01 Introduction: WSUP’s Sector Functionality Framework: Sam Drabble, Head of Research & Learning
02 Experience from Dhaka and Chittagong, Bangladesh: Amirul Hasan, Business Development Lead
03 Experience from Kisumu, Kenya: Emanuel Owako, Project Manager
04 Experience from Lusaka, Zambia: Sibongile Ndaba, Business Development Lead
05 The Bottom Line: Understanding the business of sanitation: Rosie Renouf, Research Officer
06 Looking ahead
Programmatic case study: Activating onsite sanitation markets
5-year BMGF-funded programme: 2012-2017
Focus countries: Bangladesh, Kenya, Zambia
Programme learning: pivoting towards a city-wide approach

**AIM**: Catalyse the market for onsite sanitation products and services

**PHASE 1**: Business-centred approach - development of innovative sanitation business models

**INSIGHT**:
- Focusing primarily on one link of the FSM chain will not improve services at scale
- Supportive policies, incentives and regulations are required to enable businesses to lower prices or reduce their operating costs

**PHASE 2**: City-wide approach - aimed to address **barriers to business growth** by strengthening diverse aspects of the **enabling environment** for FSM services
So what does the “enabling environment” look like?

- **WSUP sector functionality framework**
  - Partially based on the UNICEF WASH-BAT “enabling factors” categories
  - Provides a framework against which to map our **capacity development** and **sector influence** interventions...
So what does the “enabling environment” look like?

WSUP sector functionality framework

- Partially based on the UNICEF WASH-BAT “enabling factors” categories
- Provides a framework against which to map our capacity development and sector influence interventions...
Introduction: WSUP’s Sector Functionality Framework

Dhaka and Chittagong, Bangladesh

Kisumu, Kenya

Lusaka, Zambia

The Bottom Line: Understanding the business of sanitation

Looking ahead
Strengthening the enabling environment for urban sanitation in Dhaka and Chittagong

Presented by:
Amirul Hasan
Business Development Lead, Bangladesh
Urban sanitation in Bangladesh

- Bangladesh is one of the most densely populated countries in the world
- Very low rates of open defecation BUT only around 60% of the population use an improved sanitation facility
- There is no sewerage in Chittagong, and very little in Dhaka
- Households, businesses and institutions rely on pit latrines and septic tanks
Example focus areas in Bangladesh

**Institutional mandates**
Addressing lack of clarity about who was responsible for FSM delivery and regulation

**Private sector enablement**
Supporting businesses to enter the sanitation sector in Bangladesh

**Affordability and willingness to pay**
Developing a pricing strategy to help sanitation businesses balance commercial viability and affordability for low-income customers
Opportunities and challenges to scale-up: flow of human waste in Dhaka

- 3% safely disposed or treated
- 97% not effectively treated or safely disposed

11% safe transport through sewers
9% unsafe transport through leaking sewers
1% safe transport by vacuum tanker
9% unsafe manual emptying by sweepers
69% connected to surface drains
1% open defecation

9% not effectively treated
Indicator: Private sector enablement

➢ Development and replication of a public-private partnership for FSM services in Dhaka and Chittagong

- **SWEEP**: lease-based agreement between DWASA and Gulshan Clean & Care
- **Profitable on an O&M basis** within 5 months of start-up

<table>
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<tr>
<th>Regular operational activities</th>
<th>Maintenance activities</th>
<th>Receiving demand</th>
<th>Mass marketing</th>
<th>Regulatory activities</th>
<th>Replacing &amp; increasing fleet</th>
<th>Disposal &amp; treatment</th>
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<tr>
<td>GCC</td>
<td>GCC</td>
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<td>DWASA</td>
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Supporting the development of the Institutional and Regulatory Framework for Bangladesh:

- IRF for Dhaka – Dhaka City Corporations (North & South) take the lead, with DWASA in a supporting role
- IRF for other urban areas (including Chittagong) – City Corporations take the lead

Institutional mandates
Developing a **differential pricing strategy**:

- SWEEP customers living in low-income areas charged a **lower tariff**
- **Flexible** pricing structure
- Targeting of low-income customers a **contractual requirement**
LICs as proportion of total customers (%)
Red line represents the introduction of the 30% minimum LIC contract clause in Dhaka
Looking ahead: size of potential market in four cities

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<tr>
<th>City</th>
<th>Annual Market Size</th>
<th>City Rank (by size)</th>
<th>Sewerage Coverage</th>
<th>Open Defecation</th>
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<td>Rangpur</td>
<td>US $1 million</td>
<td>11</td>
<td>0%</td>
<td>1%</td>
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<tr>
<td>Dhaka</td>
<td>US $16.5 million</td>
<td>1</td>
<td>20%</td>
<td>1%</td>
</tr>
<tr>
<td>Barisal</td>
<td>US $2.5 million</td>
<td>9</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Chittagong</td>
<td>US $5.0 million</td>
<td>2</td>
<td>0%</td>
<td>1%</td>
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Any questions?
Strengthening the enabling environment for urban sanitation in Kisumu, Kenya

Presented by:
Emanuel Owako
Project Manager, Kisumu
Urban sanitation in Kisumu, Kenya

- Nearly 400,000 people live in Kisumu
- Approximately 75% of households rely on pit latrines
- Loose soil in the area leads to pit collapse, so pits tend to be small
- The County Government of Kisumu has few functioning vehicles for sludge collection and transport
- Informal manual emptiers are common
Working with the public and private sector

Private sector
- Gasia Poa

Public sector
- Kisumu County
- KIWASCO

Licencing Regulation
Enforcement Training

Resident → Waste collection & transfer → Treatment facilities

WSUP | Water & Sanitation for the Urban Poor
Example focus areas in Kisumu

- **Service provider capacity**: Developing and strengthening formal private sanitation service providers
- **Regulatory effectiveness**: Working with stakeholders to introduce regulations governing best practice for manual emptying or FSM
Indicator: Service provider capacity

- Supporting Gasia Poa to move into urban sanitation:
  - Supporting compliance with County Government’s licensing standards
  - Developing marketing and customer acquisition strategy
  - Providing financial modelling and training
Developing Standardised Operating Procedures (SOPs) in Kisumu

- **Raising minimum standards** for emptying and disposal
- **Extensive guidelines** covering overall operations, emptying of waste, transport, disposal, customer acquisition
- Accompanied by **training to improve enforcement**
Looking ahead: change at the county level

➢ Experience gained in developing the SOP in Kisumu City is feeding into a **County Sanitation Policy** now being drafted by the County Government.

➢ Long-term aim to **influence other counties** facing similar FSM challenges and contribute towards the establishment of **national FSM regulations**.
Any questions?
Introduction: WSUP’s Sector Functionality Framework

Dhaka and Chittagong, Bangladesh

Kisumu, Kenya

Lusaka, Zambia

The Bottom Line: Understanding the business of sanitation

Looking ahead
Strengthening the enabling environment for urban sanitation in Lusaka

Presented by:
Sibongile Ndaba
Business Development Lead, Zambia
Urban sanitation in Lusaka

- Around 70% of the city’s population live in informal ‘Peri-Urban Areas’
- Households in these areas commonly rely on on-site sanitation facilities
- This is very unlikely to change in the near future
- Poorly constructed pits leach into the surrounding soil or overflow during the rainy season
- Outbreaks of diseases like cholera are common
Working with community Water Trusts in Chazanga & Kanyama to **develop full sanitation chain service**

**LWSC:** Developing the utility’s on-site sanitation capacity

**Scaling up citywide sanitation** with national and international stakeholders
Example focus areas in Lusaka

- **Behaviour change communication**: Educating communities about the negative impact of disposing of solid waste in pits
- **Infrastructure and technology**: Providing improved on-site sanitation infrastructure for peri-urban population
Indicator: Behaviour change communication

Annual community-level campaigns:

- Don’t dispose of **solid waste** in pit latrines
- **Upgrade** to a pour-flush toilet
Infrastructure and technology

- Constructing **transfer and treatment stations** in Kanyama and Chazanga
- **Support Water Trust management** of the sanitation chain in peri-urban areas
Looking ahead: Lusaka Sanitation Project

- WSUP Advisory now providing LWSC with technical assistance for development of the FSM market across the city
- Opportunity to synthesise programmatic learning to influence city-level sanitation planning and management
Any questions?
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the bottom line

Understanding the business of sanitation

Play it now
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Looking ahead: a diagnostic tool

- Two-yearly assessments of sector functionality in WSUP focus countries
- Position city authorities to prioritise effectively
- Shift in focus from reactive, “keeping pace” approach to long-term system strengthening
Looking ahead: a diagnostic tool

➢ **Two-yearly assessments** of sector functionality in WSUP focus countries
➢ Position city authorities to **prioritise effectively**
➢ Shift in focus from reactive, “keeping pace” approach to **long-term system strengthening**
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