Effective CSO approaches for strengthening sanitation policy and markets

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CS WASH Fund: no clear taxonomy of countries - context matters

GNI per capita (WB, 2016) vs National access to at least basic sanitation services (JMP, 2017) by country population size (WB, 2017)

GNI per capita (PPP, current US$; World Bank 2016) vs National access at least basic sanitation services (JMP, 2017) by country population size (WB, 2017)
Policy environment for effective approaches

- 12 countries have water policy/strategy in place and 9 countries have a dedicated sanitation policy or national strategy
- 5 countries rely on integrated WASH policies or strategies; Vanuatu has no instrument for sanitation at all
- Assessment of policy environment within policy theme research: only 1 strong (Vietnam); 2 as weak (Vanuatu and PNG), with most assessed as moderate
- Two countries with fundamental governance changes affecting WASH policy context: Pakistan and Nepal

Policy environment for effective approaches in CS WASH Fund (n = 19)

- Moderate policy environment
- Strong policy environment
- Weak policy environment
Influence on national policy in five countries, but sub-national and local influencing more common

Sanitation and hygiene (including CLTS) most common policy area

Sector financing policy, including subsidies, also important
The ‘how to’ of policy influencing: lessons from the field

- Bringing data and evidence to the policy table is most common pathway
- Being a credible partner is also important
- Using financing commitments as a lever
- Understanding and harnessing the politics

P.15 What are the most effective ways for CSOs to drive policy change? (n = 62)

- Provide evidence base
- Sector financing commitments
- Credibility as partner
- Foster political champions
- Use external drivers (decentralization)
- Capacity building
- Piloting at scale
- Strategic partnerships
- Policy reform cycles
Challenges to policy influencing: “it’s the politics stupid”

P.16 Where CSO engagement with policy change has been frustrated or failed, what are the main reasons? (n = 31)

- CSOs don’t have the leverage or influence to go it alone
- CSO efforts can be out of sync with reform cycles
- There is no funding to support policy reform initiatives
- Conflicting or under-mining approaches co-exist
Engaging with sanitation markets: different approaches in same open (weak) policy context of Cambodia

- **iDE - market-based approach**, both stimulating demand and building network of local entrepreneurs
- Rapid expansion in coverage across intervention districts (> 6% increase in each of seven target provinces, contributing significantly to national growth in coverage)
- Not initially reaching poorest consumers – introduced smart subsidy

- **Thrive - public sector route**, to promote Output Based Aid Approach via government channels
- Household rebate based on rigorous verification to target the poorest households
- Now moving to transfer all of $18/latrine rebate to Commune Council (local government) budgets
Emerging sanitation markets benefit from public policy initiatives and entrepreneurs will respond

M.1. What conditions were identified as conducive to market creation?

- Public policy found to be most significant creator of market opportunity – drives demand for products and services
- Provides environment in which businesses are confident of revenue streams
- Government support to sanitation markets in many forms: pro-poor targeting, OBA, supporting business, and creating quality standards
Emerging conclusions: CSOs do not always have strong business development backgrounds

• Stimulating and incentivising private sector to engage in sanitation markets is critical, but requires commercial acumen and skills

• Most CSOs are risk-adverse, use ‘other people’s’ money and do not have a background in business or markets – some strong exceptions

• Establish or build capacity of CSOs to fully understand the operation of commercial markets – obvious and critical, but rarely done

M.4. How was a market analysis conducted? (n = 11)

- Rigorous/organized value chain analysis and consumer research
- Participatory processes
- Less rigorous investigations
- No market analysis
Emerging conclusions: a taxonomy of approaches to building markets and being realistic about time-scales

• Different pathways and scales to building markets:
  • ‘Under policy radar’ – Habitat for Humanity creating financing solutions in 36 villages/3 districts in Bangladesh
  • ‘Becoming the market’ – iDE market-based approach in Cambodia across multiple districts/provinces
  • Build local level PPPs by working within existing markets stimulated by government policy at national scale – Plan in Pakistan, Indonesia and Vietnam

• Time required to influence policy and build markets – often standing on the shoulders of previous efforts
  • SNV working in Bhutan for ~ 30 years
  • iDE market-based approaches in Cambodia first piloted >10 years ago and funded by BMGF and Stone Foundation

Photos @Plan Vietnam
Outstanding challenges and ways forward

• Addressing the full vision of SDG 6 – going beyond latrine construction only to tackle *sustainable management* of full sanitation service chain through market based approaches – feecal sludge management?

• Sustainability of market-led approaches facilitated by CSOs - importance of exit strategy

• Generating credible and robust evidence and investing in data collection – it is invaluable for influencing policy and not only intrinsic content

• Take time to fully understand the policy environment and the broader political economy
Thank you – the CS WASH Fund thematic research is being finalized and will be available shortly

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