team received an additional GSMA grant to adapt their project in response to to the COVID-19 pandemic. Responding to a Government restriction on water tariffs, the team used the grant to subsidise water payments. Additionally, they distributed mobile phones to 350 households; combined with digital financial literacy training and a one-time cash transfer, the intention was to sensitise users to the use of digital payments.

***Alix** started using the solar powered water system in 2020 right after its installation in the settlement. Previously, she reported that finding clean water from one of few available boreholes took hours, which meant she had less time in the day for other things, including work in her household.

She reported that the time spent queuing for water was much reduced by the Water ATMs, she felt that the system was clear on the amount of water allocated to her and that it was quickly dispensed.

***William** started using the solar powered water system in the settlement soon after its installation. He also joined the Water Committee which was established to empower communities to maintain and monitor the water ATMs.

William was happy with service, reporting that the cost requirement from households for maintaining the system was appropriate for the increased convenience that it brought to people in the settlement. He was very happy that the new approach to water had reduced the long lines that had been there previously and meant that people had confidence that they would be able to access water when they needed to.

*"This system has changed lives in our community. The water is clean, reliable, and accessible. The price that we pay is all worth it as it has made ease for our homes."*

***Janet** is a resident of Kyaka II Settlement who had several misgivings about the old way in which she needed to access water. She reported that due to how much energy was needed to operate the wells and the fact that fights often broke out, it was not appropriate to send children and was difficult for old people to use.

Thankfully, she thinks that since the new system is solar powered, and that the community was able to teach others how to use it, it overcame many of these challenges.

*Names have been changed.

# Project Outcomes & Lessons

OUTCOME

## Water ATMs have a positive impact queuing time

Users and DRC staff commonly reported that the Water ATMs removed queuing as an issue at the boreholes. This meant that women, who traditionally queue for water, were left with more time for other activities. This may have the potential to have an ongoing systemic impact on livelihood improvement and household dynamics. During the COVID-19 pandemic, this also meant that collecting water queues were no longer areas of potential high spread as they were much reduced.

LESSON

## Keeping the Water ATMs community owned is important for ensuring sustainability

The water-pumps installed during this grant are fully owned by the community, who collect fees of between 500 and 1000 Ugandan Shillings ($0.13 to $0.26 USD) a month from users to pay for ongoing operations and maintenance. This model means that there is no dependency on support from humanitarian agencies or donors to sustain improved access to water systems in the community.

These fees are collected from users using water cards, which activate the pumps and are loaded using mobile money. Importantly, these fees are waived for newly arrived refugees, as they settle in.

LESSON

## Users are likely to share transactions

Users felt that the minimum amount of water supplied was large (1,000L) and so people decided to buy in bulk, sharing the water amongst multiple households and settling payment between themselves via mobile money. In doing so, they both solved the problems of not needing such large quantities of water at a time as well as potential inaccessibility of the system to people who do not have a mobile money account. This did however impact the ability to ensure equal distribution amongst users and effectively monitor use of the system for water access at the household level.

LESSON

## It is vital to ensure the host community has access to and benefits from WASH interventions

The DRC team received complaints from authorities surrounding access to the Water ATMs for the host community. Because the host community did not benefit from the project overall, it created a further rift between host and refugee communities, who were seen as having access to clean water, a commodity amongst the host community as well. It is important for WASH interventions, as with all programming in displacement settings, to consider the needs and levels of access amongst hosts communities.

# Water ATMs, the Future

Following successful completion of the grant project, DRC no longer has responsibility for WASH services in Uganda, however site visits have shown that the community and management committees continue to be engaged in the use and upkeep of the water ATMs.

Overall, the mobile payment systems and digital literacy encouraged by DRC through the Covid adaptation has demonstrated the transformational role these tools can play in building sustainable and resilient livelihoods. It remains important that the commercial viability of this innovation is tested in a longer term way in humanitarian settings, and to continue pushing for connectivity improvements in remote areas to encourage mobile services and payments. The Water ATMs serve as an important community base and can play a transformational role in water collection and its knock on impacts for end-users.