

Inclusive business models for safe water

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HOW would you feel if you were limited to using 13 gallons of water per day that includes roughly a 90-second shower, eight glasses of drinking water, a few dish-washings, one cooked meal, two hand washings, two teeth brushings and one-toilet flush? Sounds bizarre?

Surprisingly, the dwellers of Cape Town have been encountering this reality just after facing the prospect of their city running out of water.

The water crisis in Cape Town, South Africa began in 2015 which resulted in a severe water shortage in the region. The severity of the crisis reached such a level that the government of South Africa decided to announce 'Day Zero', which indicated a moment when the municipal water supply would largely be shut off if a particular lower limit of water storage is reached and people would be sent to communal water points to collect their daily allotment of 6.6 gallons of water. Though the day has not arrived yet, it still remains an ever-present threat and may happen anytime in 2019.

No doubt, the Cape Town water crisis highlights the significant threat to companies and serves as a warning to the vulnerable cities around the world.

Bangladesh is among the vulnerable zones that encounter safe water challenges not just in terms of quantity but obviously in quality. A study reveals that almost 97 percent of its population have access to water, but 40 percent have the privilege of getting safe water and proper sanitation which is a matter of major concern for achieving the targets of the Sustainable Development Goal 6 (SDG 6).



From left, Kedar Lele, CEO of Unilever Bangladesh; Nojibur Rahman, principal secretary of the Prime Minister's Office, and Sudipto Mukerjee, country director of UNDP Bangladesh, attend a roundtable on "SDG 6 Multi-sectoral Dialogue on Safe Water" at a hotel in Dhaka recently. Pureit brand of Unilever Bangladesh and the Innovation Hub of the UNDP jointly organised the discussion.

The other concern deals with the overconsumption of water by large industrial sectors such as the textile industry. Granted that water has a special economic utility and is a key input in the textile sector, but this particular industry consumes large quantities of water in the direct operations of supply chain, which eventually results in the huge depletion of the groundwater level particularly in Dhaka city.

Moreover, the unavailability of tariffs on groundwater extraction allows businesses and agricultural practices to extract water at a rapid pace with minimal or no recycling.

In the wake of such reality where 60 percent of the people is accessing unsafe drinking

water, there is a huge untapped market potential for the private sector to play a key role in solving the question of safe and quality water access.

Drinkwell and Folia Water are two innovative social enterprises in Bangladesh which not only bring commercial approaches to their social initiatives but also reflect creativity in aligning their business with the SDG 6. Drinkwell uses the public-private partnership model to serve the purpose of providing water services to the urban population. The company has partnered with Dhaka Water Supply and Sewerage Authority to make Dhaka the first megacity to provide a legal access to safe water for all by establishing Water ATM systems.

Folia Water's value proposition involves the distribution of silver-infused filter papers that cost as low as Tk 30 and thus provide the opportunity to the low-income community to have filtered water within an affordable range.

Realising the need to facilitate the proliferation of inclusive business models such as Drinkwell and Folia Water, Pureit brand of Unilever Bangladesh and the Innovation Hub of the UNDP jointly hosted a roundtable in Dhaka on "SDG 6 Multi-sectoral Dialogue on Safe Water".

Speaking at the roundtable, Kedar Lele, chief executive officer and managing director of Unilever Bangladesh, said only public private purpose-driven

partnership can bring meaningful difference to establish an effective water governance.

Linda Germanis, the project manager of the Innovation Hub for Private Sector at the UNDP, emphasised the need to develop new business-to-business models to introduce water recycling, harvesting and safe drinking water into established businesses.

The roundtable applauded the initiatives of two startups -- Tetra and Shishir Water -- for the effort to address the problem of groundwater salinity in the coastal regions and serve clean drinking water to the unserved population at an affordable price respectively.

However, challenges lie in the fact that the new business model for water services receives less attention because of a lack of effective commercial and social marketing facilities. Effective new partnerships need to be forged to bring visibility and awareness around existing best practices and to give the tools for initiatives to plan, implement, and measure the impact and profitability of business models. One such existing partnership is UNDP's platform Business Call to Action, which provides services through the Innovation Hub.

The Cape Town's crisis clearly warns Dhaka of the imminent danger that the city is going to face if the misuses of water are not prevented.

Experts believe that the increase of water price and the initiation of innovative technologies are of good help to cut the excessive water use. But it is unanimously agreed that mass awareness is a crucial element to save the city before getting our taps switched off permanently.

The writer is a contributor to The Daily Star.

Amazon aims at office workers with compact cashier-less food store

REUTERS, Seattle

Amazon.com Inc on Wednesday opened a compact version of its cashier-less Amazon Go food stores, broadening its footprint in the bricks-and-mortar world in a move to add shops in places such as office lobbies and hospitals.

Located in one of the company's Seattle offices, the eighth Amazon Go store is near the original and a quarter the size, at a mere 450 square feet. That is about the size of a New York City studio apartment. The new store is aimed at selling salads and snacks to office workers.

Like Amazon Go stores operating in Chicago, San Francisco and Seattle, the new store has no checkout lanes. Customers scan their smartphones to enter, cameras monitor what they take from the shelves, and Amazon bills their credit card on file after they leave.

Selling food in physical stores is a key strategy by the world's top online retailer to win more business from shoppers. Gianna Puerini, vice president of Amazon Go, said the tiny format could serve office lobbies, communal floors inside tall buildings and perhaps a hospital.



Amazon associate Cindy Umipig checks inventory at a smaller format Amazon Go store in Washington.

"We wanted something from a design perspective that would fit nicely into open spaces," Puerini said in an interview. "You can bring it in pieces and assemble it on site."

She provided no details on when or where Amazon would add other small stores. The new Seattle location, on the 6th floor of the city's historic Macy's building, is only open to Amazon employees and their guests.

Puerini declined to comment on a Reuters report from last week that Amazon was looking to add cashier-less stores at airports. However, she said, "Airports have a lot of hungry people in a rush, so you never know."

Asia to grow as expected in 2018 and 2019, trade war poses downside risks: ADB



People stand on the Ciliwung river banks in Jakarta, Indonesia.

REUTERS, Manila

The Asian Development Bank expects developing Asia to meet its growth forecasts for this year and next on strong domestic demand and easing inflation pressures, though it warned of downside risks from a rising tide of trade protectionism.

The Manila-based institution, which released an update of its Asian Development Outlook on Wednesday, maintained its 2018 and 2019 economic growth estimates for the region at 6.0 percent and 5.8 percent, respectively.

The ADB also kept its 6.6 percent and 6.3 percent growth projections for China as well as its 7.3 percent and 7.6 percent growth expectations for India for both years.

Early this month, US President Donald Trump and Chinese counterpart Xi Jinping

agreed to a 90-day truce on further tariffs as they try to negotiate a deal.

But while the truce was a welcome development, ADB Chief Economist Yasuyuki Sawada said "the unresolved conflict remains to be the downside risk to economic prospects in the region."

The 2019 growth outlook for Central Asia was raised to 4.3 percent, from the September projection of 4.2 percent, the ADB said, but the forecasts for Southeast Asia and South Asia for next year were lowered to 5.1 percent and 7.1 percent, respectively.

Easing commodity prices and central bank policy actions could cause the pace of inflation in developing Asia to settle at 2.6 percent this year and to 2.7 percent in 2019, the ADB said, down from its 2.8 forecast in September for both years.

Rolls-Royce to switch work to Germany over Brexit

AFP, London

Rolls-Royce on Wednesday said it was switching to Germany from the UK its design-approval of large aircraft engines after Prime Minister Theresa May delayed parliament's vote on the Brexit deal.

"Rolls-Royce notes the decision by the UK government to delay the vote on the proposed Withdrawal Agreement and political declaration," the company said in a trading update.

May has postponed a historic vote in

parliament over her EU withdrawal agreement because of its certain defeat -- and must now win a no-confidence vote by MPs in her Conservative party to be held Wednesday.

In a statement, Rolls said it was working with the European Aviation Safety Agency (EASA) over the planned movement of work to Germany, repeating that it was looking at stockpiling parts in preparation for Britain's planned exit from the EU on March 29. "We will continue to implement our contingency plans," Rolls said.

Modi seen forgiving farm loans as he seeks to win back rural voters

REUTERS, New Delhi/Mumbai

PRIME Minister Narendra Modi's government is likely to announce loan waivers worth billions of dollars to woo millions of farmers ahead of a general election, government sources said, after his ruling party suffered a rural drubbing in state polls.

Modi's Hindu nationalist Bharatiya Janata Party (BJP) lost power to the opposition Congress in three big heartland states, where agriculture is still a mainstay, according to vote counting on Tuesday.

To claw back support among India's 263 million farmers and their many millions of dependents, Modi's administration would soon start working out the details of a plan allocating money to write off farm loans, government sources said.

With a national election due by May 2019, Modi and the BJP have run out of time to announce other easy, popular measures such as raising the support, or guaranteed, prices for staples such as rice and wheat, farm analysts said.

"Elections are round the corner and you know that you've failed to fix the problems being faced by these farmers, so you will soon go to town promising agri-loan waivers," said Ashok Gulati, a farm economist who advised India's last government on crop prices.

The plan could see as much as 4 trillion rupees (\$56.5 billion) in loans written off, the government sources and analysts said.

Farm loan waivers would be the biggest help the government has ever provided to farmers, said the officials, who did not wish to be identified in line with government policy.

The previous Congress party-led coalition government announced farm loan waivers worth nearly 720 billions rupees in 2008, helping it return to power with a bigger mandate in 2009.

Economists caution that farm loans waivers would widen a fiscal deficit the government has aimed



Farmers march towards the parliament house during a rally to protest soaring farm operating costs and plunging prices of their produce, in New Delhi.

to cap at 3.3 percent of its gross domestic product (GDP), or 6.24 trillion rupees.

Even without the farm loan waiver, some credit rating agencies have estimated the country's fiscal deficit at 6.67 trillion - or 3.5 percent of GDP, on muted tax collections.

The loan waiver also risks deepening the malaise at public sector banks saddled with most of India's \$150 billion in stressed loans.

If the government finds very limited fiscal space, it could go for loan waivers only in a few geographies that have suffered extreme weather conditions, sources and analysts said.

The results announced on Tuesday were from elections that took place over the past few weeks in Rajasthan, Chhattisgarh and Madhya Pradesh, three large states in the Hindi-speaking northern belt that is the BJP's traditional stronghold.

The BJP lost power in Madhya Pradesh after holding power there

for 15 years. "Tuesday's election result clearly demonstrates farmers' anger against Modi and his administration," said Dharmendra Malik, a farm leader from Uttar Pradesh, India's most populous state that borders all three.

The last time a BJP government lost power, in 2004, it was largely because rural voters abandoned the party.

"Farmers very well know that the state governments don't have the financial war chest to write off agricultural loans, so it's only Modi's government which can waive loans," Malik said.

Although farm loan waivers are a populist move, debt write-offs help only relatively well-off farmers with larger plots of land. India's small farmers - 80 percent of the total - often cannot borrow from banks and turn instead to local money lenders who charge exorbitant interest of 25-50 percent.

Both the BJP and Congress have promised farm loan waivers in a

number of state elections in the past few years. About seven state governments have promised to write off farm loans worth 1.8 trillion rupees.

Low food prices, export curbs, anti-inflation policies that keep rural incomes low and a broad shift from subsidies to investment spending under the pro-business Modi have all infuriated and demoralised farmers.

Both India's capital New Delhi and Mumbai, the country's financial hub, have been recent targets of protests by farmers, mirroring rising anger in the countryside where more than two-thirds of India's 1.3 billion people live.

Other than writing off crop loans, the government would also try to step up purchases of farmers' produce, government sources said, without giving details.

Mahesh Salve, a wheat farmer from Madhya Pradesh, said he was counting on farm loan waivers.

"I will vote for the party that will write off our loans," said Salve.