

CASE STUDY: WATER SANITATION PROGRAM

In 2010, Scotiabank Peru launched a unique product in collaboration with the World Bank and care (an aid organization dedicated to fighting poverty), for their Water and Sanitation program. Its goal was to provide small loans to very low income families to help them improve basic sanitation conditions. The product offering included financing and education that was delivered by the Bank's partners. Scotiabank has been part of this program since its inception in 2008.

The product was targeted to clients in rural and urban Peru with monthly incomes of under \$200 per family. Many of these clients had little access to basic sanitation facilities, let alone banking services. This financial service allows families to improve water and sanitation conditions, as well as their knowledge of the links between hygiene, health and nutrition.

While the key social benefit of the program is helping communities obtain a better quality of life through access to credit for sanitation purposes, there are environmental benefits, such as reduced contamination in public latrines, rivers and streams.

The Water and Sanitation program was shortlisted for the 2010 Financial Times Sustainable Banking Awards in the achievement in Basic Needs Financing category. The Financial Times awards highlight international banks that demonstrate leadership and innovation in corporate social responsibility. The achievement in Basic Needs Financing category was new for the awards in 2010, and recognizes a form of microfinance that focuses on providing financing for essential needs such as energy, food and water.