



Operation Procedure for the Rope Pump Credit Scheme (for individual)

1st Edition: June 2014

2nd Edition: March 2016

Prepared by OMF1 and WIDB-SNNPR/JICA WAS-RoPSS

Outline

1. The Rope Pump Credit Scheme
2. The Procedure of the Scheme
3. Roles and Responsibilities
4. Rope Pump
5. The Project



This operation procedure was made for OMF1-SNNPR, however, other loan organizations can apply same procedure according to their own situation and areas.

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The Rope Pump Credit Scheme

Objective	For the local people to be able to afford rope pump for their improvement in living status
Beneficiaries	People who are interested in purchasing rope pumps
Credit Loan Amount	5,000 ETB (net) <small>*subject to change according to market price and Decision by the two parties' higher level</small>
Loan Term	1 to 2 years (bi-annual or annual)
Interest Rate	10% annual interest + 2% service fee
Penalty	If customer failed to pay on time, penalty will be in place according to OMF1 rural credit repayment procedure

Collateral

- Have at least half hectare of land (mandatory)
- Have the title to an estate (land certificate) as collateral for RP credit from the kebele administration (mandatory)
- Form a group collateral (option)
- Salary collateral (option)
- Other institutional collateral options

- ☀ In case of cash on hand payment, rope pump users will be free from interest rate but they are subject to 2% service charge.

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The procedure of the scheme

There are 5 main steps which will be conducted simultaneously and repeatedly. The main 5 steps are as follows;

1. Promotion
2. Selection
3. RP installation
4. Repayment and RP Operation and Maintenance
5. Expansion

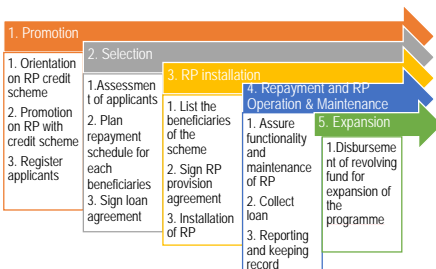


Figure1: Procedure of the Scheme

The following are the detail of each steps.

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1. Promotion

3 steps of activities are suggested to be conducted.

- 1-1. Orientation on Rope Pump credit scheme
- 1-2. Promotion on Rope Pump with credit scheme
- 1-3. Register applicants

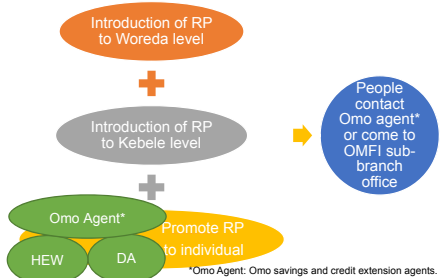
1-1. Orientation on Rope Pump credit scheme

Head office of OMF1 and WIDB-SNNPR conduct orientation for the OMF1 branch staff, sub-branch staff, savings and credit extension agents and woreda water office on rope pump credit scheme for them to understand and able to implement the scheme at their field.

1-2. Promotion on Rope Pump with credit scheme

The promotion activities will be conducted in a variable ways.

Some examples are as follows;



*Omo Agent: Omo savings and credit extension agents.

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1-3. Register applicants

Extension agents (OMFI, Health and Agriculture) will make a list of candidate in each kebele who are interested to purchase rope pump.

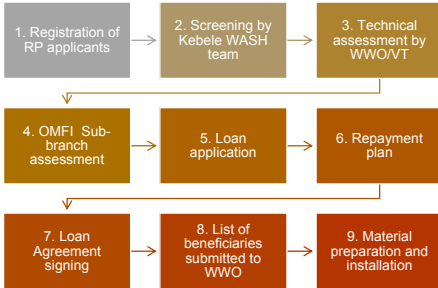
When the list is full, extension agents submit the list to WWO via kebele administration.

The list should include the following information;

- Name of the well owner
- Contact number
- Name of Kebele and Gott
- Well profile

2. Selection to installation

The selection upto installation is as follows;



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Step 1. Registration of RP applicants (described in "1-3 Register applicants (P.5)")

- [Main Action]** 1. Make a list of HH who are interested in purchasing rope pump
2. Submit the list to kebele WASH team
- [Done by]** Extension agents in kebele (OMFI, HEW, DA, etc.)
- [Remarks]** During the initial stage, woreda water office and woreda admin office are expected to support the work

Step 2. Screening by Kebele WASH team

- [Main Action]** 1. Kebele WASH team / task force discuss and approve if the applicants can take loan
2. Inform approved applicants to WWO for technical assessment
- [Done by]** Kebele WASH team / task force

Step 3. Technical assessment

- [Main Action]** 1. WWO/WIDB or approved Village Technicians (VTS) conduct the well technical assessment according to the "Step 1" list
2. WWO/WIDB fill the assessment sheet to determine pipe sizes
3. Submit technical assessment form to OMFI
- [Done by]** Woreda Water Office and Village Technicians


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Box: Additional Technical Assessment Criteria

This scheme is for shallow well, therefore, assessment of the well together with surrounding condition must be checked

1. Depth of the well should be less than 35m
2. The maximum diameter of well is 1.2m
3. The well is not drying during the dry season
4. The well should be at least 30m far from latrine
5. The well should be upstream of latrine
6. The owner is encouraged to use well water for multi-purpose use
7. The well should be free from source of pollution (e.g. Animal excreta, rubbish etc.)
8. The owner of the well should construct a fence around the well
9. The well owner is responsible for the water quality when it is used for drinking

Step 4. OMFI Sub-branch assessment

- [Main Action]** 1. OMFI check the past loan experience of the applicants and any other necessary documents related to the applicants
2. OMFI visit the applicants' home to assess loan criteria
3. OMFI decide if the applicants are eligible for loan
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- [Done by]** OMFI sub-branch office
- [Remarks]** Collateral and other required criteria are specified in MOU

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Step 5. Loan Application submission

- [Main Action]** 1. OMFI agents visit applicants to sign loan application
- [Done by]** OMFI agents



Step 6. Repayment plan

- [Main Action]** 1. According to the assessment and application information, OMFI agents and OMFI sub-branch office plan for repayment schedule for each applicants
2. Discuss with the applicants on repayment schedule
- [Done by]** OMFI sub-branch office and agents
- [Remarks]** OMFI shall consider the applicants' ability, livelihood, etc. to plan feasible schedule which suit to the situation of the household

Step 7. Loan Agreement signing

- [Main Action]** The RP applicant, OMFI agents, kebele management, WWO and other relative stakeholders sign the loan agreement
- [Done by]** OMFI extension agents

Step 8. List of beneficiaries submit to WWO

- [Main Action]** 1. OMFI sub-branch office gather signed loan agreement
2. Make a list of beneficiaries according to the agreement
3. Submit the letter of rope pump credit beneficiaries to woreda water office with the list and agreement
- [Done by]** OMFI sub-branch office

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Step 9. Material preparation

- [Main Action]**
1. Woreda water office receive letter of beneficiaries list and check necessary rope pump specification and materials
 2. Woreda water office write "confirm letter" to OMFI
 3. Woreda water office or beneficiaries order rope pump

[Done by] Woreda water office

[Remarks] Rope pump is available from WWO or manufacturers. Well cover is available from manufacturers or village technicians.

Step 10. Installation

[Main Action] The beneficiaries contact the village technicians to start installation

[Done by] Village technicians



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Repayment and Rope Pump Operation and Maintenance

The Rope Pump maintenance and repayment will be done time to time.

Operation and Maintenance

- ★ The users take the main responsibility of maintenance.
- ★ To assure the functionality, woreda water office is expected to monitor the household rope pumps
- ★ Simple maintenance will be done by users and/or village technicians
- ★ Major break down will be fixed by village technicians or manufacturers.



Repayment

- ★ The OMFI extension agents will collect repayment according to the repayment plan
- ★ The OMFI extension agents report to sub-branch office every week
- ★ OMFI Sub-branch level, information should be shared to branch office once in a month in a form of a report.



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Roles and Responsibilities of the Stakeholders

Procedure	Regional Level		Woreda Level			Kebele Level		User
	OMO	WIDB/	OMO SB/	W.Adm	WWT	OMO Ag.	KWT	
1 Orientation on RP credit scheme	☆	☆	○	○	○	○	○	
2 Promotion on RP with credit scheme	○	◎	☆	☆	☆	☆	☆	
3 Distribute application form	◎		☆				☆	
4 Assessment of applicants	◎	○	☆	◎	○	☆	☆	
5 Plan repayment schedule	○	○	☆	◎	◎	☆	◎	
6 Sign loan agreement	◎					☆	☆	☆
7 Sign RP provision agreement		☆				○	○	☆
8 List beneficiaries	☆		☆				◎	
9 Installation of RP		☆	○	○	◎	○	◎	☆
10 Functionality and maintenance of RP		◎	◎			☆	◎	☆
11 Repayment	◎	○	☆	◎	○	☆	◎	☆
12 Reporting and keeping record	☆	☆	☆	◎	◎	☆	◎	○
13 Expansion of the programme	☆	☆	☆	☆	☆	☆	☆	☆

☆ main actor ◎ sub actor ○ supervise or support the activity

Rope Pump

- ◇ Rope Pump is a low cost water lifting device
- ◇ It can be self supplied by the rural people
- ◇ Government placed it in its national guidelines and plans



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The WAS-RoPSS Project

Name: The Project for Rural Water Supply, Sanitation and Livelihood Improvement through Dissemination of Rope Pumps for Drinking Water (WAS-RoPSS)

Duration: March 2013 – December 2016

Target Area:

No.	Zone	Woreda	Kebele
1	Sidama	Dale	Bera Chale, Bera Tedicho, Gajamo
2	Gedeo	Yirgachefe	Chelba, Chitu, Dumerso
3	Gurage	Maskan	Yetebon
4	Wolaita	Damot Pulasa	Game Kebecho, Tomtome Menta, Helena Korke



The project is funded and ran by Japan International Cooperation Agency (JICA) through a request from Federal Democratic Republic of Ethiopia. The project is to encourage household to acquire rope pump for their livelihood improvement. Having a rope pump for the hand dug well is one step up in "self-supply" ladder which will advance sanitation & hygiene and living status.

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