

# Ideas at Work – Annual Report 2008



## Highlights

- 657 water pumps sold, 20% more than in 2007
- Factory staff take over technical management
- 2<sup>nd</sup> Contract with Impulsis Netherlands
- 3<sup>rd</sup> Open-Day: 19 August 2008 in Phnom Penh
- First pumps and designs sold to Vietnam and North Korea.

## Focal points

*laW is an intermediary for improving the quality of life in Cambodia. We increase local capacity so that Cambodians can reduce their dependence on foreign aid.*

- *direct collaboration with Cambodian people, organisation and companies.*
- *guiding groups or individuals with ideas to improve Cambodia and helping to realise these ideas.*
- *Providing a portal for Netherlands/ European direct financial support to Cambodian aid projects.*

## Factory

The focus for 2008 was on improving the production process and the take over of the technical management by the Cambodian staff.

In December, after 2½ years, our English Technical Advisor Vince Whitehead withdrew from the workshop while Mr Eng San, the workshop supervisor, took over. All together there are 8 technical staff in the factory who produce on average 80 pumps per month (up from last years 47/month).



San



In April we had a short visit from a Dutch PUM-expert, Ad de Beer, whose sole focus was on improving the production process. In close collaboration with the work floor staff he made simple changes which increased the production almost immediately to 70 ROVAI pumps per month.

## Unforeseen happenings:

Just before the King's birthday in May we got a knock on the door with a message that the road in front of the factory was to be enlarged, without delay. One and half hours later a crane came to take away the walls.



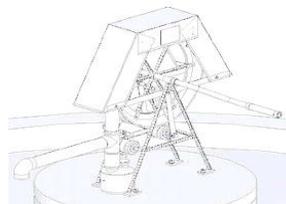
May 2008

As a result we lost 4 meters of workshop space and 2 meters of parking space, 60m<sup>2</sup> in total.

Due to these difficulties (see picture), production was disrupted for the remainder of the year.



December 2008





Due to its robust design and high build quality the current ROVAI pump can serve up to 20 families. However, these high standards make the pump relatively expensive (US\$99-130) and, for that reason we started with the designs of a lower cost version, the Family

Rovai Pump (FP), suitable for 1-3 families.

This Family pump still lifts 40 litres of water per minute but because we use less costly materials and changed the welding process we expect the selling price to decrease around 30-40%. The trial phase is continuing.

Our staff considers the FP "handsome", which is very important in Cambodia. A buyer doesn't want a product that looks cheap but something that makes



Family Rovai pump

them feel proud. They want a technology that suits them and improves the quality of their lives at the same time.



Open Day Photo: 11 of the 13 IaW staff

**ស្តាប់រឿង or ROVAI news**

In spring 2008 we published a report, compiled by our partner RDI, which confirmed that a reduction of 90% of the bacteria in a shallow well (max 10m) is seen when a ROVAI pump is installed. This means a significant reduction in the risk of getting diarrhoea in the user's family, and therefore fewer days off work and school due to illness and increased productivity. We are happy with this result but drinking water quality can only be guaranteed when an effective water filter removes the last 10% bacteria.

In February a customer satisfaction and technical survey was carried out, showing that 100% of the users were satisfied with the pump. At the same time we found that the users didn't know where to go for spare parts (i.e. rope) and

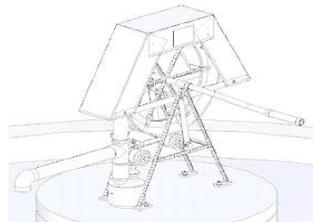
informed us that they'd phone the installer, in case of problems. We continue stressing to all installers to share the message that all spare parts are available at the local market and that ROVAI-users can replace the rope themselves.

**The Distribution Channel**

After one year of focus on infrastructure building we have gained much valuable knowledge on the challenges associated with developing a function distribution channel. Our "Tupperware" approach, for example, is obstructed by the relatively high price of the pump and disbelief that a water pump can be purchased via a microloan. In 2009 we will continue our efforts to find answers to the distribution channel challenge.

In 2008:

- 617 pumps were sold to construction companies, working for organisations such as PLAN international, Red Cross, World Vision, LWF and EU/ECOSORN.
- The ROVAI-pump can be found in 12 of the 24 provinces in Cambodia.
- A greater variety of buyers have purchased the pump than in 2007, indicating that awareness of our product is increasing.
- 40 pumps (7%) have been sold directly to people in Kampong Chhnang province. This is the province where we test our marketing and distribution channel approaches.
- 90% of demonstration pumps were sold before the demo period is over.
- 2 pumps were sold to North Korea (via UNICEF) and 3 pumps to Vietnam (SNV).





Since the start of the factory, 1229 pumps have been installed in Cambodia, servicing the water needs of approximately 35,000 people.

**ROVAI and Micro Credit**

It continues to be a challenge to sell products as water pumps and water filters to people with small budgets. They definitely have an interest but it clearly takes time to decide to buy. Besides this there is also disbelief that loans for pumps can be taken out.

In 2008 none of the Micro Finance Institutions (MFIs), including our micro-credit partner PRASAC, were ready to respond to requests from villagers and none of the pumps were sold through loans.

A series of training sessions were held with PRASAC field staff to improve their knowledge and increase their role in the promotion process. This way we can continue the feasibility trials of this part of the distribution channel.

In support of the process a joint leaflet was developed in Khmer language.



**Relationship building**

Most of our original private supporters extended their support for 2009. Their continuous support made it possible to continue our collaboration with the Netherlands donor "Impulsis" who, again, doubled the donations so that we can continue our trials for distribution channels in 2009.

With our NGO and private sector partners in Cambodia our contact with Cambodia's communities is expanding, which is reflecting the increase of different customers we have served in 2008.

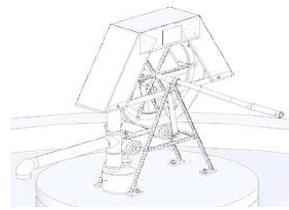
Our Open-day in August welcomed 35 new faces in addition to ongoing customers that came to look at the factory and our new Kandal hand pump.



Dutch NCRV TV came in January 2008 to look at our work and the ROVAI water pump. In May a 20 minutes program was broadcasted on the Dutch TV under "Blue Gold".



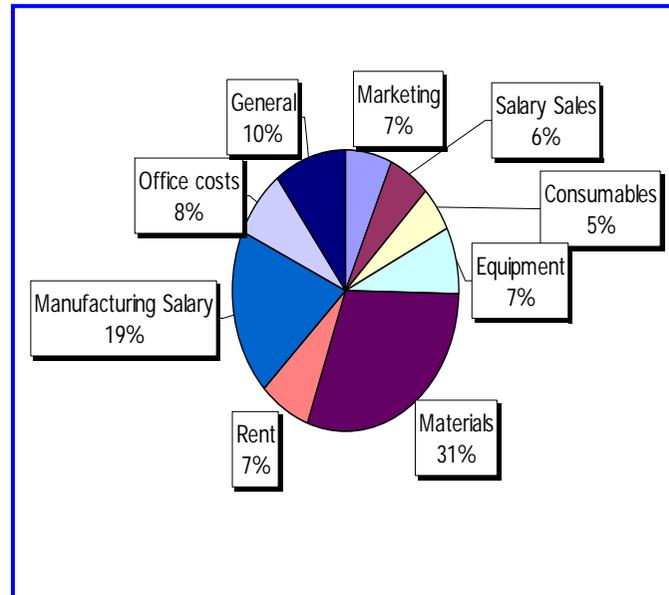
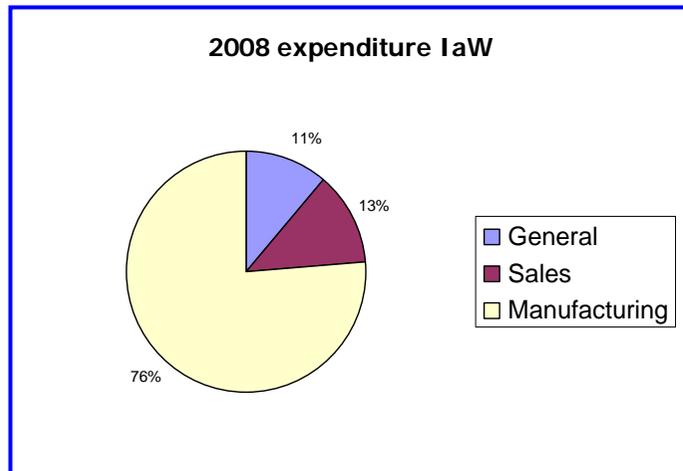
In December another film-maker came, André van der Stouwe of LokaalMondiaal to film a portrait of Huy Dara, our distribution channel-manager and followed in his foot steps for a few days.





## Finance

Total income: US\$ 157,629  
of which \$ 71,171 sales of ROVAI pump  
Total expenditure: US\$ 142,708



## Updated website

[www.ideas-at-work.org](http://www.ideas-at-work.org) has been updated in December 2008.

Besides several adjustments of old information we have added:

- Publications of our
  - o Customer satisfaction survey
  - o Laboratory research (90% bacteria-reduction with ROVAI pump use)
- ROVAI pump maintenance manual
- ROVAI installation manual
  - o (in English and Khmer).

General	US\$ 15,395
Sales	US\$ 21,525
Manufacturing	US\$ 105,788
total expend.	US\$ 142,708

IaW doesn't want long term donor dependency and for the water pump factory hardly anymore donor money is needed. The ROVAI pump revenue, in comparison with 2007, has increased by 40%. If this trend continues we will be approaching break-even point by the end of 2009.



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