Improving Sanitation Chain Services:
A multi-stakeholder approach needed for success

Simavi is an international non-profit organisation, striving for a world in which basic health is accessible to all. We aim to structurally improve the basic health of 10 million people in marginalised communities in Africa and Asia by 2020. By doing so, we enable them to build a better existence and get out of poverty. Our experience has shown us that investments in water, sanitation and hygiene (WASH) and in sexual and reproductive health and rights (SRHR) are crucial for people to be able to lead a healthy life. Therefore we are specialists in these two thematic areas. Our programmatic approach consists of three integrated pillars: 1) empowering communities to demand quality services and to practice healthy behaviour; 2) creating a supportive, enabling environment in which all stakeholders are aware of their roles and responsibilities, work together and can be held accountable; and 3) getting in place affordable, suitable and sustainable WASH and SRHR services that are actually utilized by the people. In our work we apply this threefold approach to realise impact that lasts.

Improvements of the sanitation chain services
A lot has been done to reach the Millennium Development Goal on improving sanitation coverage but the challenge remains. 2.5 billion people lack access to improved sanitation and 1.1 billion still practice open defecation. At the same time, sustaining the gains made from increased usage of toilets, raises new issues about the management of human waste. A huge number of people rely for their sanitation on non-sewerage systems which generate a mix of solid and liquid wastes, generally termed “faecal sludge”. Without proper management, faecal sludge is often allowed to accumulate in poorly designed pits, or is discharged into storm drains and open water, or is dumped into waterways, wasteland and insanitary landfill sites. Only a very small percentage of faecal sludge is managed and treated in a safe and proper way. Particularly in the poor areas of rapidly expanding cities, this represent a growing challenge, affecting public health and posing environmental risks.

The way forward
Different stakeholders need to become aware, committed and actively engaged in order to overcome critical constraints for scaling up sanitation chain services, in particular for the poor. Households need to willingly invest in available, affordable, quality and user friendly sanitation services; offered by entrepreneurs who are capable of offering such services. Scalable innovation which addresses the changing needs of the sanitation chain services everywhere needs to be promoted. It is also vital to strengthen policies and regulations which stimulate/enable entrepreneurship and private sector involvement in different aspects of sanitation chain services, and to monitor the quality of the services they provide. Entrepreneurs need access to affordable financial resources (i.e. loans, revolving funds) which enable them to address the needs of their target groups. Sufficient investments need to be made to ensure that proper sanitation (including safe management of sludge) within the public places (i.e. schools, health centres, hospitals) functions properly. Public-private partnership and investments are also required to ensure appropriate and efficient treatment of faecal sludge.
Skilled and motivated individual sanitation entrepreneurs are not able to scale up and improve their businesses, because they can hardly access any loans. Simavi, together with the Bangladesh WASH alliance, has developed a technical partnership with the Water and Sanitation Programme (WSP) of the World Bank to promote microfinance in sanitation. Two cases below illustrate the potential and success in scaling up sanitation by local entrepreneurs, and the difficulties still being encountered. Access to loans and credits is essential, if larger scale is to be reached.

Problem
Although a remarkable effort has been made to reduce open defecation, many people in Bangladesh still make use of unsafe latrines. Lack of hygiene and environmental awareness still result in the use and construction of so-called “hanging” latrines that directly contaminate surface water, spread bacteria and seriously threaten public health.

Training and microfinance for local communities and entrepreneurs
To increase financial sustainability Simavi identifies, trains and supports entrepreneurs to develop and scale up their businesses. Trainings include a.o. business development, marketing (demand creation and awareness raising), management and technical training. Simavi also acts as an intermediate for donors and investors, ensuring the investment reaches the right entrepreneurs. In the partnership with WSP, entrepreneurs received training and micro finance was promoted. In order to promote sanitation businesses, 73 private entrepreneurs were provided with loans totaling 4,705,000.00 BDT (approx. us$60,000) to start up or expand sanitation businesses.

Two successful stories
Mr Abdul Khalek (64) started his sanitation business forty years ago in the region of Barguna in the southwest of Bangladesh. He never received any training to enhance his business capacities. Simavi selected him for a training. “This training has really enhanced my sanitation business, it improved my relation with the Union Parishad (smallest local government authority) and the community. Now I can communicate better with consumers, NGOs and the Department of Public Health Engineering (DPHE) about the benefits of using hygienic latrines. I also learnt how to organise activities to promote my business. Since the training I have sold almost 2,5 times more latrines or latrine parts than before. This has resulted in an increase in average income from 2400 BDT to 6500 BDT per week (us$30-80). I also decided to expand the number of sanitation models, spare parts and equipment for sale in my supplies shop”.

Mr. Faruk Hossain (40) started his sanitation business 6 months prior receiving training in May 2013 in Fakirhat union, Bagerhat district, also in the southwest of Bangladesh. He comments: “The training helped me in deciding to start selling different types of latrines than I was selling before, because it was more profitable. These latrines are more affordable for people in the community. Now my selling rate has increased. To promote these new latrines I am doing some promotional activities which I learned during the training, like distributing leaflets and giving presentations to the communities about the hygiene of latrines, their usefulness and price. My average weekly income has increased from 1125 BDT before training to 3025 BDT (us$14-38) after training”.

Despite success, access to investment capital is still lacking
Although the trainings have been successful in enhancing the businesses of the two men, both of them still encounter major problems in getting a loan. Mr. Faruk Hossain had previously been trying to get a loan from various financial institutions, but so far without success. Since the training, Abdul Khalek also has been trying to get a loan from different sources, including microfinance organisations, but has received only BDT 100,000 (us$1250) investment capital from relatives. At the end skilled and motivated entrepreneurs are unable to scale up and improve their businesses.