





# *Liquid assets*

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words Dave Waller\_ photography Andrew McConell / Panos

MPI Group turns contaminated material into usable resources. Michel Evers, head of the company's clean water division, explains how its technology is transforming lives in Kenya

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ichel Evers is head of the clean water division of MPI Group – a Dutch technology company that just might change the world. “It’s marvelous to look people in the eye, having contributed to their dignity,” he says.

“It’s the most beautiful thing you can do on Earth.”

Beauty tends not to feature highly in your typical corporate philosophy. Yet it’s certainly evident in Evers’ work, which is born of a simple desire: to leave the planet in less of a mess than he found it in. MPI’s remit is to serve the needs of the billion humans who lack access to safe drinking water, so it’s not surprising that he’s passionate about his work.

Evers has never been scared of aiming high. Launched in 2004, the company was originally set up to deal with the planet’s biggest mess: landfill sites. The plan, according to Evers, was to get them “so clean you could live on them.” Yet when the company took a prototype of its solution to Nairobi in 2009, the locals said they had a more pressing problem: a lack of clean and safe drinking water.

MPI quickly reasoned that it could help. While converting landfill, it had developed technology to clean liquids as well as solids, the result being a multipurpose water unit in Kenya that can purify virtually any contaminated liquid, from seawater to sewage. It now pumps out 60,000 liters of clean water a day – enough to serve the daily needs of up to 15,000 people.

“We didn’t mean to go into drinking water,” says Evers. “We simply listened to the customers’ needs and acted

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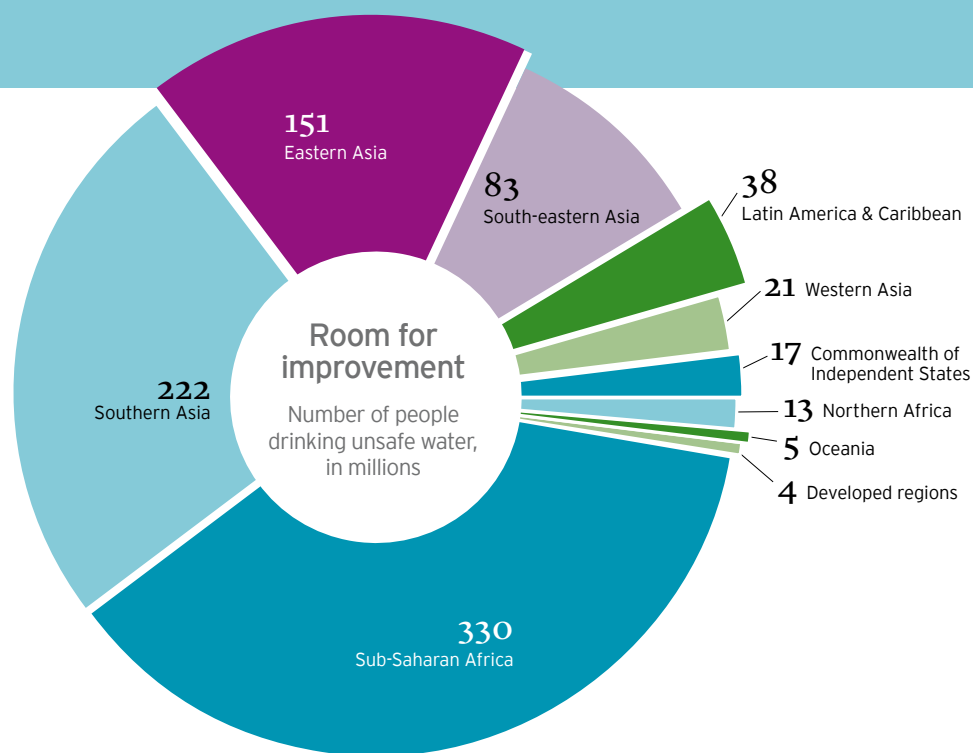
*“We didn’t mean to go into drinking water. We simply listened to the customers’ needs and acted on them”*

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**884 million** people - **37%** of whom live in Sub-Saharan Africa - still use unimproved sources for drinking water

Source: United Nations, 2008 data



## Precious water

To those in the West, it's easy to treat water as an abundant resource, but it's really a matter of life and death.

Thanks to explosive population growth, expanding cities, a changing climate and the punishing demands of industrial production – not to mention the privatization of supplies, which has left poor areas at the mercy of the markets – what was a problem is becoming a crisis.

There's no shortage of statistics: 40% of the world's inhabitants currently have insufficient fresh water for minimal hygiene. Global annual usage is set to increase by more than 2.0 trillion cubic meters by 2030 – to 6.9 trillion cubic meters. That's 40% more than can be provided by available supplies. The most shocking statistic is that just 12% of the world's population uses 85% of our water.

As part of its Millennium Development Goals, the United Nations aims to halve the proportion of people without sustainable access to safe drinking water by 2015. The International Water Management Institute says that there are ways to avert a water crisis: to gather high-quality data about resources, care for the environment, reform the governing of resources, improve the use of water in farming and cities, and get marginalized people involved in water management.

There's enough water, but greed means its course is being diverted. Averting a crisis will require a radical change in its treatment – something Michel Evers well knows.



► on them. And then went at it full-steam." In Kenya, both the locals and the Government welcomed it – eventually. "The Vice-Premier was featured on film drinking the water," says Evers, "but what it didn't show was that, two days before, he had sent two of his assistants down to test it out. He wanted to be sure that he'd survive."

Since then, the project has flourished. MPI has used its clean-water technology to help support local agriculture and, in Mombasa, it was able to offer a neighboring children's hospital clean water for free. Some companies, it seems, aren't all about the dollar sign – but it's not just woolly idealism, either. A private enterprise won't last long if it washes its hands of making profits for the sake of helping others. MPI's business model creates a triple bottom line situation: it's able to sell water for roughly 50% of the market price, improve public health and the environment while posting double-digit profits.

"We look at everything we do from an entrepreneur's point of view," says Evers. "Even landfill cleaning succeeds there. It's a raw material source; you just have to work out how to recycle it and convert it to energy." Landfill mining requires an investment of €100m (US\$140m), so for now

it remains a concept on paper. Yet MPI uses the technology in smaller waste-to-energy plants, one of which will operate in Kenya alongside its water plant.

The water activities were kicked off with start-up funds provided by a private investor. Having set up in Kenya, Evers is now talking to interested parties in countries from Bangladesh, India, South Africa and Mozambique to Colombia, Venezuela and Haiti.

Yet MPI never goes anywhere it's not invited. People learn about the technology and approach of the company. These locals can then introduce MPI to networks and reliable customers ("Free advice," as Evers puts it), which helps MPI in another of its aims: handpicking skilled managers and training them, boosting local employment.

### The right funding

MPI doesn't work with banks – "too complicated" – or governments – "too indecisive, and we're too impatient." Instead, it seeks entrepreneurial private investors who understand the MPI mindset. "We're making a profit and we can promise 100% returns," says Evers. "They're always amazed when we tell them that."

Despite all MPI's good work, if you tell people that you're making decent profits from humanitarian work in India and Africa, they are bound to ask whether you are as nice as you claim to be. To Evers, this is a non-issue. "We sell water for, on average, half what you'd pay for bottled water in a shop in that area, and we can guarantee that it's safe," he says.

MPI's masterplan, in a nutshell, is to set up a cluster of 10 micro-water companies, eight of which produce water only for those who could afford it. It can feed these profits into the others to make water for the poor – in effect, subsidizing poorer people's drinking water with money from those who are better off. The result: bottled water in poor areas at the same price as tap water – but guaranteed to be much cleaner.

"We're trying to build a beautiful business by starting at the top of a market and working step by step down to the bottom," says Evers. "And I think we have a marvelous future ahead of us." ■

## Viewpoint



# Funding for cleantech ventures

Wolfgang Paardekooper, Cleantech Leader, Ernst & Young Netherlands

Without a doubt, financing is one of the major challenges confronting cleantech companies. It stems from the underlying theme that these companies are built on high-tech innovations and technologies that are proven in the laboratory but untested in the marketplace. As a result, backing a forward-thinking innovator can often rely on a leap of faith rather than an astute business investment.

Proving that these technologies work in theory is one thing; securing verification through a robust and revenue-generating business model is another – but it is essential. Without it, obtaining the financing needed to become a bona fide business will depend on an investor's belief rather than the promise of returns.

Securing financing has always been harder for new technologies than

water is clearly important, there currently isn't the sense of urgency surrounding it that encourages the market to invest in new technologies.

While these taxing funding issues persist, it would seem cleantech companies are facing an uphill struggle. In their favor, however, is the very real possibility of solving one of humanity's biggest issues through vision and innovation. To achieve this goal, enterprises need to consider how they communicate their ideas to investors to make them more appealing to a business audience.

For too long, these technologies have been seen as ideals rather than compelling business opportunities. In my opinion, cleantech companies must rethink how they go about convincing investors of the validity of their concepts by emphasizing the legitimacy of their solutions through sound economics rather than relying solely on their application.

To put it simply, the best way to succeed is to make a viable business case where investors will be willing to step in because they anticipate earning money from their investment. If you can prove that a CSR solution for a big issue can be realized with a viable business case, then you have the best of both worlds.

The key thing for entrepreneurs to accept is a willingness to earn money, but in a good way. It is important to earn money to reinvest, redevelop and continue the innovation and legacy to the world. Innovators need to dare to say they want to succeed and, in order to succeed, they need to earn money.

## *Backing a forward-thinking innovator can often rely on a leap of faith*

for businesses with a proven history, but the credit crunch has made this process even tougher.

But it's not just the scarcity of credit that is proving difficult. Timing can also play an important role, especially with water-related cleantech companies. For instance, everybody knows there are three key challenges for the future: energy, nutrition and water. But while

## More information

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