



2024-2026

Strategic Plan





Mission

Building a healthier Central America through community-centered safe water solutions.

Vision

A world where all communities have access to safe water.

Strategic Plan

Introduction

In the next three years, Cova (formerly EOS International) will leverage our decade of experience providing water quality solutions to rural communities in Central America to expand our impact across Central America with increased focus on long-term, sustainable results. The Cova team will leverage its proven Circuit Rider model providing post-construction support to rural communities as the key operating strategy to deliver, long-term sustainable improvement to water systems across Central America. Cova will continue to innovate with the use of blended finance by leveraging market-based solutions to scale the impact.

This strategic plan was originally created in 2021 for 2021-2025 and updated in May 2024.

The Challenge

Studies have shown that over 50% of unsupported international community water system projects fail and remain unrepaired because of insufficient operational, technical, and financial capacity, and a lack of post-construction support within five years, and an estimated 95% of unsupported community water systems fail within 20 years.

Safe, accessible drinking water is a basic human right, yet water is one of the greatest threats to human health, responsible for over 2 million deaths worldwide every year, most of them children. Cova's safe drinking water program specifically targets rural communities in Nicaragua, Honduras, and El Salvador, where the majority of residents are subsistence farmers earning \$3–6 per day and lack access to safe drinking water. Approximately 8.6 million people live in rural communities and manage their drinking water systems across these three countries, and over 85% of these water systems are contaminated with harmful bacteria lacking filtration or chlorination.

The importance of this challenge has been validated on a global level as the United Nations has named one of their Sustainable Development Goals (SDG), number 6, "Ensure availability and sustainable management of water and sanitation for all." Their specific goal is "By 2030, achieve universal and equitable access to safe and affordable drinking water for all". Cova aligns our efforts to meet these Sustainable Development Goals. Complete verbiage of SDG 6 can be seen in Appendix E.





The Solution

Cova provides safely managed drinking water solutions to rural communities, improving their health and well-being. Through our new strategy, we will be able to increase our impact in three countries by leveraging basic water quality monitoring, capacity-building, and local community and government institutions to scale these efforts.

We know that every \$1 invested in community drinking water returns a net benefit of \$4 in economic productivity.¹ We plan to aggressively grow our organization's revenue to meet the demand, with the goal of sustainable revenue growth of approximately 30% year-over-year, reaching \$3.7 million in annual revenue by 2026. This revenue will be comprised of a mix of in-country product and service revenue, results-based funding, philanthropic capital, and financing from impact investors to help scale our solutions.

Finally, we know that our organization's biggest asset is our people. We will continue to invest in building the capacity of our team through global engagements, active participation in water, sanitation and hygiene (WASH) networks, and ongoing training to advance Cova's technical and organizational leadership.

1) <https://news.un.org/en/story/2014/11/484032>



Locations

Cova has installed water chlorination systems in 2,226 communities across Nicaragua, Honduras, and El Salvador. The Circuit Rider model will continue expanding the impact into new districts creating additional Circuit Rider routes. Existing water quality monitoring efforts take place in different regions throughout these countries. Cova will collaborate with these existing monitoring efforts in order to complement these current activities at scale.





Implement the Circuit Rider Model

Strategy 1

Provide post-construction support to rural communities through our Circuit Rider Model.

The goal of the Circuit Rider model is for rural communities, specifically the community water boards, to have the necessary skills, knowledge, and resources available to provide safely managed drinking water for their community members.

The Circuit Rider model offers a comprehensive approach to providing capacity building, technical support, and ongoing monitoring for rural community water boards. This model includes on-site chlorine monitoring and laboratory water quality analysis to assess contaminants in the community water source, community water treatment, education to treat the contamination, and ongoing chlorine tablet distribution via a sustainable supply chain. Intense capacity building is provided to community water boards on the following topics: Water Source Protection, Water Treatment, System Operation & Maintenance, Technical Plumber Training, Water Bill Calculation, and Water Board Administration. The Circuit Rider model is further explained in Appendix A.

Priority districts and communities are identified in collaboration with the regional Ministry of Health and municipal government support structures ensuring the alignment of resources and priorities.

Ongoing circuit rider support is provided in the form of monthly inspection visits to the rural communities, which include water sampling, testing, community meetings, chlorine delivery, and assessment of overall system performance. A circuit is established to optimize the community visits, technician familiarity, and other logistical considerations.



Water system mapping in rural communities is completed within each district to create a baseline assessment to categorize the water system infrastructure and to measure against Cova's sustainability criteria. Current baseline evaluations including mapping and demographic data from various sources including SIASAR, will be used to complement these baseline assessments. Once communities are identified, Cova works directly with each community and its water board to provide technical assistance and water quality monitoring. Cova also maps out the water stakeholders, including partners and district government support.

Expected Strategy Outcome

- Build the capacity in the Water Board and community member beneficiaries to achieve sustainable water systems with consistently high levels of performance over time
- Provide high-quality safe drinking water to community members
- Manage systems properly at the board level
- Make operation and maintenance plans (monthly and annually)
- Water board reserve funds to make repairs to their systems
- Create support groups for the Water Boards formed by the members
- Collaborate with a trained plumber on the community water board
- Ensure the plumber has the necessary equipment to operate the system correctly
- Operate consistently with safe water in their systems
- Lower the levels of water-borne illnesses
- Maintain affordable water prices and high collection rates
- Ministry of Health and municipal government support structures collaborate with Cova's water quality monitoring activities and receive regular reports including real-time community water quality results and community activities



Transition Water Quality Monitoring

Strategy 2

Community leaders will take over the monthly water quality monitoring activities.

Cova will identify and train community health volunteers to perform monthly water quality monitoring activities, reducing the dependency on Cova's Circuit Riders. Cova will provide the community with reagents and tools to report key water quality and quantity metrics on a monthly basis, which will be stored in the mWater platform for historical analysis and also shared with the National Department of Health for public records. This work will complement existing monitoring efforts from the Ministry of Health or municipal government support structures.

Cova will continue to monitor communities through technical assistance calls, chlorine tablet sales, and mWater database oversight, as well as additional consulting services for hire in communities at the discretion of local water boards.

Long-term impact and scale can only be made by changing systems, including within the district-level government. Cova will collaborate with government entities including the Ministries of Health, Mayor's offices, municipal government support structures, and district water technicians to train their field staff on community seminars, building on water quality management and technical assistance. This step is critical to delegate and invest resources in the local government, allowing a sustainable transition to ongoing technical services and post-construction support for rural communities at the government level.

Expected Strategy Outcome

- Communities continue to operate at a high level with minimal external monitoring of the Circuit Rider program
- Communities will have access to Cova's chlorine distribution supply chain
- Strategic partners will be trained to implement chlorine monitoring
- Communities are trained on the 6 main capacity building topics (Appendix A)



Scale Circuit Rider Model – Reach 3MM People by 2026

Strategy 3

As communities demonstrate self-sufficiency, Cova will transition into new districts.

To ensure a lasting impact, Cova builds up the capacity within local communities and government entities, allowing Cova to scale up into new districts, while ensuring ongoing operation of existing community water systems. Cova remains involved in operational districts, providing critical technical support and capacity building as needed.

The timing of the new district transition will depend on the community, infrastructure, market, and external support including local government and non-government organizations. Cova aims to scale the implementation of our successful Circuit Rider model to 60 new districts across Nicaragua, Honduras, and El Salvador, with a goal of reaching 3 million people with safe drinking water by 2026.

Before entering a new district, the community's water system must operate effectively. A detailed evaluation tool in Appendix B evaluates the community's infrastructure and services. Without meeting these sustainability criteria, long-term safe drinking water access is jeopardized. Therefore, Cova remains engaged until 80% of water system infrastructure and service providers meet or exceed sustainability metrics.

Expected Strategy Outcome

- Demonstrated success of Circuit Rider model
- Expand Cova services to where they are needed most
- Reach national impact within Nicaragua, Honduras, and El Salvador



Share Best Practices and Circuit Rider Model Expertise

Strategy 4

Cova will share with evidence the experiences of its professional water service model to enable larger growth and adoption nationally and globally.

The successes of the Circuit Rider model have been studied and proven as a critical investment in water system operation throughout the world. Through Cova's past decade of implementing this model in Nicaragua, Honduras, and El Salvador, we will share our knowledge and experiences externally. This will allow others to benefit from our work and help accelerate other professional service model and monitoring programs throughout the world. Cova will perform studies and publish peer-reviewed evidence-based reports outlining the outcomes and learnings. Cova will also present about the Circuit Rider model in conferences, sharing the benefits and challenges, while also sharing water quality monitoring data in mWater publicly to lead future strategy.

Expected Strategy Outcome

- Collaborate with Central American-based organizations working in targeted regions, and/or WASH-related organization to implement components of the Circuit Rider model; ie. RASNIC, Para Todos Por Siempre, RED CAPS, SMART Center, ERSAPS, SANAA, etc.
- Form working groups to exchange best practices among regional government agencies
- Offer international thought leadership
- Compile best practices manuals & guides for circuit rider model



Drive Financial Performance Through Blended Finance to Scale Impact

Strategy 5

Leverage market-based solutions, philanthropic capital, and impact investments to improve overall operations, support growth, and scale impact.

Cova has seen the successes of leveraging market-based solutions to help scale impact. Cova will continue to drive financial performance to improve overall operations and increase impact growth. This includes generating revenue from philanthropic sources, sales from products and services, and impact investments in the form of debt to support working capital. The team will focus business operations on the highest value work and outsource low-value work, improve materials sourcing, deploy creative marketing plans to strengthen the brand and refine the distribution model to increase sales at lower costs.

Expected Strategy Outcome

- Growth of overall revenue by 30% year-over-year, reaching \$3.7 million in annual revenue by 2026
- Expand on impact investment for internal operations as well as client offerings, leveraging our global network with resources and the ability to invest
- Double product and service revenue over next 5 years
 - Expand to new districts acquiring new clients
 - Optimize model to offer products and service to customers in new ways
 - Increase sales of existing client base through increased client engagement through the Circuit Rider model

Appendix A

In the last decade Cova has worked in 2,226 rural communities in Nicaragua, Honduras, and El Salvador providing water treatment solutions, water quality testing services, and post-construction support through the Circuit Rider model all through varying capacities and implementation models. We have learned that drinking water project implementations cannot be sustainable within a vacuum. Community Water Boards consisting of volunteer community members without any formal training or experience on drinking water will require outside support to provide technical assistance and ongoing monitoring. The district-level ministry and health or local government water departments are tasked with supporting hundreds of rural communities with limited resources, guidance, clear metrics, or methodologies to follow. We have also learned that we need to building systems from the beginning. Cova cannot provide full support directly to a community indefinitely. We also know that we cannot just implement and leave. Over the years, we have piloted models allowing us to both provide direct support to communities to improve their water quality, while training local government partners to carry on this monitoring support.

Cova's comprehensive model provides technical capacity and water quality monitoring to rural communities with a scalable model. This model includes water quality testing and analysis to assess contaminations in the community water source, community water treatment and education to treat the contamination, and an ongoing chlorine tablet distribution providing a sustainable supply chain. Our team provides ongoing technical assistance, training, evaluation, and chlorine tablet distribution to all 2,226 rural communities through an established network of chlorine distribution centers. Cova has identified entrepreneurs and initiated these chlorine distribution centers to provide a financially sustainable supply chain of chlorine tablets, while also an opportunity for entrepreneurs to generate up to \$150 per month while supporting clean water. All solutions are locally-operated and require co-financing from all involved and demonstrates that for just pennies a day-per person, we can dramatically reduce the incidence of waterborne disease and save lives.





Phase 1

Implement

—

**50 Communities Supported by One
Cova Circuit Rider**

- Laboratory Water Quality Analysis
- Technical Assistance
- On-Site Water Quality Monitoring
- Chlorine Distribution
- Community Capacity Building
- Water Treatment Implementation

Phase 2

Transition

—

**50 Communities Supported by One
Cova Circuit Rider**

- Laboratory Water Quality Analysis
- Technical Assistance
- On-Site Water Quality Monitoring
- Chlorine Distribution
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Phase 3

Self-Sustaining

—

**200 Communities Supported by One
Cova Circuit Rider**

- Laboratory Water Quality Analysis
- Technical Assistance
-
-
-
-

Community Categorization Tool

Appendix B

	Good	Fair	Poor	Inoperable
Infrastructure	A	B	C	D
Water Intake/Source	Infrastructure is operational and all components are in good physical condition.	Infrastructure is operational but in need of minor repairs, which can be resolved by the community without external assistance.	Infrastructure is operational but in need of minor repairs, which cannot be resolved by the community without external assistance.	Infrastructure is not functional and in need of complete rehabilitation which will require external capacity and financial input
Water Transmission Line	Infrastructure is operational and all components are in good physical condition.	Infrastructure is operational but in need of minor repairs, which can be resolved by the community without external assistance.	Infrastructure is operational but in need of minor repairs, which cannot be resolved by the community without external assistance.	Infrastructure is not functional and in need of complete rehabilitation which will require external capacity and financial input
Flow	Flow is sufficient to cover 150% of community demand	Flow is sufficient to cover 100-150% of community demand	Flow is sufficient to cover 80-100% of community demand	Flow is only sufficient to cover less than 80% of community demand
Tank, Water Storage	Infrastructure is operational and all components are in good physical condition.	Infrastructure is operational but in need of minor repairs, which can be resolved by the community without external assistance.	Infrastructure is operational but in need of minor repairs, which cannot be resolved by the community without external assistance.	Infrastructure is not functional and in need of complete rehabilitation which will require external capacity and financial input
Tank Capacity	Tank capacity is greater than 135% of necessary storage for the community	Tank capacity is between 100 and 135% of necessary storage for the community	Tank capacity is between 80 and 100% of necessary storage for the community	Tank capacity is less than 80% of necessary storage for the community
Distribution System	Infrastructure is operational and all components are in good physical condition.	Infrastructure is operational but in need of minor repairs, which can be resolved by the community without external assistance.	Infrastructure is operational but in need of minor repairs, which cannot be resolved by the community without external assistance.	Infrastructure is not functional and in need of complete rehabilitation which will require external capacity and financial input
Chlorinator	The chlorinator is functioning as expected	The chlorinator requires maintenance to continue functioning as expected	The chlorinator needs to be replaced	There is no chlorinator installed
Watershed	The watershed is sufficiently forested to protect the water source	The watershed is not fully forested but with no harm to the water system	The watershed is deforested, with some harm to the water system	The watershed is severely deforested which is harming the water system
Waterboard	A	B	C	D
Chlorination	The community has had sufficient chlorine in their water tests in the past 10-12 out of 12 samples	The community has had sufficient chlorine in their water tests in 8-9 out of 12 samples	The community has had sufficient chlorine in their water tests in 6-7 out of 12 samples	The community has had sufficient chlorine in fewer than 5 of the last 12 water samples
Waterboard Management	The water board is legalized, all positions are filled, is accountable to community members, and holds community meetings every 6 months	Three out of four criteria are met	Two out of four criteria are met	One or zero out of four criteria are met
Water Tariff	The water board collects a water user fee, the water user fee is sufficient to cover routine costs, the water user fee is based on average costs, the collection rate is greater than 80%	Three out of four criteria are met	Two out of four criteria are met	One or zero out of four criteria are met
Financial Management	The water board has a bank account, keep careful accounting records, and revenue is higher than costs.	Two out of three criteria are met	One out of three criteria are met	Zero criteria out of four are met
Operation and Management	The O&M fund is sufficient, the water board has a designated plumber, and maintenance is delivered regularly.	Two out of three criteria are met	One out of three criteria are met	Zero criteria out of four are met
Technical Capacity	The water board is well trained and can solve problems in the water system	Only the plumber knows how to operate the water system	The plumber's ability to operate the water system is limited	Neither the water board nor the plumber are well trained on how to operate the water system
Watershed Management	The water source is protected against animals, the waterboard has completed and is implementing a reforestation plan.	The water source is not protected, the water board has a reforestation plan but it is not yet implemented.	The water source is not protected and there is no plan for reforestation	The water source is not protected and it is very contaminated.
Water Quality Analysis	The water board has their water quality analyzed 2 times per year	The water board has their water quality (bacteria) analyzed once a year	The water board has not had their water quality (bacteria) analyzed	The water board has no interest in having their water quality (bacteria) analyzed.

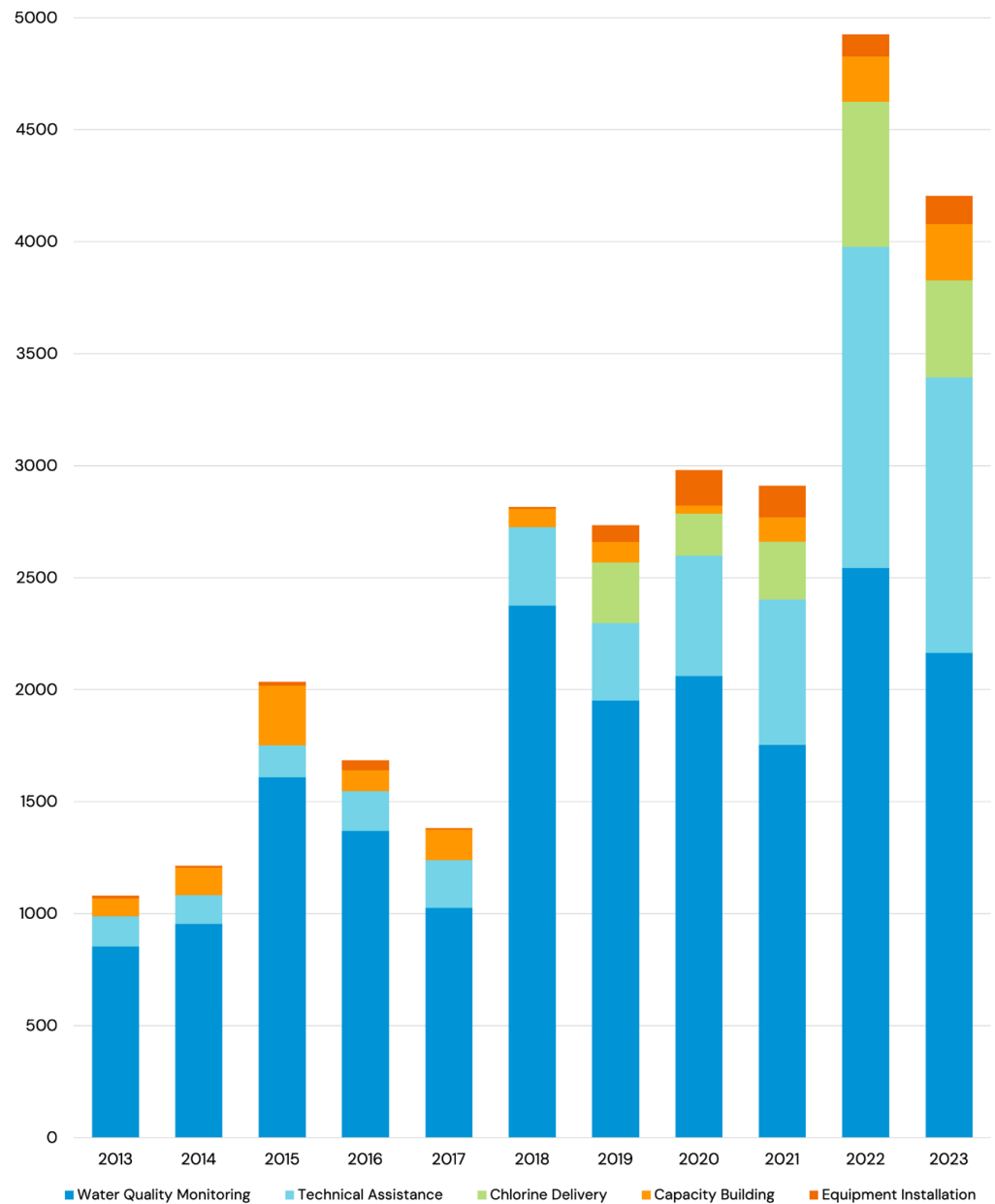
Community Visits By Activity

Appendix C

The Circuit Rider model offers a comprehensive approach to providing technical support, and ongoing monitoring for rural community water boards. This model includes water quality testing and analysis to assess contaminations in the community water source, community water treatment, education to treat the contamination, and ongoing chlorine tablet distribution via a sustainable supply chain.

Intense training is provided to community water boards on the following topics: Water Board Management, Operation and Maintenance, Plumbing, Water Bill Calculation, and Chlorination. Ongoing water quality monitoring technical assistance is provided in the form of monthly inspection visits to the rural communities, which include water sampling, testing, community meetings, chlorine delivery, and assessment of overall system performance.

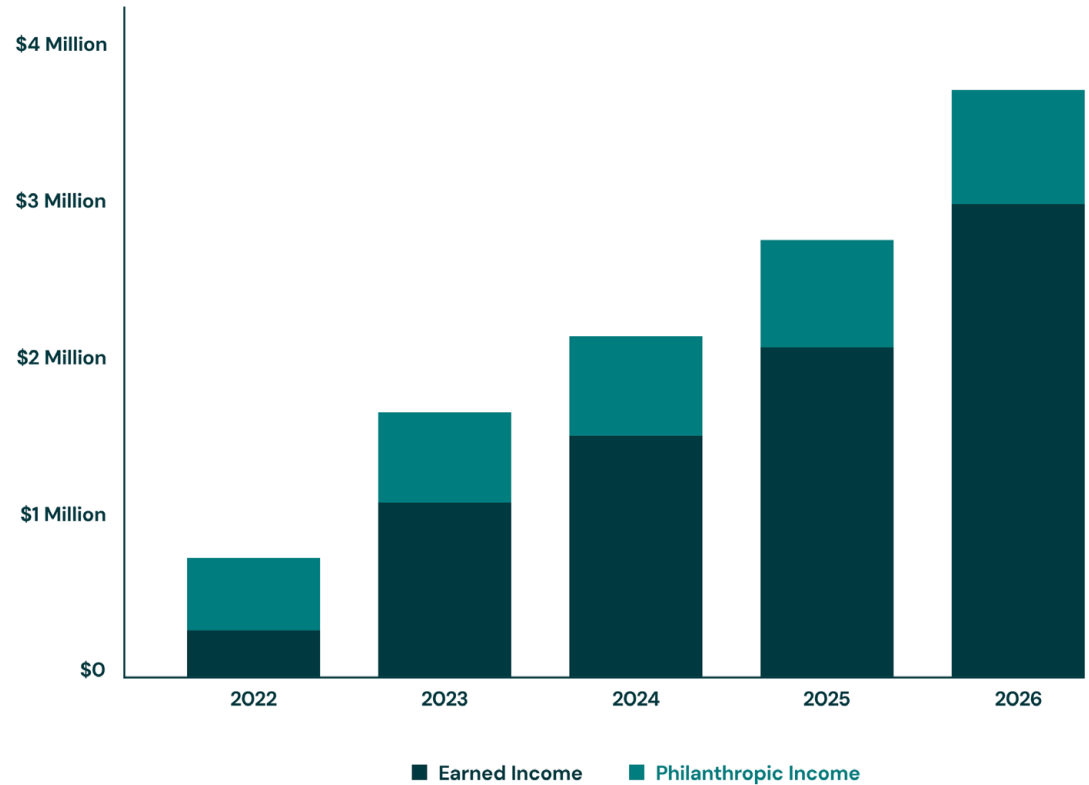
A circuit is established to optimize the community visits, technician familiarity, and other logistical considerations. This graph details the visits made by Cova Circuit Riders to rural communities and organized by year and visit activity.



Cova Revenue Growth Projections

Appendix D

To achieve our Strategy, we plan to aggressively grow our organization's annual gross revenue to meet the demand, with the goal of sustainable revenue growth of approximately 30% year-over-year, reaching \$3.7 million in annual revenue by 2026. This revenue will be comprised by a mix of in-country product and service revenue, philanthropic capital, and financing from impact investors to help scale our solutions. Finally, we know that our organization's biggest asset is our people. We will continue to invest in building the capacity of our team through global engagements, active participation in WASH networks, and ongoing training to advance Cova technical and organizational leadership on trends and developments in the sector.



Alignment With The UN Sustainable Development Goals

Appendix E

SDG 6: Ensure availability and sustainable management of water and sanitation for all. Clean, accessible water for all is an essential part of the world we want to live in and there is sufficient fresh water on the planet to achieve this. However, due to bad economics or poor infrastructure, millions of people including children die every day from diseases associated with inadequate water supply, sanitation and hygiene. Cova's work will focus on the following SDG targets:

6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all. Cova targets rural populations living in poverty throughout Nicaragua and Honduras, providing water quality solutions at the community scale. We ensure that our community's water system is operational, and that the community water board has the knowledge and resources to maintain high-quality drinking water for their community members. We also ensure that their drinking water is safe to drink, meaning free of bacterial contamination. Finally, we work closely with the water board to establish an appropriate user water bill that will cover the costs of water system operation and include a reserve for emergencies. These services improve the water for community members and align with SDG goal 6.1

6.2: By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations. Through Cova's Circuit Riders, the water technicians provide a comprehensive approach to training, including training on the importance of proper sanitation and hygiene. Cova also works in rural schools to teach students as well as teachers on hygiene.

6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. A main component of Cova's work is providing water treatment in community drinking water systems to remove harmful bacteria. This water quality work is a critical component of drinking water systems to improving and increasing the quality to a safe level for drinking.

6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. Cova works closely with community water boards to monitor the drinking water use and recommend the implementation of household metering as a strategy to monitor loss and setup a relative water user bill based on water demand.

6.5: By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate. Cova works across the community, municipality, department, and national levels to integrate water resource management strategies in improving drinking water services. Cova targets their work with community water board members to improve the administration, as well as the local and national partners in the department of health to share resources, prioritize needs, align strategies.

6.6: By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes. Cova protects water-related ecosystems through community and municipality consulting on watershed reforestation programs, specifically in the mountains of Honduras. Cova Coordinates, trains and supports local communities for the reforestation, re-development and conservation and sustainability of the water sources.

6.A: By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programs, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies. Cova participates in several national and international WASH associations and alliances to share best practices, learn about new approaches, and collaborate on program implementations.

6.B: Support and strengthen the participation of local communities in improving water and sanitation management. Cova Circuit Riders work directly with community water boards to provide capacity building, training, and technical assistance to improve the community's drinking water systems.