

ranontsika
ho salama lalandava



BIENVENUE	
LUN	07:00 - 12:30 13:30 - 17:30
MAR	07:00 - 12:30 13:30 - 16:00
VEN	07:00 - 12:30 13:30 - 17:30
SAV	07:00 - 13:00

1001fontaines in Madagascar: a successful entrepreneurial journey

For over 15 years, 1001fontaines has been dedicated to building a sustainable solution for access to safe drinking water in Madagascar, aiming to improve the health of vulnerable populations. The collaboration with our local partner, the NGO Ranontsika, has been crucial in understanding local challenges and designing an entrepreneurial solution tailored to the context, emphasizing quality, sustainability, and social impact.

This learning process highlighted the difficulties to replicate the historical rural model that has made our success in Cambodia. However, it left room for entrepreneurial intuition, resulting in a new and effective model to answer the drinking water needs of a growing urban population vulnerable to water-related diseases and climate change impacts.

Ranontsika has developed a unique offering of high-quality, affordable drinking water packaged in 20L recycled jerricans. The initiative, supported by local authorities, has demonstrated its **social impact**, the ability to induce **sustainable behavior change**, and **economic and operational viability** in Tamatave, the country's second-largest city.



Building on the lessons and results of **Phase 3 (2019-2023)**, 1001fontaines and Ranontsika are now entering a new development phase.

Phase 4 (2024-2027) aims to consolidate the operational and organizational foundations of the successful service in Tamatave, replicate the initiative in other cities, and deepen our social impact through targeted programs and research activities.

We are thankful for all our partners, especially to the French Development Agency and the Monaco Cooperation, for their unwavering support, granting access to safe drinking water to over 35,000 people daily. We look forward to building new collaborations that will accelerate our future scaling.

Wrapping up Phase 3 (2019-2023): A Solid Proof Of Concept

A Unique Drinking Water Service Changing Behaviors For Safe Drinking Water

In Madagascar, where 80% of the population lives in extreme levels of poverty, **access to safe water remains a luxury** reserved for a minority, generating severe public health issues. Diarrheal diseases remain the leading cause of mortality, including in Tamatave, a city of over 400,000 inhabitants.

Responding to this critical issue, we have successfully established a new solution: repurposing **recycled jerricans** to contain 20L of our own treated water, tailored to meet the drinking needs of local households, and conveniently distributed through **small selling kiosks** spread across the city.

The water is rigorously treated at a **production facility** on the outskirts of Tamatave, and undergoes **weekly quality testing** in Ranontsika's lab, ensuring compliance with WHO drinking standards. The attention to detail will even go to the appearance of the jerricans, which are meticulously maintained, sealed, and proudly labeled with the Ranontsika brand. Vendors at the kiosks distinguish the service through high customer relationship management, ranging from punctuality to assisting customers in securing their filled jerricans to their bicycles.

Thanks to subsidized capital expenditures, the service remains affordable for the majority of the population: **64% of Ranontsika consumers live on less than \$3.2 per day**. This initiative already fulfills the daily drinking water needs of over **9,000 households**, at a cost more than 15 times lower than commercial offers for 1.5L bottled water.



An external survey conducted in Tamatave (260+ interviews) provided significant data on the impact of the Ranontsika service:

Behavioral Shift: 80% of our consumers had never accessed safe drinking water from a bottle due to affordability constraints. Now, this new market segment can access drinking water at an affordable price without compromising on quality.

Health Perception: 75% of Ranontsika consumers perceive their home water sources, whether tap water or groundwater from a hand pump, as potential health risks. 42% of our consumers report having experienced positive health effects since adopting Ranontsika safe water service.

Customer satisfaction: 86% of our consumers express a willingness to recommend Ranontsika to others. This is consistent with the important share of our new customers coming through word-of-mouth recommendations (59%).

PRACTICTA, 2023

For populations in extreme poverty, beyond the reach of a market-based solution, Ranontsika collaborates with local partners to ensure free access to their service, with transformative impacts on public health. This currently includes eight public schools and their 4,200 students, a newborn and pediatric clinic, and over 100 families affected by sickle cell disease.



A Sustainable Social Business Approach in a Fragile Context

One key achievement in **Phase 3** is the successful integration of Ranontsika's service into the local institutional landscape. The Tamatave municipality has become a major project partner, recognizing the complementarity of Ranontsika's jerrican-based drinking water service with the public water supply network. As an illustration of this support, the municipality provides public land for kiosks' set-up and seeks Ranontsika's assistance in providing schools with safe drinking water or raising awareness of water-related health issues during various city events.

While Ranontsika's purpose is to provide a **public service** its management has been entrusted to a small business created for this purpose: the **COLAB LLC**. The company's operations prioritize both service efficiency and long-term sustainability.

In just three years, and thanks to significant customer traction (**with a +40% year-over-year growth resulting in over \$100,000 turnover in 2023**), this goal has been achieved, as water sales revenue now covers production and distribution costs.

Throughout the project, **40 individuals** have been recruited in Tamatave and trained in various roles, including production, water quality analysis, logistics, and sales. This entrepreneurial development experience is creating new opportunities for local candidates in a context dominated by labor informality.



The project obtained the score of 4.3/5 in the external evaluation, which emphasized capacity building and resilience.

The pivotal partnership between 1001fontaines and Ranontsika significantly contributed to the initiative's success, particularly in enhancing COLAB's capacities (technologies, operational procedures) to meet growing demand. The partnership effectively navigated Madagascar's operational complexity, addressing challenges tied to educational and infrastructure fragility.

The model's resilience is a standout achievement. Notably, in crises such as cyclones and network interruptions, Ranontsika promptly addressed water needs. The initiative also promoted resource efficiency, integrated water preservation measures in its factory layout, and adopted a circular economy.

FDC, 2023

Looking Forward Phase 4 (2024-2027): Growth Prospects on a National Scale

In Phase 3, within the densely populated landscape of Tamatave, Ranontsika's enhanced value proposition and innovative operating model quickly gained consumer adoption, achieving balance between operating costs and revenues for a sustainable service.

Building on this proof of concept, along with the lessons learned and challenges faced to date, emerges an ambitious yet prudent development strategy. This strategy is centered on solidifying the organizational and operational foundations of Ranontsika's initiative in Tamatave to deliver quality service at scale. In addition to addressing the market demand for safe drinking water, the fragility of the population and the ecosystem leads us to use the existing capabilities to **implement social programs** and conduct **academic research - fostering innovation and collaboration**.



A market potential analysis indicates that Ranontsika offer has a strong relevance in multiple locations.

In Tamatave, the potential is still significant with the possibility to reach 25% of the total population in coming years (vs. 4% today).

In the core city of Mahajanga, there is potential to reach 50,000 people, considering the expressed willingness to pay of the population, positioning this city as a priority zone for replication.

PRACTICA, 2023

Through this consolidation phase, we will be in a position to replicate Ranontsika's proven model in **two new geographic locations** where the population currently lacks viable alternatives. Beyond infrastructure development, it will require 1001fontaines, Ranontsika and COLAB to work on conducive conditions for service success by collaborating with municipalities and training local teams, following Tamatave's example.

National expansion will thus start with strengthening capacities, enhancing the management and leadership of Ranontsika and COLAB, and continuing efforts to **capitalize on** and **advocate** for the innovative service's results with sector stakeholders and national public authorities.

We are very excited to embark on this new journey aiming to impact 200,000 people by 2030 with safe drinking water services, addressing water and health challenges.

We are seeking strategic partners in Madagascar and globally to support us in delivering this plan and maximize the chances of success of Ranontsika's expansion.