

Veolia Water and Grameen Bank take up the challenge of bringing drinking water to Bangladesh

On March 31, Muhammad Yunus, the winner of the 2006 Nobel Peace Prize and founder of Grameen Bank, and Antoine Frérot, CEO of Veolia Water, officially created Grameen-Veolia Water Ltd. The mission of the joint venture is to provide effective solutions for supplying drinking water to the poorest Bangladeshis.

Freshwater in abundance but contaminated



Nature has bestowed the blessing of abundant fresh water on Bangladesh, in the form of numerous groundwater resources that are not too deep and are therefore easy to exploit. However, for essentially geological reasons, almost all of the groundwater has been found to be contaminated with arsenic, very often at levels that make it a health hazard. At the beginning of the 1990s, hospitals in Bangladesh started reporting an alarming increase in the number of cases of arsenicosis. Today, 30 million Bangladeshis have fallen victim to chronic arsenic poisoning and some have even died.

Against this background, Grameen and Veolia Water have decided to join forces and combine their complementary skills to make clean and safe water accessible to villagers in the poorest parts of Bangladesh.

The principles of social business



Muhammad Yunus and Antoine Frérot

This initiative is an opportunity to apply the principles of social business, pioneered by its founder Muhammad Yunus, Nobel Peace Prize winner in 2006, to the supply of drinking water. Social business holds that markets must be made to work in favor of the poor and provide sustainable solutions rather than exclude them by handouts or subsidies that are always limited in time. As a social business the goals of the company are determined and lead by the social benefits rather than financial returns.

According to the precepts of social business, whereby there are "neither losses nor dividends," this investment will be paid for by water charges levied on consumers, which will in turn enable similar projects to be started elsewhere. The equipment will be manufactured locally on the basis of know-how transferred by Veolia Water. Grameens Bank's extensive network will enable charges to be collected by appropriate means. About ten jobs will be created in each of the villages involved.

Future projects

Grameen-Veolia Water Ltd's task will be to build and operate several water production and treatment plants in some of the poorest villages in the center and south of Bangladesh. All in all, 100,000 people in around 5 villages are forecast to be served by this initiative for a total investment of 500 000 euros.

The first plant, currently in the planning stage, will bring safe water suitable for drinking and cooking, complying with WHO standards, to the 20 to 25.000 inhabitants of Goalhari, a village 100km east of Dhaka. A specific distribution network will be installed on the basis of a detailed survey of user requirements and will include standpipes, small storage tanks and collective connections.