



PARTNERING TO ACCELERATE ENTREPRENEURSHIP

JIBU: ACCESSING AFFORDABLE WATER IN EAST AFRICA

Through the [Partnering to Accelerate Entrepreneurship \(PACE\) Initiative](#), USAID's U.S. Global Development Lab aims to catalyze private sector investment into early-stage enterprises by identifying and testing innovative models or approaches that help entrepreneurs bridge the pioneer gap—thus unlocking the potential of thousands of promising enterprises around the world.

THE CHALLENGE

Lack of access to clean water is a critical problem in the developing world—3.4 million people die each year from preventable water-borne illnesses. Yet half of all water projects in the developing world fail within two years, primarily because of a lack of local ownership and proper incentive.

Jibu—a social enterprise operating in Uganda, Rwanda, and Kenya—wanted to find a way to deliver affordable water to underserved urban populations. To do this at scale, Jibu aimed to unleash the latent economic potential of emerging market entrepreneurs. By providing “business in a box” tools and systems, Jibu helps individuals own and operate their own businesses, while simultaneously creating a distribution network of entrepreneurs providing permanent access to affordable water across the developing world.

In many emerging markets, however, insufficient local investment resources make it difficult or impossible for entrepreneurs to grow their business. Looking to expand their business but needing startup capital to grow, Jibu applied to USAID's Partnering to Accelerate Entrepreneurship (PACE) initiative for support.

THE PARTNERSHIP

Jibu's method uses a hyperlocal franchise model to provide ownership and support for its entrepreneur franchisees. USAID's funding provided the working capital Jibu needed to purchase the equipment for its franchise expansion. Jibu's entrepreneurs received this equipment, as well as tools, systems, training and consulting to ensure that they can capably run their own business. The entrepreneurs then repay Jibu as they generate revenue, which Jibu recycles into the next round of franchisees. By acting as both franchisor and bank, Jibu ensures that its franchisees receive both the financing and the support they need to grow.

With USAID's grant, Jibu has raised nearly \$2.2 million from private investors who would have otherwise considered Jibu too risky. The partnership not only tests the viability of a hyper-local franchise model to provide access to clean water, but offers a model that can potentially be replicated to offer scalable solutions to other basic services in the developing world.

THE RESULTS

As of January 2017, Jibu has created 426 jobs through 38 franchises and over 100 microfranchises. It has sold more than 20.7 million liters of water to 312,000 customers, more than half of whom had previously been drinking unsafe water.

For More Information

To learn more about the PACE Initiative, visit [usaid.gov/pace](https://www.usaid.gov/pace).

About the U.S. Global Development Lab

The U.S. Global Development Lab serves as an innovation hub. The Lab takes smart risks to test new ideas and partner within the U.S. Agency for International Development (USAID) and with other actors to harness the power of innovative tools and approaches that accelerate development impact.

The Lab is focused on solutions around Science, Technology, Innovation, and Partnership—reflecting USAID’s broad embrace of innovation to bring about positive change and solve some of the world’s most pressing challenges. It works across USAID and within the broader international development community to test innovative tools and methods. When a new approach proves effective, the Lab works to increase its adoption throughout USAID and with our partners.



Credit: Dani Kreuter/Jibu