

Verifier Statement

Prepared for Water.org on December 16, 2021

BlueKey Inc. was engaged by Water.org to verify their alignment with the Operating Principles for Impact Management (OPIM) and to validate their 2021 OPIM Disclosure Statement dated June 4, 2021.

Summary of Findings

Water.org is unique among OPIM signatories in that it does not manage assets directly, but rather catalyzes investments by partners through its WaterCredit program and other interventions. Our analysis confirms that Water.org is broadly aligned to the OPIM principles as expressed in their annual disclosure statement of 2021.

Principles

Principle 1 - Define strategic impact objective(s), consistent with the investment strategy

Water.org's objectives are directly aligned with SDG 6.1 and 6.2 and impact is measured based on both people reached and capital mobilized through their partners who perform the actual investments by providing loans for water and sanitation to their customers.

Principle 2 - Manage strategic impact on a portfolio basis.

Each intervention is separately measured and the results have a multi-stage validation process before being accepted. Staff incentives are partially aligned to the impact of the interventions.

Principle 3 - Establish the Manager's contribution to the achievement of impact

Water.org gathers detailed monthly impact information from each partner which they engage with, however establishing the true additionality of their interventions is difficult, as loans are made by the partners who have existing loan services.

Principle 4 - Assess the expected impact of each investment, based on a systematic approach.

Both achieved and expected impact are assessed monthly using a systematic, partially automated approach. Impact is separated by gender, country, and income level among other variables.

Principle 5 - Assess, address, monitor, and manage potential negative impacts of each investment

Water.org has updated their information gathering to mitigate a possible negative impact that was flagged. While no examples were available of rejecting partners as a result of due diligence, they have terminated several partnerships due to the partner's poor performance.

Principle 6 - Monitor the progress of each investment in achieving impact against expectations and respond appropriately.

Monthly data is gathered on impact as compared to targets and the results are visualized and analyzed both at an aggregate and granular level.

Principle 7 - Conduct exits considering the effect on sustained impact

Water.org conducts endline surveys and wrap-up visits to gather lessons learned and long-term expectations. As Water.org does not manage loans directly, exit effects are generally less pronounced.

Principle 8 - Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.

Water.org regularly updates strategies and reporting based on results from impact measurements.

Principle 9 - Publicly disclose alignment with the Principles and provide regular independent verification of the alignment.

This report is the implementation of principle 9.

Methodology

BlueKey examined Water.org's 2021 disclosure statement to validate the claims and their conformity to the principles articulated. A series of more in-depth questions and requests for evidence was returned to Water.org, and their subsequent responses were scrutinized. The data gathering process, analysis and visualization systems of Water.org were also examined to ensure that the appropriate data was being collected and validated.

About BlueKey

BlueKey Inc. is an independent consultancy specializing in software system analysis, development, and technical evaluation. BlueKey regularly consults for Water.org to assist with their WaterPortal, which is the information system through which performance data is gathered, tracked, and analyzed.

The evaluation was performed by Clayton Grassick, BSc in Computer Engineering, who is an IT and data consultant with 25 years of experience in architecting and developing large-scale computer systems. He brings broad analysis, development, and data management skills with a particular expertise in large-scale monitoring and evaluation projects. He founded and architected mWater, a global WASH-oriented M&E platform whose users include UNICEF, WaterAid, and Water.org. mWater houses over 9 million survey responses from 2000 organizations globally and allows in-depth, ad hoc querying of data.