

Sustaining a regional output-based aid sanitation ecosystem for the poor through commercialization

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WASH
FUTURES



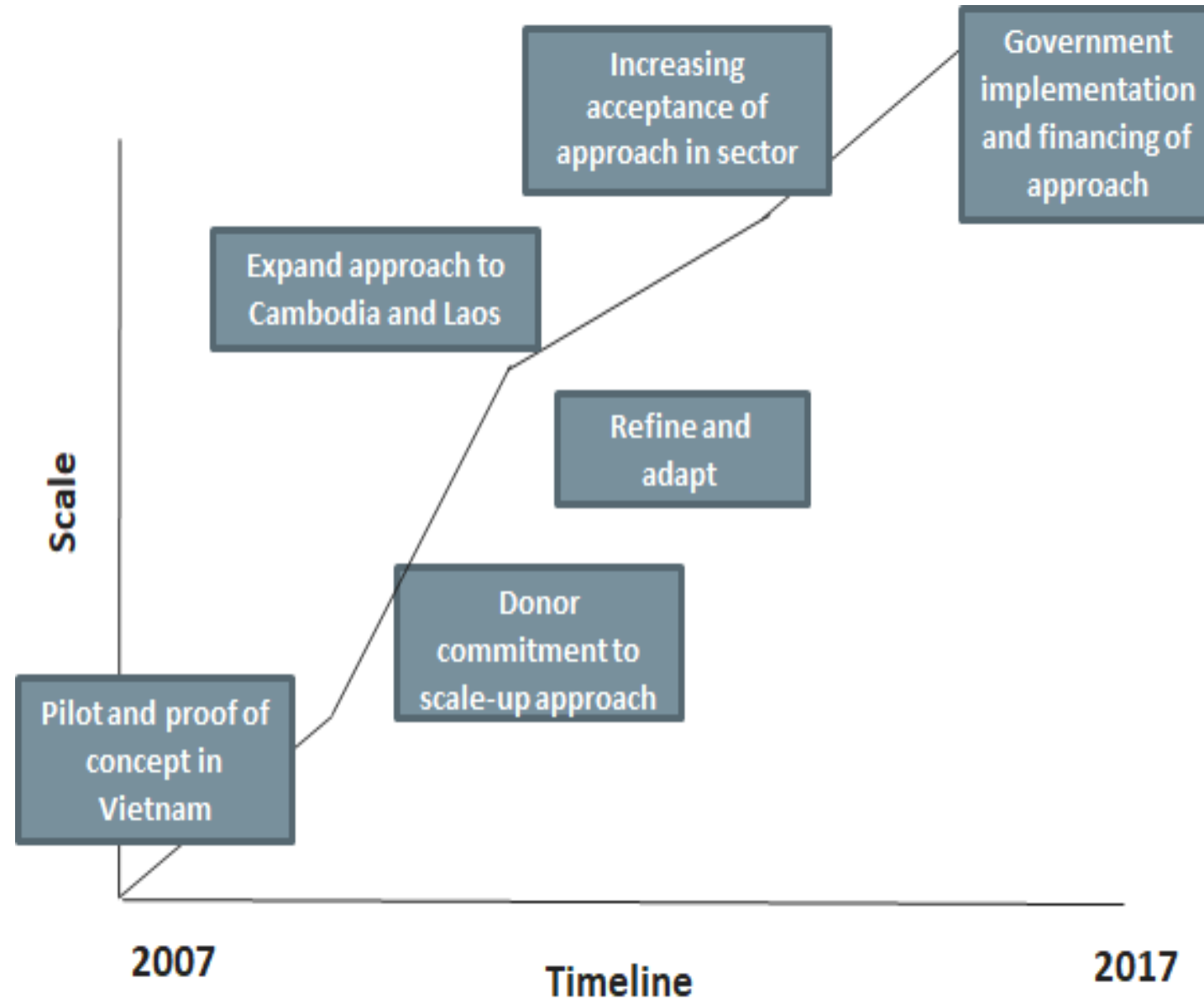
Water, Sanitation & Hygiene Conference 2018

Collaboration for Universal WASH

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History of EMW's Output-Based Aid Sanitation Approach

- EMW has pioneered output-based aid in rural sanitation for over a decade in Southeast Asia
- During this time, we have reached over 200,000 **poor households**
- We have successfully advocated for government co-financing over time



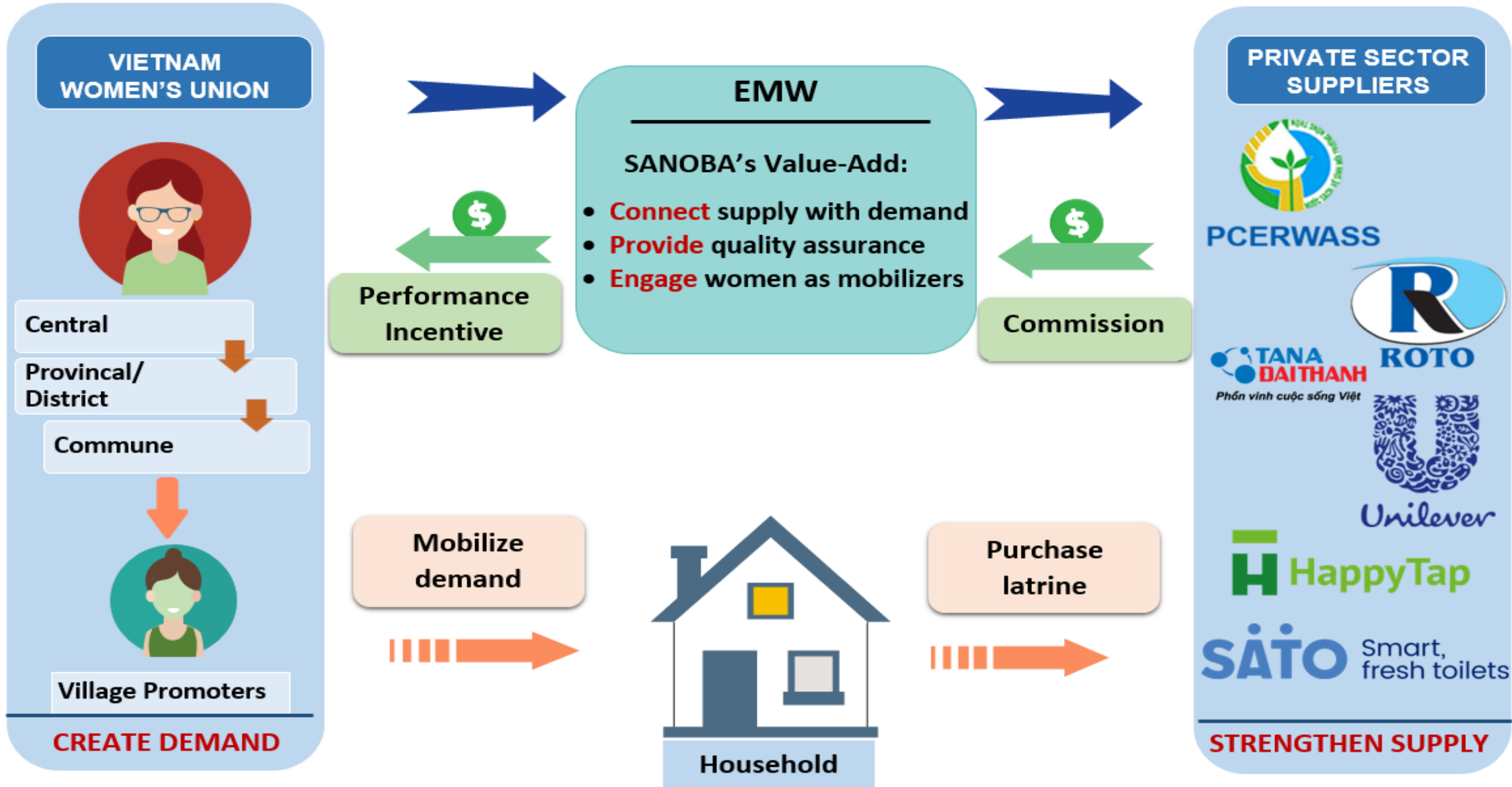
How can we financially sustain this approach at scale and introduce different approaches for reaching poor and non-poor?

GOAL of SANOBA

- 1) Develop a **self-sustaining commercial model** through coordinating partnerships between community demand mobilizers and private sector suppliers of sanitation products
- 2) Sustainably **reach poor and non-poor** by re-investing returns in ongoing latrine delivery



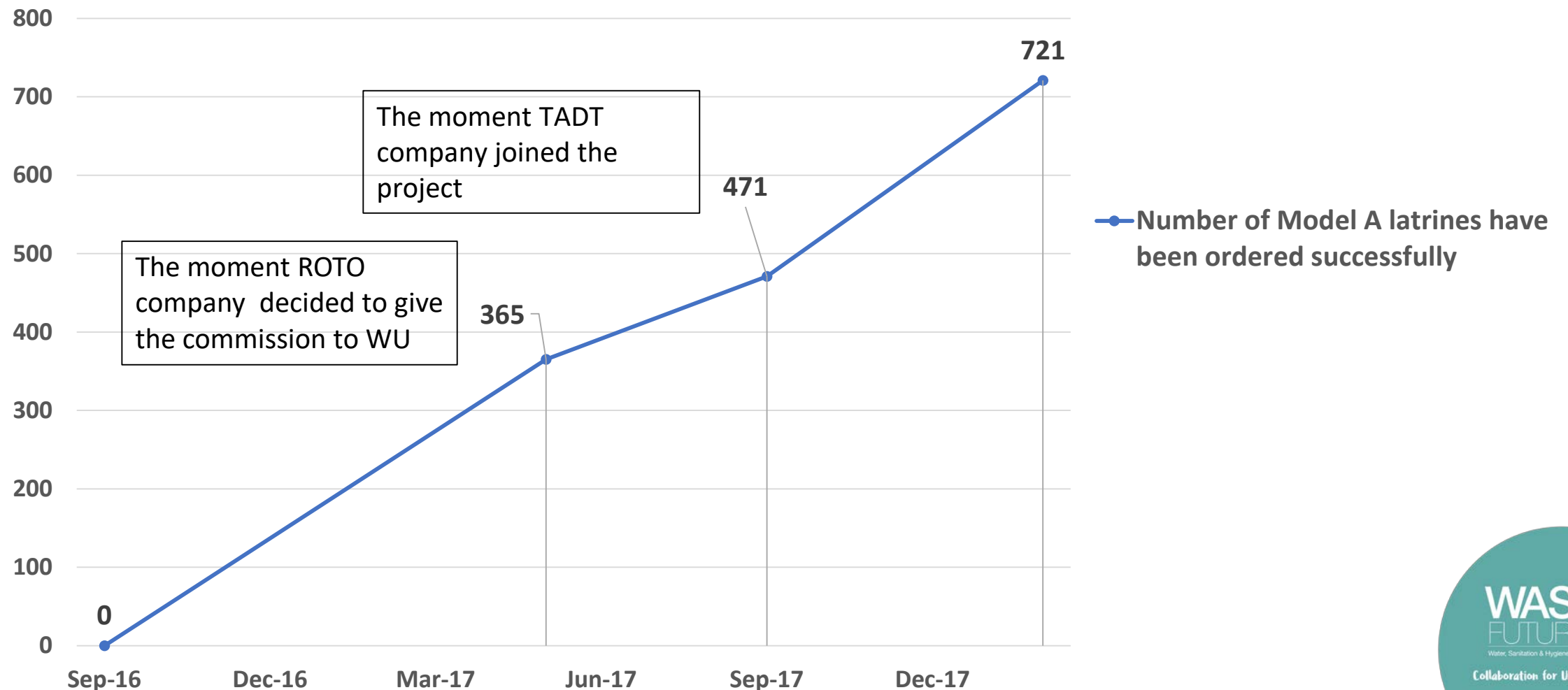
What does SANOBA do?



SANOBA's Value-Add: Connect Supply with Demand

SANOBA helps to build markets for new sanitation products, such as plastic septic tanks. SANOBA also strengthens markets for existing sanitation suppliers.

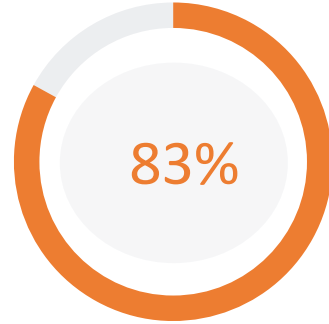
Sales Increase as a result of new private sector partnerships and commission payments



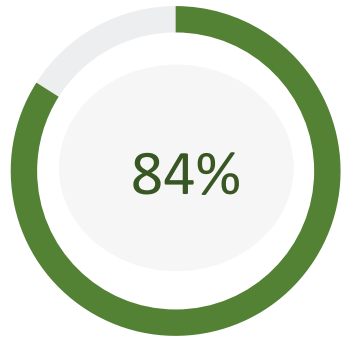
SANOBA's Value-Add: Quality assurance and engaging women



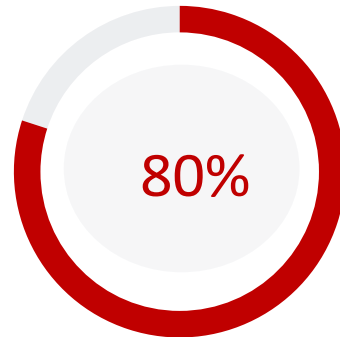
100% of suppliers (**3,821** suppliers) have been verified by EMW staff in 5 provinces



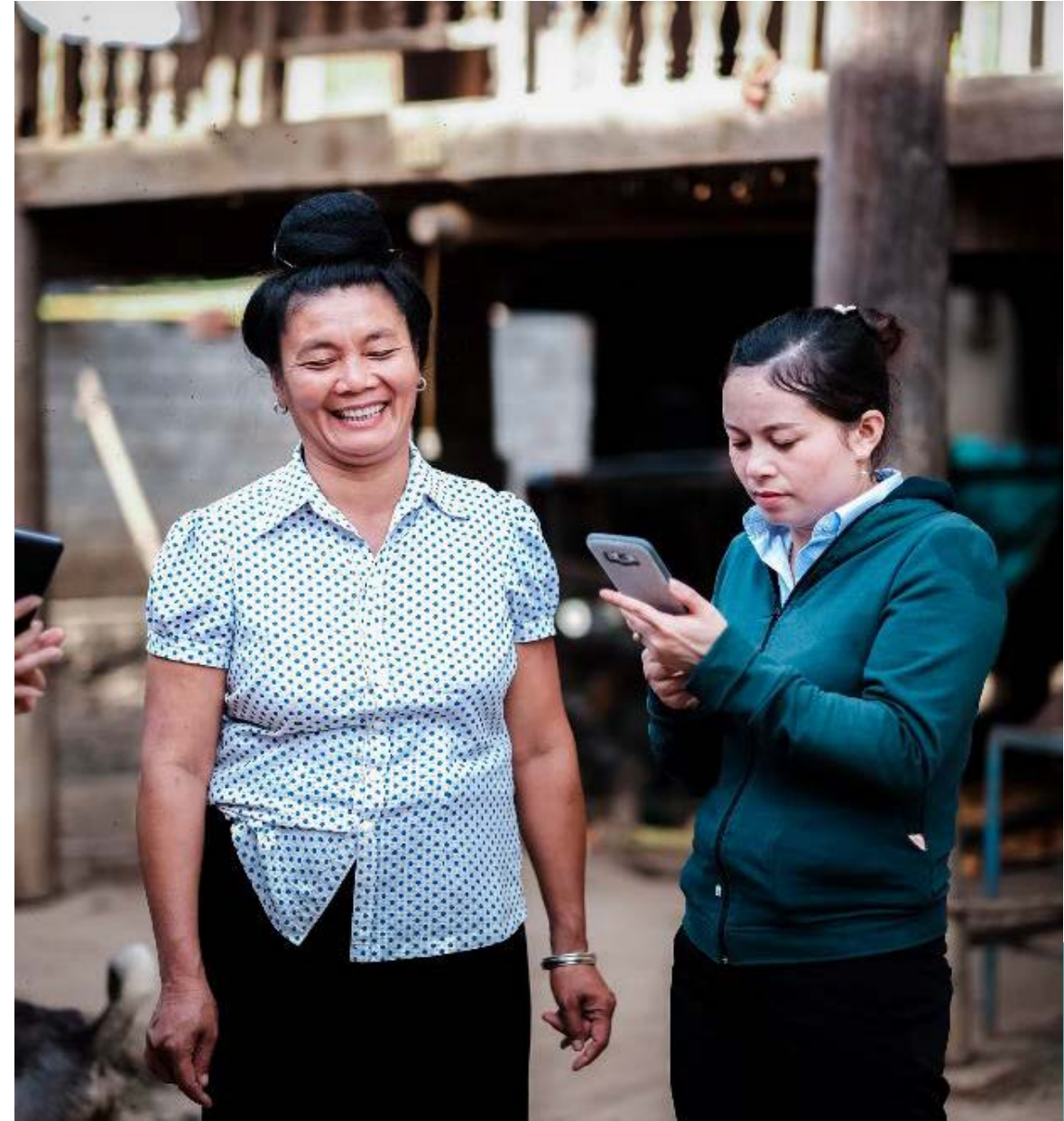
83% Overall Satisfaction with COST



83% Overall Satisfaction with QUALITY



80% Overall Satisfaction with RESPONSIVENESS AND TIMELINESS



Sustainability through different approaches for different income groups

Poor Households: OBA approach

Non-Poor Households: SANOBA approach

Household financing

- **Smart subsidy**

- **Sell latrines at market rate**

Product type

- **Simple, homogenous product**

- **Introduce wider product range and mix**

*Demand
mobilization*

- **Community-led health education and awareness-raising, rebate**

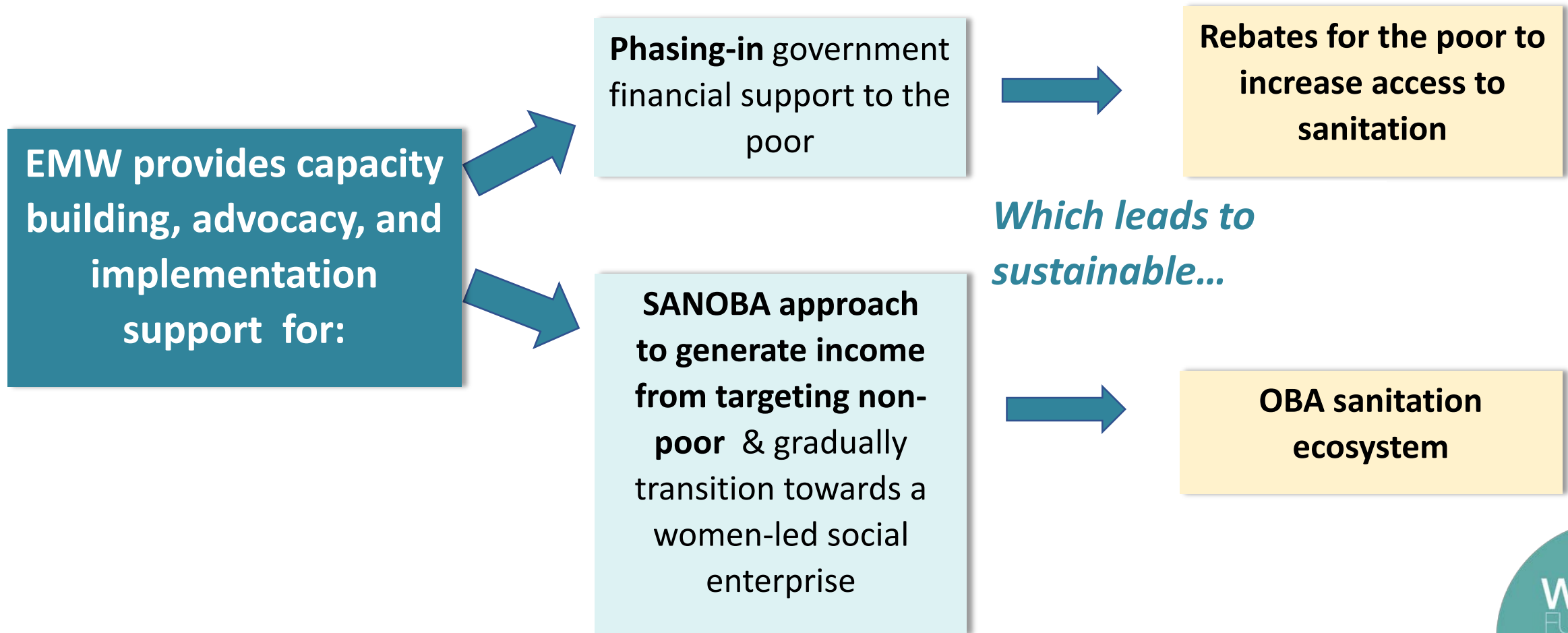
- **Compelling sales pitch (no aid of rebate)**

*Sustainability
mechanism*

- **Government co-financing**

- **Private sector partnerships and revenue**

Through bringing these approaches together, we hope to create a sustainable sanitation ecosystem that reaches poor and non-poor



Lessons Learned in developing SANOBA thus far

Building the business model:

- **Demand-generation innovations can help to overcome household reluctance**
- **Efficiency and high quality of customer service on the supply-side are important**
- **Business model innovations should be considered**



Lessons Learned in developing SANOBA thus far

Partnerships:

- **Cultivating “first mover” partnerships with private sector is key**
- **Despite CHOBA 2’s business-minded approach, government engagement remains critical**
- **Shifting implementation mindsets among partners from community mobilizers to sales agents can take time**



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