

Integrated sanitation approach to target poor and non-poor

OBA and SanMark Study Findings & Implications
Cambodia and Vietnam

Hanh Nguyen and Tara Hill

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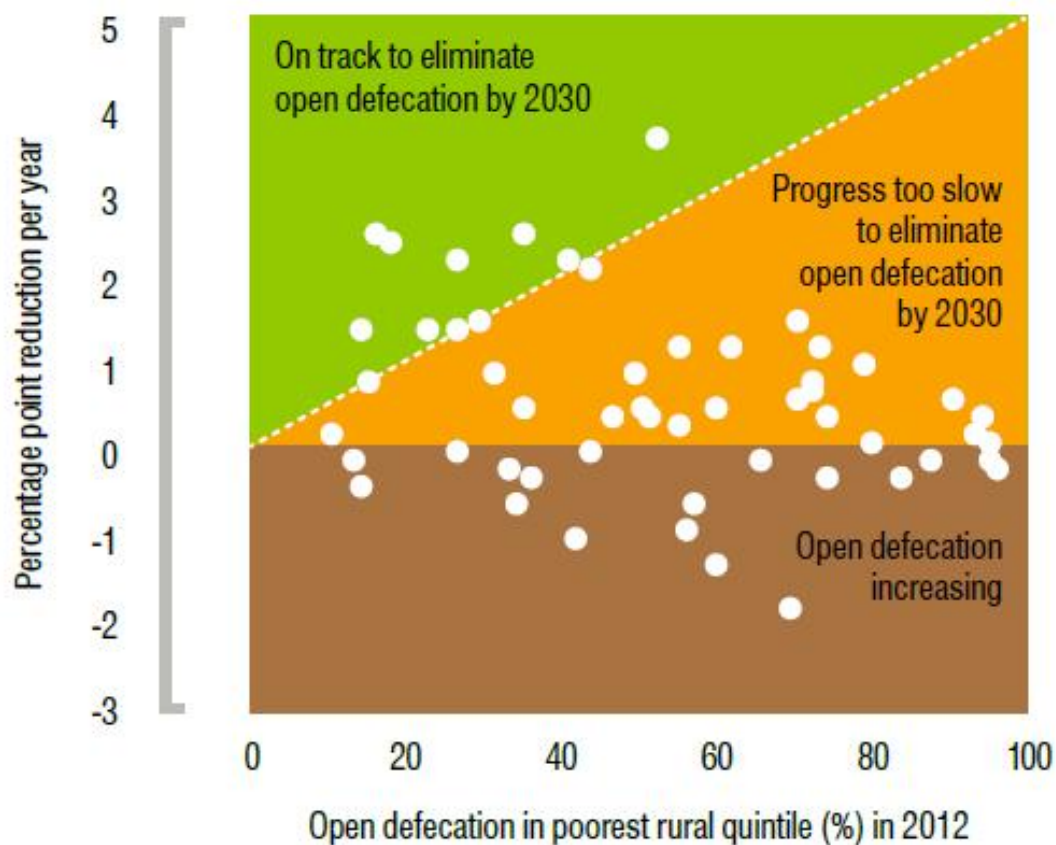
THRIVE
NETWORKS

**Australian
Aid** 


east meets west
A PROGRAM OF THRIVE NETWORKS



Helping the rural poor gain access to rural sanitation remains a core challenge for the SDG



Low-cost product design and sanitation micro-finance can help – to some extent...

- Not all countries have well developed MFI sectors
- Commercialization of MFIs shifts focus on better off
- Reluctance to borrow for sanitation by households

Bringing evidence to the debate on sanitation subsidies – Cambodia research

Research question:

What are the differences in latrine uptake across different poverty levels in villages exposed to a CHOBA smart subsidy, sanitation marketing alone, or both combined

Evidence used to inform Ministry of Rural Development's pro-poor sanitation subsidy guideline and harmonize approach under National Action Plan



Research Partner:



Research conducted in 2015-16

Three intervention groups: i) only sanitation marketing, ii) only CHOBA subsidy, iii) combined

Country situation

- 60% of rural Cambodians practice open defecation¹
- Poorest quintile four time less likely to have access
- Open defecation linked with child growth faltering²
- Multiple at-scale sanitation marketing programs (iDE, WaterSHED)



Sanitation Marketing:

- Design for low-cost aspirational product (off-set pit)
- Training/coaching of sanitation businesses on marketing mix
- Commission-based trained sales agents who carry out sales events

CHOBA rebate program:




- CLTS “light”
- Local mobilizers earn performance-based payments after each verified installation by a low-income household
- Low-income households benefit from a small (USD 18) subsidy
- Subsidy delivered as a discount to households and a rebate to suppliers

1. UNICEF-WHO JMP. 2015. Progress on Sanitation and Drinking Water – 2015 update and MDG assessment.

2. Vyas et al. 2013. Scaling up rural sanitation: investing in the next generation –growing tall and smart with toilets. World Bank: UNDP-Water and Sanitation Program.

Targeting households mainly through the Government's poor identification system (ID-poor)

- Government's targeting is based on Proxy-Means-Testing (scoring), validated by community perception on vulnerability
- ID-poor 1 and 2 have reasonable match with income poverty in comparison with other countries
- In order to capture the bottom 40%, "near poor" were also eligible for subsidies (using village survey with asset-based scoring)

Poverty category	Proportion of sampled HH	
Poor (ID Poor 1 & 2)	26%	
Near-poor (ID Poor 3)	19%	
Non-poor	55%	

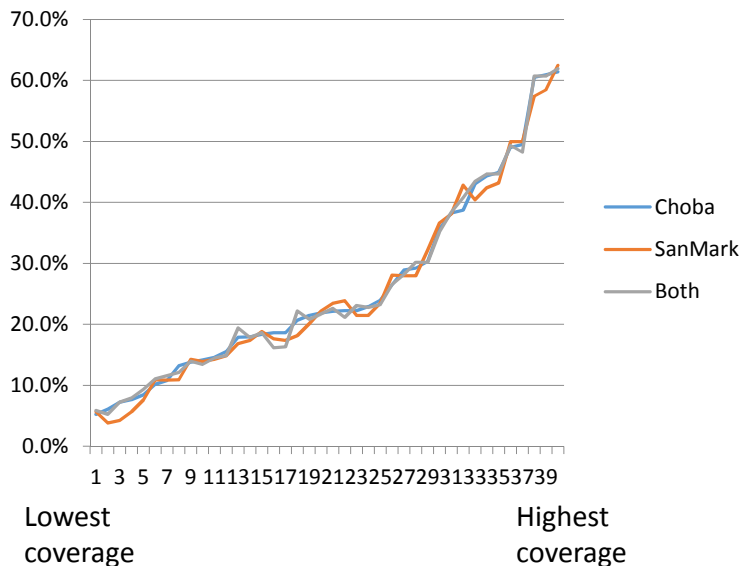
Villages were matched on variables to ensure that intervention groups were as similar as possible

Groups must be similar across key variables in Dec 2012, to establish attribution over 2013-2015. We needed to minimize bias via propensity-score matching using 40 variables (demographics, economic activity, poverty)

Latrine coverage in matched villages

Latrine coverage across matched groups

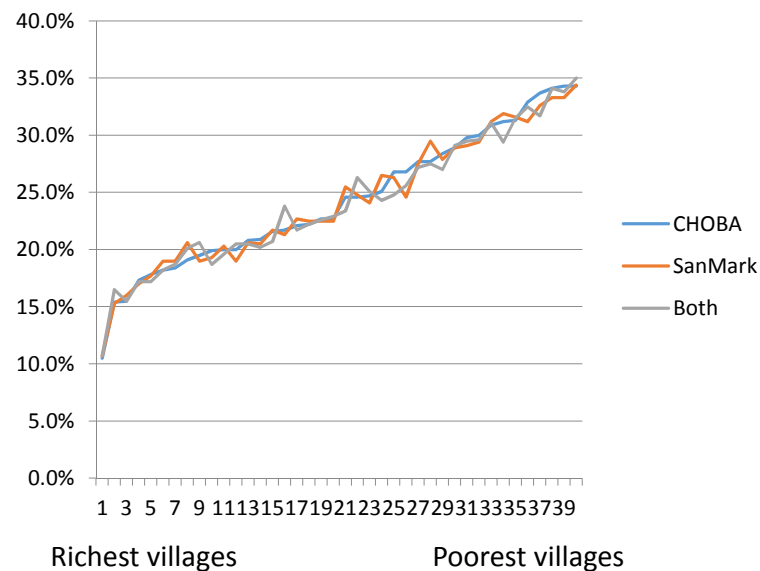
% of families with latrine on each village



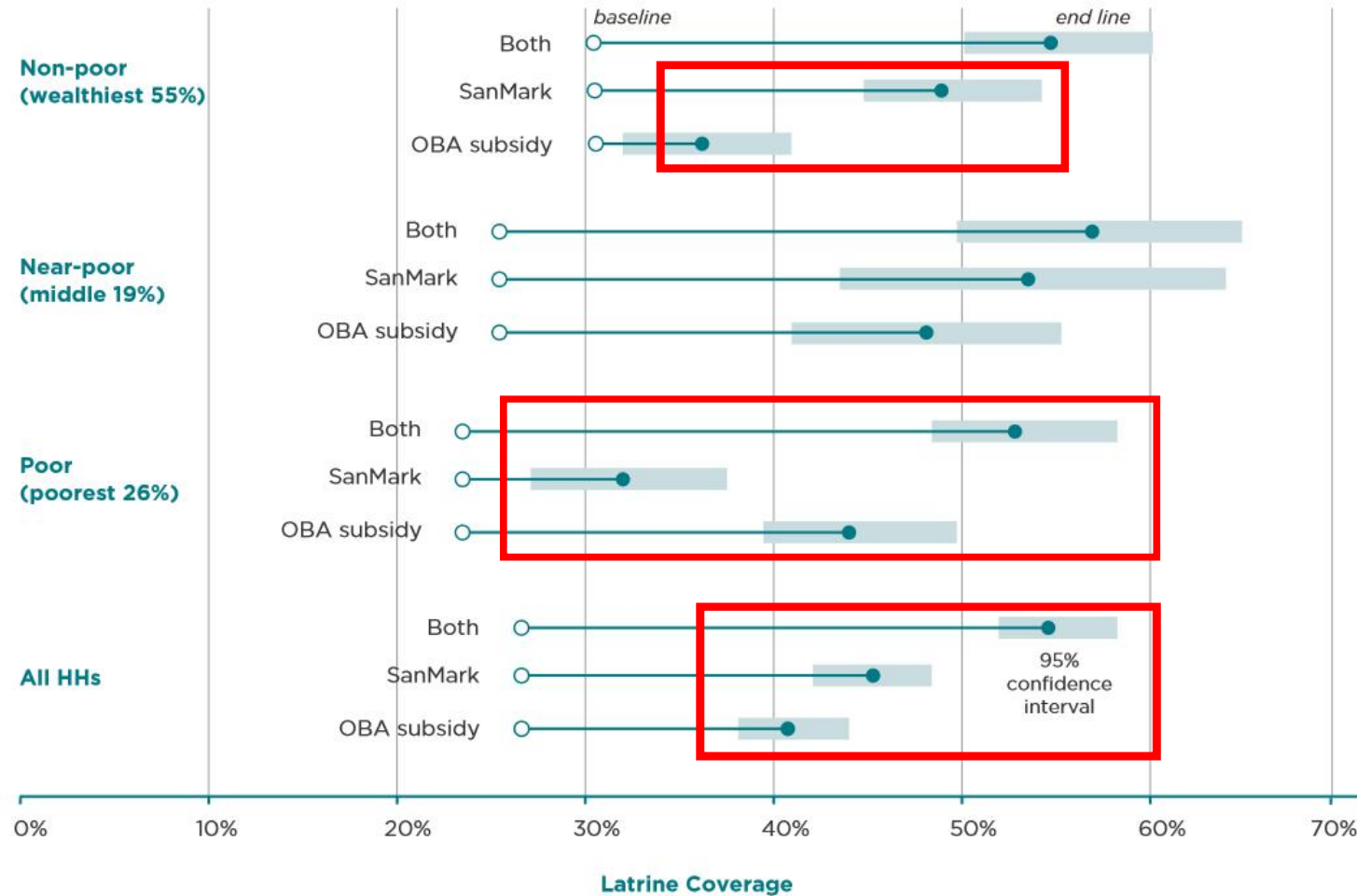
Poverty levels in matched villages

% Poor families across matched groups

Total ID-poor 1 & 2 families, % of total families



Main results across the different poverty segments and interventions



Three key conclusions

1. There is **no evidence the subsidies** offered in villages where sanitation marketing is implemented **create disincentives among the non-poor** for the adoption of latrines.
2. Villages that implemented subsidies for the poor AND sanitation marketing interventions showed **higher latrine coverage among all income groups** when compared to villages that implemented only one program.
3. Targeted subsidies and sanitation marketing should be understood as **complementary interventions**, as they target different income strata, and their additive effects among the overall population is dramatic.

Developments since EMW's research was conducted

Since EMW conducted this research in 2015-16, several other studies, pilots, and policies related to OBA have occurred in Cambodia:

1) Pilots and research studies by other NGOs in the sector:



2) National Guidelines on Smart Subsidies developed by Ministry of Rural Development



Growing consensus within the sector that carefully targeted smart subsidies can be a very effective way to increase latrine coverage among poor households.

Implications:

Moving forward
with a “pay for
results” sanitation
enterprise

Key Pillars of our CHOBA 2 / SANOBA Approach

- 1) Develop a commercialization approach
- 2) Build on past investments in ecosystem and foster business mindset
- 3) Long-term vision for sustainably reaching poor and non-poor
- 4) Build capacity and increase role of women

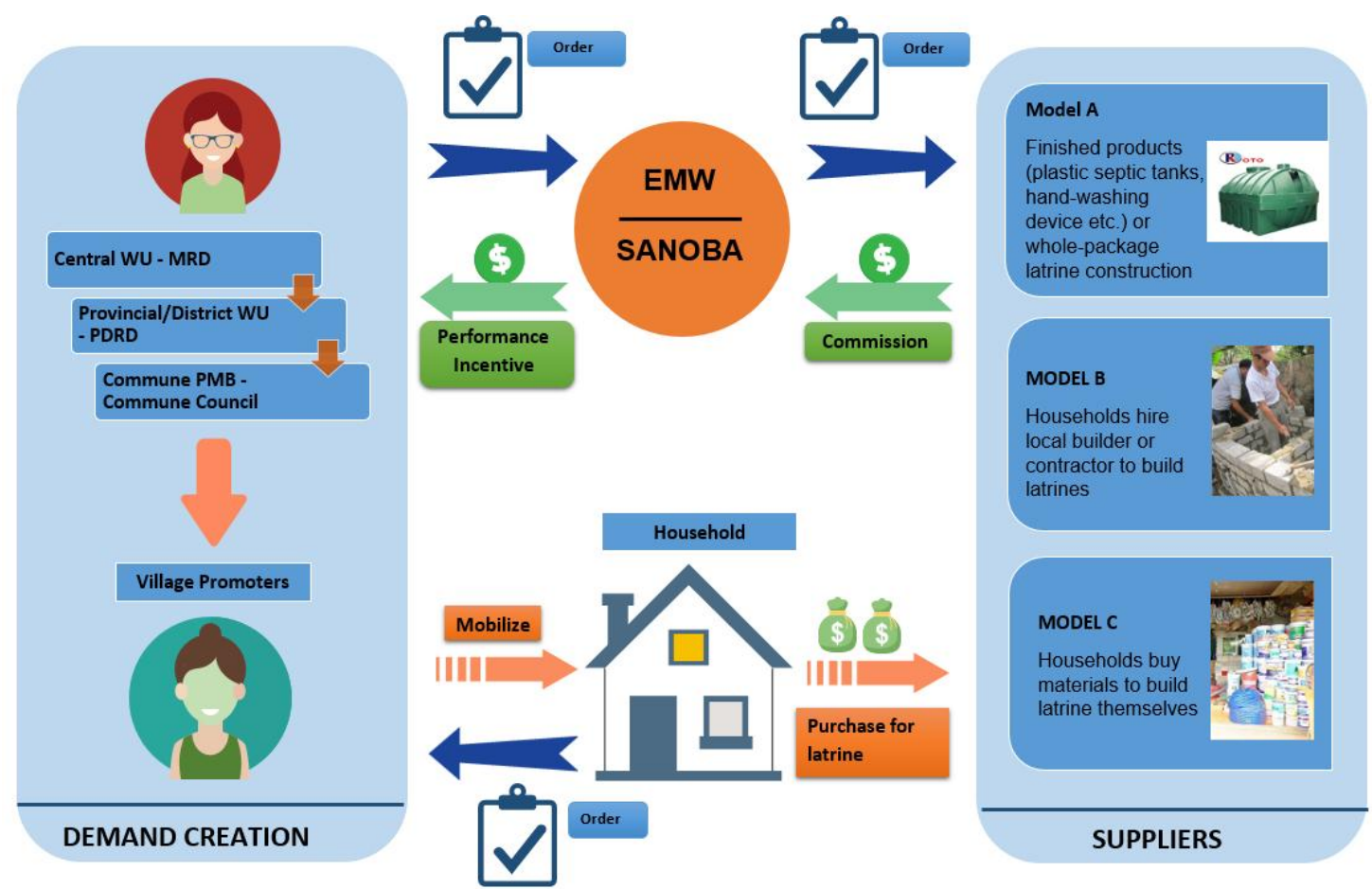
Implications: “pay for results” sanitation enterprise in Vietnam and Cambodia

1 Commercialization

Develop a sanitation enterprise under CHOBA 2 / SANOBA approach

2 Foster business mindset within ecosystem

Orient partners towards a business approach



Implications: reaching the poor and non-poor, with a focus on women

3

Focus on poor and non-poor

Differentiated approach for different
income groups

4

Build capacity and role for women

Women-owned business



How does this approach differ?

SANOBA Approach

1

Focus on customer satisfaction

2

Local people as village promoters

3

Business approach, with pro-poor targeting

2

Consumer incentives from private suppliers

Thank you!

For more information:

Hanh Nguyen: hanh.nguyen1@eastmeetswest.org

Tara Hill: tara.hill@eastmeetswest.org