

Wellness Through Water
Empowering People Globally



Vision & Mission

Our Vision is a world where people have the opportunity to succeed because their basic water and sanitation needs have been met.

Our Mission is to provide technical training, consulting, and to act as a centre of expertise in water and sanitation for the poor.

Highlights

	June 2005	June 2004	Notations
People Impacted	500,000	350,000	<i>People with improved water</i>
Families Using Household Water Treatment	84,100	57,500	<i>Including those trained by Dr. David Manz and Davnor</i>
Active Countries	36	28	<i>Countries where CAWST has provided services</i>
Individuals Trained	709	335	<i>Individuals trained by CAWST</i>
Active Organizations	98	62	<i>Network of organizations using CAWST's services</i>
Implementing Organizations	50	23	<i>Organizations implementing water and sanitation programs</i>
Community-Based Organizations	175	46	<i>Local organizations working directly with program implementers</i>
Funds Expended	\$1,261,000	\$532,000	<i>Cumulative funds expended by CAWST since 2001</i>

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From the Chair

We are proud to report the substantial progress that CAWST has made over the past year. Our capacity to impact the clean water crisis in the developing world continues to grow dramatically, thanks to the collaboration of a dedicated staff, selfless volunteers, the generosity of kind individuals, thoughtful corporations and our partnerships with NGOs and governmental agencies.

I wish that we could tell you that the battle to bring clean water to the poorest of the poor is being won handily. The reality is that population growth and environmental degradation continue to increase the number of people at risk. CAWST is one of only a few organizations effectively delivering practical solutions in a sustainable way to populations in need.

Our Board is working to determine if CAWST can grow its impact exponentially over the next ten years. We believe we can. This will require, however, even more staff, volunteers, and of course financial inputs from generous donors.

Clearly, the daily tragedy of contaminated water drives us to try our utmost to help.

Your support is valued.



Dan Boivin
Chair, Board of Directors

From the President & CEO

The results highlighted in this report speak for themselves. CAWST was launched less than four years ago with the concept that providing affordable services in water and sanitation for the very poor – training and technical consulting – could give individual families the tools and knowledge that they need to help themselves.

We have gone forward with our instincts supported by good business planning and analysis because we could find no other organization that acted like us.

We have proved that our instincts were right and CAWST's unique business model works. I encourage you to judge for yourself.

There are still significant challenges ahead. But there are enough encouraging signs to indicate that, if we proceed in the direction in which we are headed, we can bring clean water to the poor in developing countries. We can help them to break the poverty cycle.



Camille Dow Baker
President & CEO

Alleviating World Poverty

The water and sanitation situation is becoming increasingly difficult to remedy for a number of environmental, economic and human reasons. CAWST's first Annual Report in 2004 described adequate water and sanitation as the foremost global need. Since then, CAWST's focus on...

- Training and Education;
- Technical Consulting;
- Program Development; and
- Network Facilitation

...has been confirmed and reinforced.

THE NEED

"Governments and other stakeholders must move the sanitation crisis to the top of the agenda."

-Recommended Action 1, Millennium Development Goal (MDG) Task Force on Water and Sanitation, 2005

"A sub-Saharan baby has 500 times the risk of dying from diarrhea compared with a baby born in the developed world; improving drinking water quality would reduce that risk substantially."

-WHO/UNICEF, *Water for Life*, 2005

THE IMPACT

Depending on the region of the world, the economic benefits of achieving the MDG drinking water and sanitation target (to reduce by half the number of people without access to safe water and sanitation by 2015) is estimated to range from US\$3 to US\$34 for each dollar invested.

-Stockholm Water Institute, *Making Water a Part of Economic Development*, 2005

THE SOLUTIONS

"The trick, I believe, is to train very large numbers of people at the village level in creative and targeted ways, specifically for the main tasks at hand. For example, every village should have a group of village experts, who, like the barefoot doctors of China, have enough formal training to address basic technical needs at the village level."

-Jeffrey Sachs, *The End of Poverty*, 2005

"Efforts to reach the water and sanitation target must focus on sustainable service delivery, rather than construction of facilities alone."

-Recommended Action 4, MDG Task Force on Water and Sanitation, 2005

"Governments and donor agencies must empower local authorities and communities with the authority, resources, and professional capacity required to manage water supply and sanitation service delivery."

-Recommended Action 5, MDG Task Force on Water and Sanitation, 2005

In response to CAWST's 2005 client questionnaire, clients clearly identified areas for additional services and support from CAWST:

- Networking services and support;
- Project consulting and research services;
- Training and technical services;
- Fundraising assistance; and
- Marketing and communication support.

CAWST's services are clearly required and in demand.

"We have been wanting for years to come up with a way of getting clean water to the slum-dwellers but we never knew how. The technologies CAWST presents would be perfect solutions to the problem. Clean water! Yeah!"

-Diana Seales, Brazil

Strategies

CAWST's four main strategies are to:

1. Educate, empower and build capacity;
2. Focus on household water treatment (HWT);
3. Encourage non-governmental organization (NGO) networking; and
4. Train the trainer: the multiplier effect.

These strategies are integrated into an approach in which CAWST:

- Conducts a series of progressive workshops directed to organizations, primarily NGOs, that are interested in implementing HWT programs for the poor;
- Provides client organizations with the curriculum and training programs that they need to generate interest and educate the community groups that are integral to any HWT program;
- Keeps in contact with these clients after the initial training, to encourage them to implement HWT programs, help overcome chal-

lenges, set up demonstration projects, and get programs started;

- Makes information on best practices available to its clients—what's working and what's not;
- Analyzes the characteristics of organizations that achieve successful implementation of HWT programs so that CAWST can better determine to which organizations, and in what areas, it should be directing its efforts; and
- Offers to conduct, or provide the information required for a third party to conduct, program audits to assess the program results and recommend changes for future programs.

This approach:

- Serves to empower, motivate and generate grass roots action within the community;
- Offers numerous opportunities for learning through independent demonstration projects;
- Enables continuous learning and continuous improvement; and
- Generates momentum, enthusiasm and actions required to reach the MDG water and sanitation targets.

CAWST's activities and results over the last year have served to reinforce its belief in the four main strategies and have increased its understanding of the opportunities and challenges that lie ahead in these areas.

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Woman using arsenic-removal filter, Nepal



Preparation of sand media as part of CAWST training workshop, Ecuador

Strategies

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1. EDUCATE, EMPOWER AND BUILD CAPACITY

CAWST research has shown that:

- There are few non-profit organizations, if any, that focus on water and sanitation training and education for poor communities; and
- Almost all the funding for education and training in water and sanitation comes as part of specific infrastructure projects.

CAWST continues to believe that water and sanitation education is required at the community level, more so than at the professional level. This is the place to begin the journey toward the sustainable development of water and sanitation services for the poor. (See “Case for Community Water Education”, Dow Baker, *HWT Network Bulletin*, June 2005)

Community water education is the **first step** in instigating a community’s motivation and capacity to address their own water and sanitation needs, the **first step** in the sustainable development of water and sanitation practices and infrastructure, and the **first step** in the safeguarding of water resources.

“Deteriorating water quality threatens the gains that have been made in improving access to drinking water throughout the world...Program planners can no longer make assumptions about the initial safety of groundwater or any other water source without testing.”

“Household treatment cuts the primary transmission route for diarrhoeal disease and can pay back up to US\$60 for every US\$1 invested.”

“Results from...surveys will become available by mid 2006. The information thus obtained will allow...a baseline for future interventions promoting household water treatment.”

-WHO/UNICEF, *Water for Life*, 2005

2. FOCUS ON HOUSEHOLD WATER TREATMENT

In the publication, *Water for Life*, July 2005, the World Health Organization (WHO) and UNICEF, noting the deteriorating water quality throughout the world, strongly endorsed HWT as an inexpensive and effective intervention, and outlined the manner in which they plan to monitor and track progress, starting with baseline measures. These are significant steps forward toward demonstrating the legitimacy of HWT, moving it from the margins to mainstream. This bodes well for CAWST’s strategic direction and initiatives.



Training workshop, Brazil

Strategies

However, implementation of HWT programs is challenging. At a workshop facilitated by CAWST at the 2005 WHO Network Meeting to Promote Household Water Treatment and Safe Storage in Thailand, more than 30 organizations summarized the major challenges facing HWT implementation as:

- *Stimulating community demand/generating community ownership:* overcoming the inertia to change, helping communities make the connection between water and health, and convincing communities that the technologies are safe;
- *Funding:* lack of funding, and mismatch of what funders will fund and what implementers need;
- *Ensuring sustainability of approaches:* hygiene education and reduction of recurrent expenses;
- *Successful monitoring and evaluating:* who is responsible, and how do you ensure systematic follow up;
- *Appropriate technical support for HWT:* technology solution framework for varied social and economic contexts, technical proof, technical education;
- *Varying educational background of populations:* illiteracy, multiple languages, migratory population; and
- *Adequate supporting framework:* from local government, researchers, guidelines.

CAWST needs to work with its clients to address these challenges.

3. ENCOURAGE NGO NETWORKING

NGOs have proven to be the fastest to implement HWT programs following CAWST's training; however, CAWST expects that governments and research institutions will play a larger role in the CAWST network in the future.

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"We do try hard to get the household approach into the mainstream reports, and we appreciate that this is having an impact and people are picking up on it. There is definitely a clear sense that household water treatment is gaining momentum globally - driven forward to a large extent by people and organizations in the Network like yourself [Camille Dow Baker, CAWST President & CEO] and CAWST."

-Bruce Gordon, WHO Network to Promote Household Water Treatment and Safe Storage, 2005



Locals learn sieve construction, using local materials, as part of a training workshop, Ecuador



Installation of the water filter is only part of a HWT program that includes household education in hygiene and sanitation, Brazil

Strategies

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"Just a quick note to let you know that our first filter project has been completed. Two hundred seventy-five families in six villages on the upper Ucayali River in Peru now have working filters, and they are very happy. There is also a person in place to visit each family every two months to chlorinate the pipe. Thanks again for the great training that got me going on this work. Now the next step is to make this a self-sufficient work that is sustainable without continued involvement from Americans. This will be my goal for 2005."

-Blair McGwire, Evangelical Free Church of Hershey, Peru

Role of governments

As demonstration projects prove successful, governments are becoming more involved in scale-up projects designed to reach more people. For example, as a result of CAWST training:

- The Ministry of Rural Development in the Southern Indian state of Tamil Nadu is monitoring the results of a 1,000 BioSand Filter demonstration project being conducted by the DHAN Foundation;
- The National Commission for Human Development in Pakistan is funding a 50-filter demonstration project being conducted by SCOPE;
- The National Council of Social Welfare is funding a demonstration project implemented by Koshish Welfare Society in Pakistan; and
- The Ministry of Rural Development of Cambodia has also inquired into CAWST training and workshop facilitation.

Role of research institutions

Connections with research institutions and universities are also proving to be essential to CAWST by assessing implementation (University of Victoria) and effectiveness of the BioSand Filter (University of North Carolina).

"Recognizing that the poor are therefore likely to be ignored by the international scientific community-unless special efforts are made, it is critical to identify the priority needs for scientific research in relation to the poor, and then to mobilize the requisite donor assistance to spur the research and development."

-Jeffrey Sachs, *The End of Poverty*, 2005



CAWST delivered distance education that resulted in a Rotary-funded program in Indonesia

Strategies

4. TRAIN THE TRAINER: THE MULTIPLIER EFFECT

This strategy, perhaps more appropriately termed “create the trainer”, has proven to be extraordinarily successful. There are now 19 organizations using CAWST’s curriculum to train others. These vary from large North American NGOs to smaller NGOs formed as a direct result of CAWST training.

Moreover, there has been close to a three-fold increase in the number of the community based organizations interacting and working with our clients. This is clear evidence that CAWST’s approach is working and has the potential for significant growth.



Classroom study at a CAWST training workshop, India

Organizations Using CAWST Curricula to Train Others

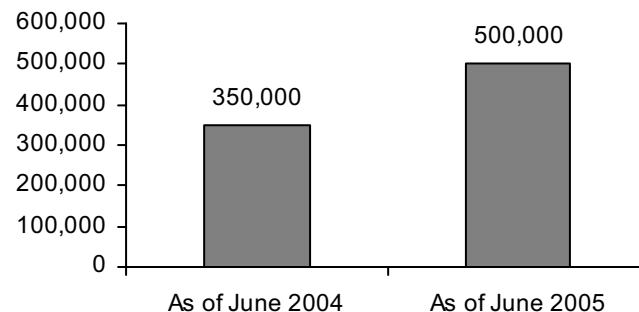
BushProof.....	United Kingdom
Busoga Trust.....	Uganda
Centro Dominicano de Educación Ecológica (CEDECO).....	Dominican Republic
CINA Social development Project.....	Haiti
Clean Water for Haiti.....	Haiti
Development for Humane Action (DHAN) Foundation.....	India
The Difference of One Humanitarian Foundation.....	Canada
District Coordination Council of NGOs (DCCN).....	Pakistan
Environmental and Public Health Organization (ENPHO).....	Nepal
Equip, Inc.	United States
Friends Who Care Charities Ltd.....	Mexico
G.W.A.KO Ministries.....	Kenya
Koshish Welfare Society.....	Pakistan
Lifewater International.....	United States
Pure Water for the World.....	Honduras
Society for Conservation and Protection of Environment (SCOPE).....	Pakistan
SON International & Maji Tech Ltd.....	Tanzania
South Asia Partnership Pakistan (SAP- PK).....	Pakistan
World Wide Fund For Nature (WWF).....	Pakistan

Results: Key Performance Indicators

The following six Key Performance Indicators measure the ongoing success of CAWST. Indicators one through three are based on CAWST's Annual Client Survey and have been analysed by Service Intelligence, a market research company. All indicators have been verified by CAWST's Audit Committee.

1. NUMBER OF PEOPLE WITH IMPROVED WATER

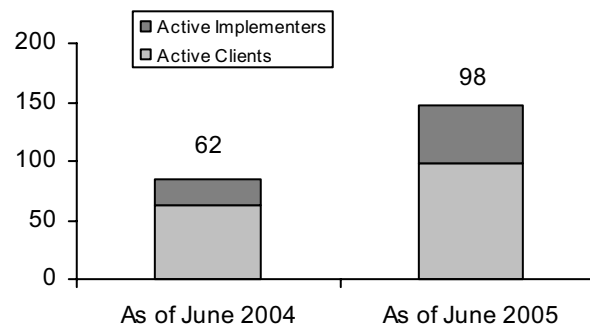
Since June 2004 CAWST, and its growing network of 98 active clients, has impacted 150,000 more people with improved water. This is an increase of 46% in one year.



2. ACTIVE ORGANIZATIONS IN CAWST NETWORK

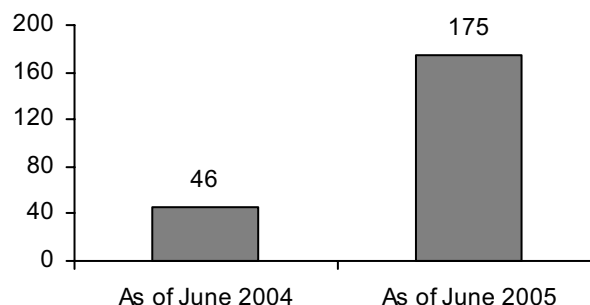
CAWST's list of active organizations has grown by 58% since 2004. Among them are noteworthy organizations, with significant outreach to community based organizations in their countries.

More significantly, since 2004 CAWST has been successful in doubling those *implementing* HWT projects, from 23 to 50, since 2004. The number of people impacted by these active implementing organizations has also doubled from 200,000 to 400,000 people.



3. COMMUNITY BASED GROUPS SUPPORTED BY CLIENT ORGANIZATIONS

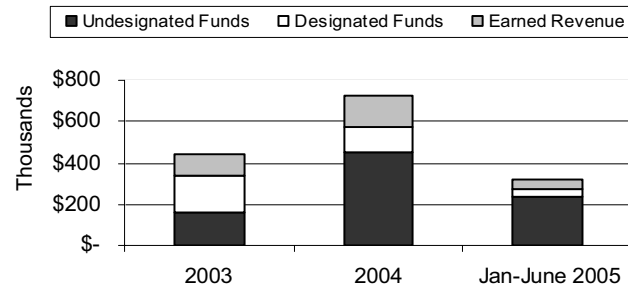
The number of community based organizations working with CAWST's clients has more than tripled from 2004 to 2005. There are now 175 community based organizations in 31 countries worldwide that are part of CAWST's network.



Results: Key Performance Indicators

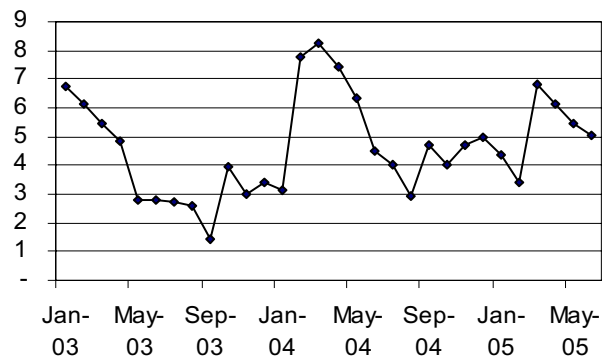
4. REVENUE

To achieve this significant growth, CAWST increased its revenue by 61% from 2003 to 2004. This includes all money that was directed towards specific training programs in countries as well as donations to CAWST. CAWST saw limited growth in earned revenue, largely due to growth in local clients, many of whom are unable to pay the full cost of CAWST's services. Increasing revenue in this category will be an important goal for CAWST going forward.



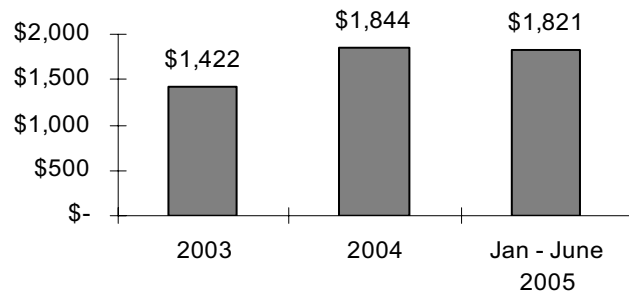
5. FINANCIAL RESERVES OR 'BURN RATE'

CAWST has grown in a sustainable fashion, ensuring that adequate funds are in place before moving forward. Its financial reserves or "Burn Rate" (defined as cash resources divided by forecast monthly expenditures) has varied between 3 and 8 months. This is lower than the target of 6 to 18 months. It is expected that as CAWST matures, its financial reserves will stabilize at a higher level.



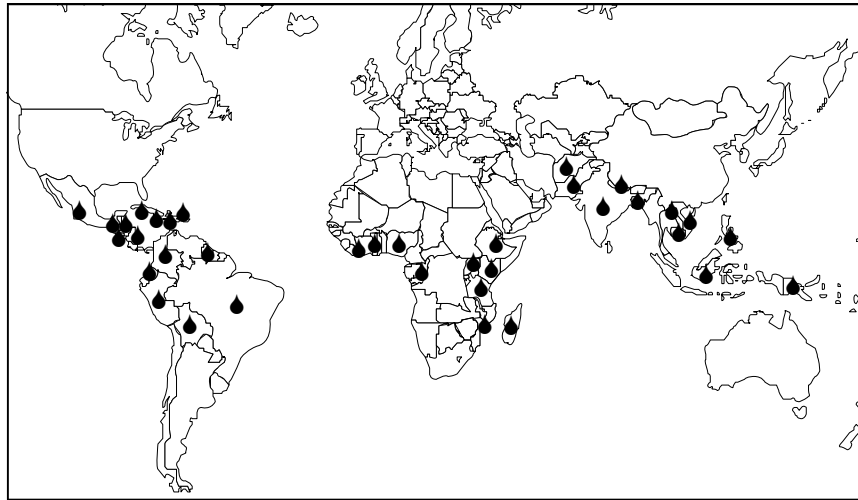
6. TRAINING COST PER STUDENT

CAWST has grown and developed its capacity to deliver services, by hiring two new trainers in 2004 and another two in 2005, while still maintaining efficiency in service delivery. As a result the training cost per student increased to an average of \$1,844 in 2004. This figure reflects all operating expenses, including the cost of training, program development, client development, fund development and business services. CAWST aims to lower this cost as its activities increase.

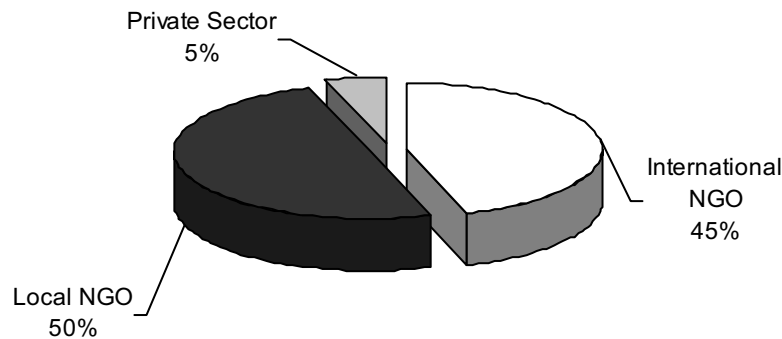


Clients Near & Far

CAWST's clients have impacted 36 countries



CAWST Clients: Organization Type



CAWST will continue to target these three client groups because:

- **Local NGOs** better understand the local conditions, have relationships within the community and understand which approaches are sustainable and which are not—they are able to take programs to scale as demonstration projects prove successful;
- **International NGOs** have the capacity and resources to act quickly; and
- **Private sector organizations** are more often willing to invest in new approaches and methods for sustainable development than government agencies.

CAWST plans to direct its marketing to:

- Local organizations which are actively involved in implementation of, and training for, water and sanitation programs in specific countries, including NGOs, government agencies, and professional associations;
- North American individuals, particularly retirees, religious organizations with established development programs overseas and smaller North American NGOs; and
- Resource based companies with international operations and a clear interest in sustainable development.

Stories from the Field

SEEDS OF HOPE INTERNATIONAL PARTNERSHIPS (ZAMBIA)



Kirk facilitates media preparation, Zambia

Kirk Schauer, the California-based founder and director of Seeds of Hope International Partnerships (SHIP), attended CAWST's training workshop in March 2005. On the final day of the workshop, he boarded a plane for Zambia. In the span of three weeks, Kirk collected all the necessary resources to implement a demonstration project.

Before departing, Kirk used the curriculum provided openly at the CAWST workshop to get his project started—he advanced the engineering schematics for the BioSand Filter so work could begin immediately on mold construction.

“CAWST’s training materials are excellent. They are very understandable and an incredible resource,” says Kirk. “I took CAWST’s manual everywhere I went.”

Since taking the training and implementing a pilot project, Kirk and SHIP are sharing the technical knowledge with the community. SHIP also plans to teach the local water/community development committee to identify the families most in need and facilitate the placement of the filters. SHIP has plans and funding proposals to implement projects in 100 communities, beginning with 10 BioSand Filters in each community, totaling 1,000 filters over two years.

CLEAN WATER FOR HAITI (HAITI)

Founder Tal Woolsey, now employed with CAWST as an International Advisor, attended CAWST's training workshop in March of 2001. Clean Water for Haiti has since multiplied its efforts, establishing itself as both an implementer and local training organization in Haiti.

To date, Clean Water for Haiti has trained BioSand Filter Technicians including World Vision, Catholic Relief Service, World Neighbors and Save the Children along with other independent technicians. There are currently over 70 filter molds in the field, each with the capacity to produce two BioSand Filters per day.



Filters ready for installation following devastating 2004 floods, Haiti

That capacity enabled Clean Water for Haiti to respond to the tremendous humanitarian crisis that struck when floods devastated the country in 2004. The organization was able to scale-up to meet the expanded need for the filters, in both filter production and installation.

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“CAWST is brilliant team dedicated to the people. I heard about CAWST in mid-1999 when I was attending first workshop on household water treatment technology in Nepal. After I met a team of CAWST professionals in Kathmandu during late 2004 and met Camille [President & CEO] during a network in Bangkok, I have become fully convinced that CAWST can play a master role to save lives of millions of people in this world who are suffering from contaminated water, poor hygiene and sanitation.”

-Dr. Roshan Raj Shrestha, Chief Technical Advisor, Water for Asian Cities program, UN-HABITAT, Nepal (previously with client, ENPHO)

Stories from the Field

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"We have installed filters in villages and with the installation we are giving a training about their use and general hygiene practices. After some days we will conduct a detailed survey which will include users reaction and water quality."

"Actually people are really happy and rather amazed to see the clear difference between filtered and unfiltered water."

In Tharparkar, where I am now, we are going to give a seminar tomorrow to 100 families who are going to participate in the pilot test for a project supported by Unilever."

-Tanveer Arif, Society for the Conservation and Protection of the Environment (SCOPE), Pakistan

Clean Water for Haiti has installed 5,000 BioSand Filters to date, an increase of over 1,000 since last year. Assuming an average household of six people, Clean Water for Haiti is impacting 30,000 people with improved water for a lifetime. Looking forward, two of Clean Water for Haiti's trainees, World Neighbors and Save the Children, each have ambitious short-term plans to independently implement 50 more filters in Haiti. Ananda Marga Universal Relief Team (AMURT), with training from Clean Water for Haiti, plans to build 1,000 filters by the end of 2005.

With support from CAWST,

Clean Water for Haiti is expanding its training services beyond the Filter Technician curricula and has adopted CAWST's Community Steward and Local Organizer curriculum. Initial workshops have been offered and more are planned into the fall and the new year.

"CAWST is such an excellent resource," says Chris Rolling, Executive Director, Clean Water for Haiti. "I have been very impressed by the professionalism of the CAWST staff and the seriousness they take in their work. They don't see their work as a job, they see it for what it is: a key part of making the world a better place."

DEVELOPMENT ALTERNATIVES (INDIA)

From a casual introduction on an airplane to a formal meeting in Delhi in February 2005, Development Alternatives immediately saw the synergies between their work and the work of CAWST. Since hosting a CAWST workshop in Orccha, Madhya Pradesh, in June 2005, Development Alternatives is keen to have a multiplier effect in the region.

According to a participant at the June workshop, "This is exactly what we need – it can be built locally! CAWST provides us with the information we need to identify, select and prepare the media with what we have available. Furthermore, we can use and adapt the training material to our local context."

Development Alternatives is working to become a centre of expertise and training organization for the BioSand Filter, and has asked CAWST to provide a series of training programs to further transfer the technology and the curriculum, eventually developing skilled trainers within their organization.



New alumni, Development Alternatives workshop, India

Stories from the Field

KOSHISH WELFARE SOCIETY (PAKISTAN)



Children collect water from the filter installed following CAWST training, Pakistan

Koshish Welfare Society attended a CAWST workshop in December 2004. By January 2005, Koshish started a BioSand Filter project. Since then, Koshish has adapted CAWST's curriculum to meet local cultural needs and has aggressive plans for their project.

To date Koshish has installed more than 100 filters in different villages, concentrated in

Khananwali. Koshish's work is far from over. "There is a growing demand and there is a great need of awareness raising about the safe drinking water," says Arshad Baryar of Koshish. "We are thankful to CAWST for all the work we are doing in the field of household water treatment in Pakistan."

Koshish has also localized the training materials. "To make our trainings more attractive and meaningful we have developed a play which is liked very much by the people. This safe

"I am resident of Khananwali, tehsil Pasrur, district Sialkot, Pakistan. I have six kids; four of them go to school. People of my village including myself had a constant complaint about the contaminated water. But there was no solution. My children often remained ill with cholera and dysentery. I used to spend a lot of money on medication. I learned about the filters that Koshish is developing which are low cost and treat water finely. So I contacted Koshish and requested a filter for my house. [Installed April 2005] Four months have passed I did not go to hospital even a single time. Now my children are always happy and healthy. Money I used to spend on medication now I spend on the education of the children."

-Fatima Bibi, Pakistan

drinking water drama is very helpful in giving a clear message to the illiterate people in their own language about the importance of safe drinking water."

Koshish has plans to install up to 500,000 filters in Sialkot, Narowal and Gujrat by delivering training to implementers in all three districts.

"Everything changed from the moment you [CAWST] walked into our office. I thought our project was finished a month ago and I was telling my boss he was going to have to find something new for me to do. We were just waiting for funding to come in to build more filters. Now we have more work than we know what to do with!"

-René Martínez, Agua Viva, El Salvador

FRIENDS WHO CARE (MEXICO)

Friends Who Care, founded by Calgarians Rod and Ingrid McCarroll, is having a lasting impact on thousands of Mexican families. Now entering their third year, Friends Who Care has successfully implemented their second water and sanitation project in Mexico.



Family with new filter, Mexico

Rod and Ingrid initially took CAWST's training workshop in September 2002 and established their first project in partnership with La Viña in Mazatlán. They have since implemented a second project in Santa Rosa, near Guadalajara,

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Stories from the Field

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leveraging their learnings to get this second project up and running in six months. In both locations, Rod and Ingrid have transferred the technology so well that the local organizations have become self-sufficient and sustainable.



The ultimate beneficiaries of CAWST's services, Guatemala

Both projects are capable of producing up to 160 BioSand Filters per month. CAWST anticipates that each filter impacts up to six people (a typical household), which means that Friends Who Care has the potential to impact over 11,500 people per year.

Looking forward, Friends Who Care is planning 30 self-sustaining projects throughout Mexico, with an average of 50 filters each per month, in the next three years.

"Each organization will be trained, equipped and empowered to reach out and establish more and more projects," says Rod. "This creates the multiplying effect here in Mexico."

"We had the opportunity to see several projects that the Anglican Diocese of Northern Malawi was involved in. We were impressed by the grass roots involvement of the people of Malawi in these projects. We had the opportunity to talk with villagers and always their number one request was for clean drinking water: 'Our water makes us sick.' So I returned with a dream in my heart that if I could just make this happen I will have made some difference."

- Gwyneth Myers, client, Malawi

DHAN FOUNDATION (INDIA)

Since the DHAN Foundation attended a CAWST workshop in Calgary, Canada in 2003, DHAN has grown into both an implementer of projects and a trainer using the CAWST curriculum.

DHAN has implemented a CIDA-funded project to install 1,000 BioSand Filters in southern India. "We are really making good progress in our filter program and are sure about the success of the project," says R. Seenivasan of DHAN.



Hands-on workshop, India

CAWST is also working with DHAN to broaden their role as a trainer using CAWST curriculum for the region. "Inquiries for training come from all over India, from many north Indian states. We are enthused about it," says Seenivasan.

CAWST plans to co-deliver a workshop with DHAN in Sri Lanka later in 2005 and is also working with the University of Victoria to develop plans for a technical audit of the completed 1,000-filter project in India.

Plans

SUMMARY

In accordance with the path forward that CAWST outlined a year ago, from June 30, 2004 to June 30, 2005 CAWST has:

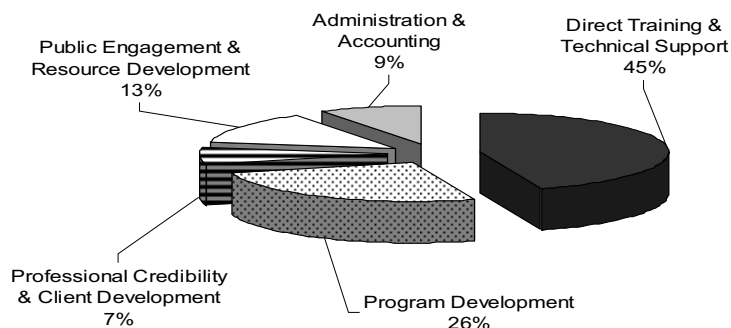
- Delivered training to more than 374 students in nine countries around the world;
- Developed or enhanced four training programs;
- Increased its capacity to deliver services from four to six trainers; and
- Increased its 2005 operating budget to \$963,000 from 2004 expenses of \$594,000.

The results have been impressive. But it is clear that, in addition to providing more introductory training to more clients, CAWST must:

- Deepen and strengthen client relationships and client capacity to become effective trainers and program implementers as soon as possible;
- Work towards increased cost recovery from training programs while raising the resources needed to do the front-end work such as program development and new client recruitment; and
- Do as much as we can. At its current capacity, CAWST projects that it will impact over 30 million people by 2015. This is clearly not enough considering that CAWST is unique in the world and there are billions in need of CAWST's professional services.

CAWST's operations and future plans have been divided into five focus areas. The chart below demonstrates the percentage of CAWST's expenses, totaling \$594,000, in each of these areas for 2004.

2004 Expenses



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Filters prepared by Pure Water for the World for installation, Honduras

In February 2005 CAWST and Pure Water for the World (PWW) jointly hosted a training workshop in Honduras for 35 participants representing 15 organizations from four countries. PWW, an active implementer with over 3,000 filters already installed in the department of El Paraíso, was an ideal host, providing the facilities to teach "real life" field installation and user education to participants.

"You guys do great work. Your answers to questions were always straight-forward, apolitical and came from the point of view of helping as many people as possible," said Amy Reese of PWW.

Since the workshop PWW has expanded into two new regions and plans to install 12,000 filters over the next year in collaboration with other Honduran NGOs. The workshop also multiplied efforts, with four organizations in Nicaragua, Guatemala and El Salvador implementing or planning to implement HWT programs.

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TRAINING AND EDUCATION

Goal: Train more clients and expand client capacity to become independent implementers and trainers.

Growth in Training

In addition to the active countries specified in CAWST's 2004 Report – Haiti, Dominican Republic, Ecuador, India and Pakistan – in the last year CAWST has delivered training in Nepal, Brazil, Honduras and El Salvador. The organization plans to deliver seminars or workshops in Cambodia, Sri Lanka, Nigeria, Equatorial Guinea, Angola, Kenya, Zimbabwe, Bolivia and Peru by early 2006.

"I would recommend the workshop to anyone thinking of international work. CAWST employees impressed me with their passion and dedication. I feel much more confident in my ability to implement a program now that I've taken the workshop."

-Workshop participant

Development of Clients

The progression of a client into an independent implementer or trainer includes:

- Participation in an Introductory Household Water Treatment Seminar (0.5-2 days)
- Participation in a Program Implementer Workshop (4 days)
- Training directed at specific community groups or roles, including project implementers, community stewards, filter technicians
- Co-delivery of workshop or seminar with CAWST and/or audit of the training conducted by the client as clients become trainers themselves

Create-the-Trainer

CAWST has been working intensively with its clients to develop their capacity to become trainers themselves, including the DHAN Foundation in India, and PAIDEH and Clean Water for Haiti in Haiti. In addition, the University of Victoria has offered to assist with the technical audit of the DHAN demonstration project which is being planned for early 2006.

Calgary-Based Workshops

CAWST has delivered five Calgary-based workshops in 2005 and three more are planned by year end. There are eight scheduled in 2006. The Calgary workshops serve largely North American clients planning to implement a program abroad, while also acting as a testing ground for new training modules.

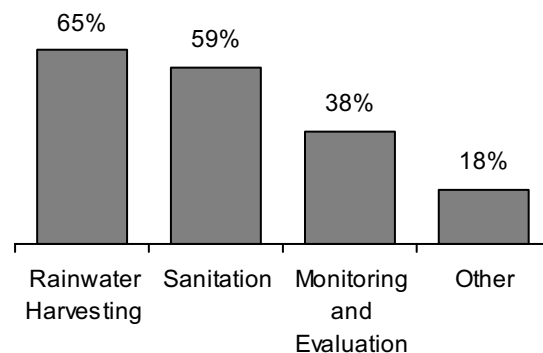
PROGRAM DEVELOPMENT

Goal: Over time clients will assume a larger role in the delivery of training, enabling CAWST to focus on the development of programs.

Enhancing and Adding New Training Modules

These modules are developed primarily in response to client demand, per the chart below, and CAWST's assessment of potential solutions in water and sanitation for the poor. Courses in rainwater harvesting, sanitation and household arsenic removal are scheduled for delivery in 2006.

Client Interest in New Training Modules



Improving Technology Transfer

CAWST will:

- Conduct an institutional analysis of our clients to determine the conditions and characteristics of effective trainers and program implementers, so that we can better target successful future clients;

Plans

- Develop methodologies for competency validation to better assess client acceptance and understanding of the curriculum delivered; and
- Develop internet-based courses.

Stimulating Third-Party Research

- The University of Victoria contributed significantly to CAWST's Haitian research project, Project BRAVO, and plans to co-publish a paper with CAWST on the results of the study and strengthen its relationship with CAWST;
- The University of North Carolina (UNC) is conducting both laboratory and field research into BioSand Filter effectiveness. UNC has just received three-year funding to develop a better understanding of the filter processes; and
- The Massachusetts Institute of Technology (MIT) has received a World Bank prize for the adaptation of the BioSand Filter to remove arsenic. MIT graduate Tommy Ngai is working with CAWST to develop the training modules for household treatment of arsenic-contaminated water.

"In the process of doing my own research into HWT systems, CAWST appeared again and again, always providing good information about many aspects of clean water and sanitation, especially the BioSand Filter. The filter was of interest to me because I saw it as one of the technologies with the greatest likelihood of success. So my wife and I signed up for a CAWST training workshop.

By the time we attended the workshop last November, I had completed a study at UVic comparing the BioSand Filter and the Potters-for-Peace ceramic filter. I shared this study with CAWST and expressed my desire to follow it with a field study to see how well the BioSand Filter was performing over time under conditions of routine use. Whether CAWST invited me or I invited myself (we are still not sure), the next thing we know I'm going to Haiti with CAWST on Project BRAVO. The reason I was willing to join Project BRAVO on such short notice is because the Project and the workshop, just like everything else related to CAWST, was very well-organized and impressive.

-Dr. Bill Duke, University of Victoria



CAWST hosted a training workshop as part of Project BRAVO, a study to evaluate CAWST's Technology Transfer Model, Haiti

Project BRAVO

Project BRAVO is a field study to assess the implementation and effectiveness of BioSand Filter program in Haiti. The field portion was completed on schedule in June 2005, within the targeted budget of \$105,000. BRAVO involved over five months of data gathering on water and sanitation practices from 107 Haitian households that have used a BioSand Filter for one to five years, and from 95 households where the filters had been newly installed. Over 1,000 household visits were made, more than 5,000 water samples analyzed, and tens of thousands of responses and observations from householders' questionnaires and visits were recorded.

This data will provide CAWST with first-hand knowledge and reliable data regarding sustainable household water treatment. The learnings will also contribute to the development of training in water quality testing, project monitoring and evaluation, and project technical audits. BRAVO will also provide a better understanding of the institutional and cultural characteristics required for successful project implementation. Over the next year, CAWST will analyze and incorporate the learnings from Project BRAVO into its program development.

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PROFESSIONAL CREDIBILITY AND CLIENT DEVELOPMENT



Installing a filter in a household in the Amazon, Brazil

Goal: As a professional service provider, CAWST advocates on behalf of its clients amongst research institutions, universities and international agencies like the World Health Organization. It is therefore essential that CAWST develop and maintain professional competence and credibility in its chosen field of expertise—water and sanitation for the poor.

Staying informed, knowledgeable and “leading edge”

CAWST will:

- Develop a Professional Practices Management Plan. This plan is required for CAWST to maintain its Alberta professional engineering license;

- Formulate a professional development plan for each staff member; and
- Provide regularly scheduled training for both staff and volunteers.

Maintaining a high public, professional profile

In 2004, CAWST was selected as a Best Practice to Improve the Human Living Environment, by UN-HABITAT and the Dubai Municipality. CAWST will maintain its profile through participation at international conferences, particularly those focused on water and sanitation, and sustainable development.

PUBLIC ENGAGEMENT AND RESOURCE DEVELOPMENT

Goal: The ultimate beneficiaries, the poor, cannot afford to pay the full cost of CAWST’s services and program delivery. CAWST will continue to generate the support of those in developed countries – as donors, volunteers and advocates – to increase resources to meet the demand for CAWST’s services and provide support to clients in their fund development efforts.

CAWST will focus on:

- Providing the resources clients need for them to obtain funding for their programs, including the cost of CAWST’s services;
- Engaging youth in Calgary, Canada;
- Engaging immigrant communities in Calgary, Canada;
- Recruiting volunteer resources; and
- Growing CAWST’s fund development program.

CAWST’s Participation at International Conferences, 2005

Keynote Speaker:	Women in Water Conference	India
Invited Participant:	Exhibiting Innovation Exhibition	Korea
Facilitator:	Implementation Working Group, WHO HWT Network	Thailand
Presenter:	Safe Water Symposium	Thailand
Invited Speaker:	Engineers for a Sustainable World	USA
Invited Presenter:	Alliance for the Promotion of HWT and Hygiene	Ecuador

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Support Client Fund Development

Funding is a significant barrier for CAWST clients implementing projects on which they are trained. While CAWST does not provide funding, it will assist clients to obtain the funding they need for implementation costs and the cost of CAWST services, including:

- Developing a seminar on fund development for clients;
- Delivering seminars for potential funders;
- Compiling and sharing data on potential funders for water and sanitation projects; and
- Advising potential funders of client organizations that are actively seeking funding for projects.

Engaging Calgary Youth

CAWST is proud and delighted that youth in Calgary, Canada have been among the first to step forward and contribute ideas and energy toward addressing global poverty. Youth have approached CAWST, wanting to become better informed about issues in developing countries, and looking for ways to take meaningful action. In response, with the help of CAWST's volunteer Speakers Bureau, CAWST delivered over 50 presentations in the community from June 2004 to June 2005.

On World Water Day on March 22, 2005, 40 young adults from the University of Calgary, Mount Royal College, youth clubs including Engineers without Borders and AIESEC (business

"On two occasions, Jason [CAWST volunteer] presented at Terry Fox Junior High School on behalf of CAWST. Both times he was able to engage students, to share with them the phenomenal work being done by CAWST in a number of developing countries."

-Genevieve Balogun, Terry Fox Junior High School

students); and Bishop Grandin, Western Canada and St Martin de Porres High Schools came together to learn and to generate plans to address global water issues. This Youth Summit, presented in partnership with Petro-Canada and with support from Alberta Environment, resulted in six youth action plans that will be implemented over the coming year, including international student exchanges, awareness-building programs ("Turn off the Taps Day"), and fundraising initiatives.

Calgary students from St. Martin de Porres, Bishop Grandin, Bishop O'Byrne and Western Canada High Schools have also actively raised \$8,000 for CAWST, which will be used for CAWST's program in Haiti.

CAWST will continue to strengthen both its school presentation and World Water Day programs in 2005 and 2006.

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Student delegates at the World Water Day Youth Summit spent the day creating Action Plans, Calgary, Canada



Delegates had an opportunity to present their Action Plans to Calgary's corporate community at an evening reception



Guests included CAWST's corporate supporters, (l to r) Dan O'Grady, Enbridge, Hazel Gillespie, Petro-Canada, and Rod Garossino, EnCana

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Engaging Calgary Immigrant Communities

Immigrants from developing countries are keen to evaluate how they can assist in bringing CAWST's services to the communities in their homelands. CAWST plans to strengthen its ties with Calgary immigrants primarily through Immigrant Associations. In July 2005, representatives of local cultural associations from Ethiopia, Eritria, Nepal, Belize, El Salvador, Mexico, Bolivia, Philippines, Kurdistan, and India attended CAWST's first Cultural Open House.

Recruiting Volunteer Resources

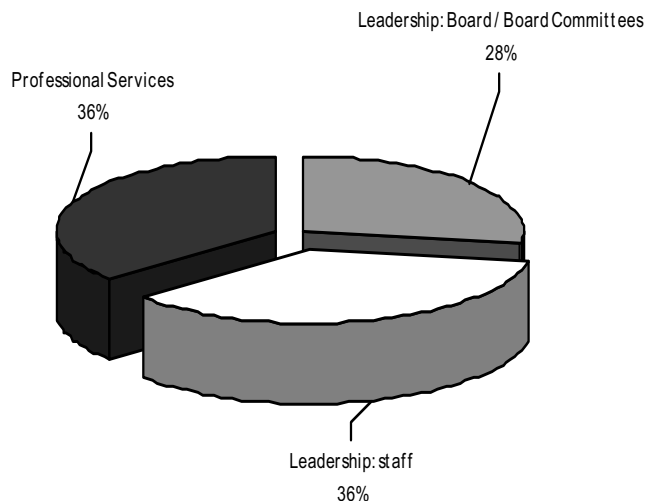
CAWST volunteers donate their time because they believe in CAWST. CAWST cannot buy that depth of commitment. More than 100 volunteers have contributed over 17,000 volunteer hours to CAWST since 2001. The cash value of this is estimated at more than \$1 million, using conservative values for professional time. Moreover, volunteers have led the organization, and provided important professional services.



CAWST's first Volunteer Round-up attracted new and existing volunteers who participated in interactive and fun activities

Volunteer recruitment, development and retention will continue to be an essential part of CAWST's resource development. In August, CAWST hosted its first Volunteer Round-up, intended to energize existing volunteers and recruit support in new areas.

Volunteer Commitment



Growing CAWST's Fund Development Program

In January, 2005, CAWST initiated its first focused fund development effort with a goal to raise \$3.5 million between 2005 and 2007 to fund the organization's sustainable growth. The program has already had considerable success thanks to the energy of some of Calgary's most respected business and community leaders.

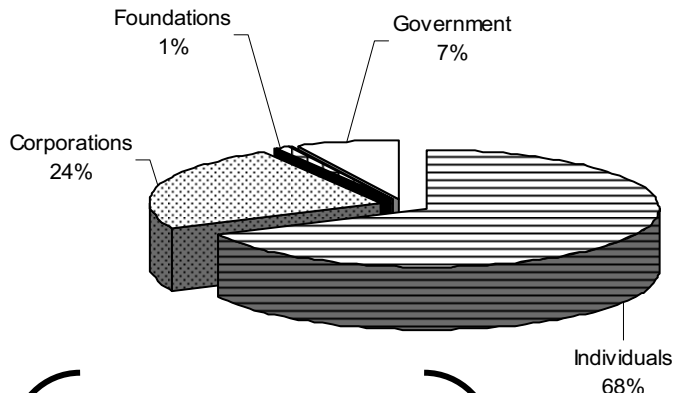
Under the leadership of the Fund Development Cabinet, as of June 30, 2005, CAWST is 59% of the way towards the 2005 goal of \$1.75 million, and continues to develop relationships with the Canadian philanthropic community.

Fund Development Cabinet

Gail and David O'Brien	Honourary Chairs
Greta Raymond	Chair & Board member
Dan Boivin	CAWST Board Chair
Fred & Inna Claridge	Community leaders
Bruce Fenwick	CAWST Board
Dr. Glenn Gould	Community leader
John Gunn	Community leader
Eric Holden	CAWST Board
Roger & Lorna Smith	Community leaders
Barry Stewart	CAWST Board

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Donations: 2004



"We would like to encourage the corporate sector in Canada and abroad to consider playing a role by becoming a financial contributor of CAWST. For many companies operating on an international basis, the business case is clear. For others, it is an effective way to help a charitable organization to progressively address a growing global concern."

-Ron A. Brenneman, Chief Executive Officer, Petro-Canada Corporation

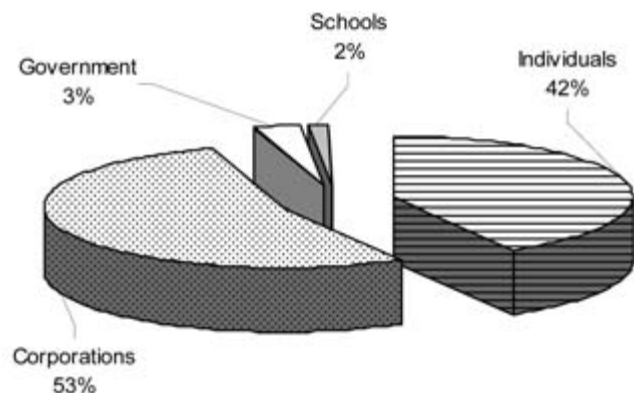
Funds received to date have been largely invested in organizational growth and

sustainability, including the development of training activities in new and existing countries and the development of new curricula demanded by our clients. CAWST will continue to invest donated funds in these high-impact areas and is able to leverage each dollar by investing in training, education and curriculum that has an impact long after the original donation is made.

The Fund Development Cabinet is focused on building long-term relationships with corporate and individual donors and service clubs like Rotary with an interest in international development initiatives. These donors typically give CAWST flexibility to invest the donation as needed to meet its vision and mission. CAWST is also actively researching and developing foundations and government grants to add balance to its donor mix.

Fund development efforts to date have been largely focused on the Calgary community, however the organization is working actively to develop relationships with potential donors outside Calgary. Recently, with support from Petro-Canada, CAWST met with potential corporate

Donations: January-June 2005



partners in London, England. CAWST has also been developing new connections with potential corporate patrons based in Peru, Ecuador, Bolivia, Equatorial Guinea, amongst others. Interest in CAWST from these diverse parts of the world helps validate that CAWST is both a unique organization, and is on the right track.

ADMINISTRATION & ACCOUNTING

With over 100 clients, and 50 implementing organizations in 36 countries, data management and analysis is essential to enable CAWST to develop relationships, plan new programs, and report accurately and timely on progress. This is an important aspect of CAWST's governance procedures required by our members, donors and clients.

CAWST will:

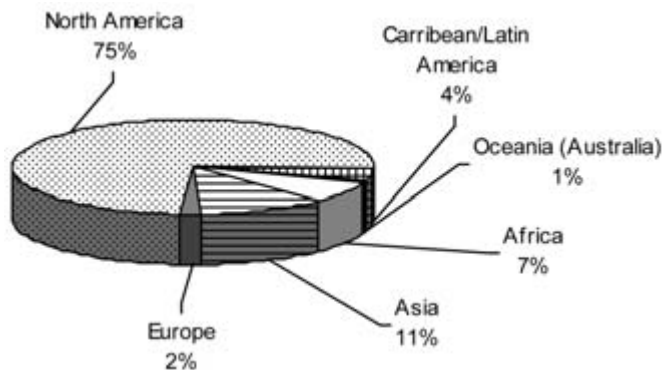
- Conduct an Annual Client Survey to solicit key information for CAWST's Key Performance Indicators and its future direction;
- Expand the CAWST Professional Practices Management Plan to include all five core areas of CAWST's business;
- Enhance internet and website capabilities that are essential to CAWST's operations and program delivery; and
- Maintain accounting and management information systems to effectively manage donations and assess true operational costs, enabling CAWST to ensure its financial sustainability.

People

Three groups of people formally govern the activities of CAWST: members, Board of Directors and staff. CAWST thanks all those whose help and support have been vital.

MEMBERS

Voting membership in CAWST is available free of charge to those who support its mission and vision. Thank you to our 400-plus members who spread the good word about CAWST and stay informed of our progress, needs and challenges through our newsletters and Annual Report. Membership has grown by 60% since June 2004.



BOARD

Thank you to the volunteer members of CAWST's Board....for their fair and reasoned leadership and guidance.

Dan Boivin, Board Chair

Camille Dow Baker, President & CEO

Bruce Fenwick

Tripat Mangat

Sheila O'Brien, Chair, Government Relations Committee

Greta Raymond, Chair, Fund Development

Chris Read, Treasurer, Chair Audit Committee

Barry Stewart, Chair, Nominations & Governance Committee (Past Board Chair)

Bill Warden

Ora Zabloski

STAFF

The CAWST staff has worked with diligence, passion and extraordinary team spirit, on a journey that often feels like trail-blazing, to bring you the results outlined in this report. CAWST's staff are:

Camille Dow Baker, P.Eng, M.Evds
President & CEO (volunteer)

Ron Lentz, P.Eng
Director, Technology

Alison Pidskalny, BA
Director, Resource Development

Shauna Curry, P.Eng
Director, International Services

Derek Baker, P.Eng
Director, Research (volunteer)

Millie Adam, B.Sc
International Advisor, Southeast Asia

Diana Frost, P.Eng
International Advisor, South America & Caribbean

Andrea Roach, P.Eng
International Advisor, Central America, Brazil & Mexico

Tal Woolsey
International Advisor, Africa

Leor Rotchild, B.Comm
Marketing Coordinator (on leave in Africa)

Laure Felix-Bower, BA
Marketing Coordinator

Amandeep Khangura, B.Sc
Coordinator, Business Services

Zsuzsanna Fazakas, B.IBUS
Research & Fundraising Assistant (professional exchange contract)

Tommy Ngai, M.Sc
Research Associate (internship, Nepal)

Thank You

VOLUNTEERS & FRIENDS OF CAWST

Thank you... to CAWST's 100+ volunteers and countless friends who have given so much of yourselves, your energy and dedication. Our results would not be possible without you.

Special thanks go to these exceptional individuals:

Alcides Amadeu...for his invaluable help with the Brazil program

Dr. Bill Duke, University of Victoria...research enthusiast, Project BRAVO

Bryan Fofonoff...our office developer, soon-to-be volunteer trainer

Marc Forget...who guides CAWST's own team development with skill and understanding

Martin Gough...who freely gives of his own techniques in facilitating project planning workshops

Gordon James...for his development and monitoring of our accounting practices, and his patient and consistent coaching

Sameer Kamal...for believing in us enough to volunteer his summer as an engineering intern

Bittu Khangura...who gives, every week, office maintenance services that are priceless

DONORS

The Calgary community, from students to corporations, has supported CAWST financially over the last year. Thank you...to our donors for your generosity and compassion. You make it possible to bring clean water to the poor.

Founding Patrons

Camille & Derek Baker

Dan & Carolynne Boivin

EnCana Corporation

John and Holly Gunn

Gail & David O'Brien

Petro-Canada Corporation

Barry & Pat Stewart



World Water Day 2005 facilitators, (l to r) Shauna Curry, CAWST; Marc Forget, volunteer; Martin Gough, volunteer

"For me CAWST is a natural place to be and working there is my opportunity to align my espoused beliefs with my working beliefs. Everyone at CAWST has been able to blend a great cause with exceptional conviction and courage and that's what makes them such wonderful leaders to follow. The opportunities to learn from and contribute to CAWST have been very rewarding for me and everyone there shows how appreciative they are for the help every chance they get. The work at CAWST is challenging and the people are super inspirational and a ton of fun to be around."

-Bryan Fofonoff, Volunteer



CAWST staff and volunteers participate in the 2005 HBC Run for Canada, to raise funds for CAWST's program in Haiti

Statement of Financial Position

December 31, 2004, with comparative figures for 2003

	2004	2003
Assets		
Current assets:		
Cash	\$ 38,445	\$ 19,929
Term deposits	268,580	110,686
Accounts receivable	10,518	84,983
Prepaid expenses	7,155	2,575
	324,698	218,173
Equipment	45,312	10,652
	\$ 370,010	\$ 228,825
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 52,838	\$ 37,420
Deferred revenue	1,000	–
	53,838	37,420
Deferred contributions related to equipment	17,668	–
Net assets:		
Invested in equipment	27,644	10,652
Accumulated operating surplus	270,860	180,753
	298,504	191,405
	\$ 370,010	\$ 228,825

Statement of Operations

Year ended December 31, 2004, with comparative figures for 2003

	2004	2003
Revenues:		
Donations	\$ 575,193	\$ 163,583
Project consulting	108,459	145,240
Training courses	13,291	8,451
Interest income	4,068	–
	701,011	317,274
Expenses:		
Salary and benefits	225,076	18,613
Travel	97,111	48,834
Consulting	90,285	125,873
Office and administration	48,237	16,541
Technology assessment and evaluation	32,883	–
Materials and lab supplies	28,314	9,205
Rent and utilities	28,217	–
Meals and entertainment	13,209	11,044
Training and conferences	11,254	6,688
Audit	9,987	6,385
Foreign exchange	1,767	–
Depreciation	7,572	2,860
	593,912	246,043
Excess of revenue over expenses	\$ 107,099	\$ 71,231

Audited Financial Statements and notes are available at www.cawst.org

Path Forward

Alleviating world poverty by transferring appropriate knowledge and technologies is CAWST's ultimate goal.

There is no justification for billions to suffer and millions to die from contaminated water.

CAWST HAS THE TECHNOLOGY

Affordable household water treatment technologies exist to clean water and make it safe. Sanitation methods exist to prevent pollution so that the world no longer "fouls its nest" by contaminating its water supplies.

CAWST HAS THE STRATEGY

Training and education transfers these technologies at the community level so that people have the capability to manage their own water and sanitation needs. Knowledge about water must become *common knowledge*.

CAWST HAS THE WILL

The developed world wants to "make poverty history". By building CAWST's professional capability, its training programs and its client base, CAWST can make a huge impact on millions of lives. The staff and volunteers at CAWST have made this their objective. We hope that you will make it yours.



Before and after water treatment, Pakistan



Before and after water treatment, El Salvador



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