



GUIDANCE NOTE 6

UNICEF Sanitation Marketing Learning Series

Enabling Environment: What roles and functions are needed in the new sanitation market?

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In this Guidance Note you will learn:

- The role of the market within sanitation programming
- What roles and functions different actors can play to support the new sanitation market
- How local government can be involved in linking supply and demand to grow and sustain local markets
- Practical tips for UNICEF in identifying and supporting actors to take on new roles

1. What is the role of the market in sanitation?

Sanitation Marketing (SanMark) helps governments to reach their sanitation goals in two fundamental ways. Firstly, it leverages household investment in an improved latrine. Secondly, it leverages and builds private sector investment and capacity to produce and distribute a broader range of improved sanitation products and services. By helping sanitation markets function more effectively to serve low income households, governments can achieve the programmatic principles of sustainability and scale. Encouraging those who can pay to pay also allows for better targeting of public funds towards demand creation and support to those who are truly unable to afford improved levels of service (see GN8: Equity in SanMark).

Where conditions are right, SanMark and other market-based mechanisms can play an important role in the sanitation policy and programming mix. But the market is not a substitute for government's central responsibility in ensuring adequate sanitation to protect public health. Governments need to take the lead, building their capacity to facilitate community-led efforts to stop open defecation and promote household investment, whilst supporting the local private sector to provide improved sanitation services. In this Guidance Note, we offer some practical guidance on critical roles and functions needed to facilitate the growth of local sanitation markets. We also offer some tips for UNICEF to support local government actors, communities, and development partners to take on these SanMark facilitation roles.

2. What can governments do to support sanitation markets?

Within UNICEF, MoRES provides a framework for identifying bottlenecks to progress in the enabling environment. The Water and Sanitation Program (WSP) Global Scaling Up Rural Sanitation Project has also developed a useful framework for assessing the wider enabling environment for at-scale sanitation improvement (see Resources below and GN9: Monitoring and Evaluation for further discussion). In this Guidance Note, we focus specifically on those roles and functions that are needed to support sanitation markets and engage businesses to expand services to poorer population segments, as a sub-set of broader activities for strengthening the enabling environment.

Unlike the community-wide focus of CATS, the private commercial market for sanitation products and services essentially involves a private transaction between a business and a consumer. This private transaction has great potential to contribute to the public good by reducing fecal environmental contamination. The role of government agencies and other development partners in SanMark is about facilitating that consumer transaction by:

- Helping to generate new demand through promotions;
- Linking business to households that are ready to purchase;
- Building skills and providing market intelligence to help businesses respond to new consumer demand;
- Assuring competition in the market; and
- Monitoring quality to protect consumers and public health.

Without government leadership from national to local level, it is unlikely that SanMark efforts – or indeed any demand-driven sanitation program intervention - will reach the scale and have the impacts needed to address current sanitation challenges. Table 1 highlights typical sanitation market facilitation roles and activities for government and other actors at different levels. SanMark brokers new collaborative relationships between the private sector and local governments, helping to build trust and enabling businesses to serve households that have been traditionally left out of the market. In practice, who takes on what roles in SanMark will be highly dependent on the policy and institutional environment as well as the local capacities, interest and political will of government officials and other partners within your target area.

Local government and external agency roles will evolve over time. At the start of your SanMark program design, UNICEF may rely more on technical input from external support agencies and consultants, for example to conduct market research or to develop and test suitable products, business models, and promotional strategies (Steps 1 – 5 of the SanMark 7-step Framework). Once the program has gained some experience piloting these strategies, and begins to scale up and replicate, sub-national and local government may take more of a lead in on-going market facilitation, training, monitoring and other roles.

Even if external resources are brought in for early SanMark design steps, there are many opportunities to actively involve local government. In Malawi, UNICEF trained district-level officers to conduct market research and product design with the support of an independent consultant. Since they have been actively engaged right from the start, local government 'buy-in' is high and field staff from the lead ministry has been able to build the case for SanMark at national forums.

Table 1: Common market facilitation roles for sanitation

	Key Roles	Indicative functions and activities
National (Lead Ministry)	<ul style="list-style-type: none"> • Policy and strategy development • Regulation • Coordination • Capacity development • Knowledge management 	<ul style="list-style-type: none"> • Set sanitation goals and establish sanitation priorities • Articulate the role of the private sector and markets in national sanitation policies and strategies • Coordinate engagement of different actors in SanMark • Develop policies and guidelines on 'smarter' use of sanitation subsidies, including social subsidies, to reach poorer households (GN8) • Play an active role in designing communications, behaviour change, and demand promotion campaigns • Ensure quality standards for sanitation products and services, and develop a system for regulation and oversight of the private sector • Set job duties for sub-national and local officials, and provide training and support to line agencies • Allocate budget to sub-national and local government for demand creation and promotional efforts • Engage with the private sector and sanitation business associations • Coordinate national-level knowledge exchange on sanitation marketing and linkages to CATS
Sub-national Actors (e.g. Regional Government, NGOs)	<ul style="list-style-type: none"> • Supervision • Monitoring • Capacity development • Consumer Protection 	<ul style="list-style-type: none"> • Supervise and ensure coordination between CATS and SanMark programmes • Facilitate and attend forums with sanitation businesses and support the formation of business associations • Monitor sanitation businesses to ensure compliance with quality standards, regulations, and fair pricing rules* • Monitor changes in improved sanitation coverage and other sanitation improvements* • Offer technical support to consumers on installation and safe and correct usage • Provide equal access to information and equal opportunity for businesses to promote their products • Set job duties for local level officials and provide training and support • Provide consumer protection against predatory businesses • Allocate budget to demand creation and promotions • Contribute to research and knowledge exchange on sanitation marketing and its links to CATS
Community-Level Actors (e.g. Local government, community health workers, community leaders, CBOs)	<ul style="list-style-type: none"> • Demand promotion • Linking new demand with local supply • Monitoring 	<ul style="list-style-type: none"> • Help arrange for village-level demand promotion and consumer education events, including community introductions to new products and partner businesses • Play intermediary role, informing partner businesses of households who are interested to purchase, and informing interested households of contact details for local partner businesses • Inform local partner businesses of CATS triggered communities • Help broker and arrange bulk community purchases • Provide equal access to information on potential size of local demand and equal opportunity for local businesses to promote their products • Monitor improved coverage and new latrine installations*
External	<ul style="list-style-type: none"> • Support 	<ul style="list-style-type: none"> • Conduct market research, product design, business modelling and

Resource Agencies (consultants, private firms, NGOs, training institutions)	SanMark research & strategy design <ul style="list-style-type: none"> Capacity development & training 	promotional campaign design activities <ul style="list-style-type: none"> Design and deliver training and business development services Facilitate business forums and exchanges Support local government in demand promotion and consumer education and linkages to CATS activities Coordinate village-level demand promotion events if needed Monitor sales, new installations, coverage, usage, equity and other program metrics*
UNICEF	<ul style="list-style-type: none"> Coordination Capacity development Policy advocacy Knowledge management 	<ul style="list-style-type: none"> Coordinate, fund and commission key SanMark market research and design activities Policy advocacy for market-based approaches, smarter subsidies, and social policies for sanitation Capacity development and support for government at all levels (and other partners if needed) to implement SanMark activities Knowledge management, research and exchange on key SanMark, CATS and financing issues Monitor results and outcomes for equity through UNICEF MoRES

* See GN9: Monitoring and Evaluation for discussion fo SanMark monitoring frameworks



BOX 1: WHO IMPLEMENTS?

To date, there have been two basic implementation models for SanMark:

- **Lead government agency directly managing implementation** with technical support from agencies such as WSP and UNICEF, NGOs, experts, private marketing firms and others. In this model, governments are directly responsible for developing and executing plans, participating in research, setting goals, providing training, monitoring and regulating service provision. Successful SanMark programs in Benin, Indonesia, Tanzania and elsewhere have been executed at scale with government in the lead implementation role.
- **NGOs or other sector actors as lead implementing agencies:** In this project-based approach, the NGO directly leads, manages and executes key roles such as contracting experts, marketing firms and business development service providers; coordinating consumer research and product design; providing training; and monitoring progress. This is often done in collaboration with local government and community-level leaders. SanMark programs in Cambodia, Vietnam, Pakistan, Uganda, Malawi and elsewhere have been executed with NGOs or other sector actors in the lead.

Even in cases where NGOs or other sector actors are lead implementers, SanMark activities have the highest likelihood of scaling up and sustaining if these non-government groups have clear plans for progressive hand-over of key SanMark facilitation roles to local government. In Cambodia, the WaterSHED program has developed a ‘Hands Off’ SanMark approach that emphasises the primary roles of local and sub-national government and private sector (see Resources below). The program explicitly downplays the visibility of the NGO facilitator in order to reduce business dependency and promote local government ownership and capacity development.

3. How do SanMark facilitation roles fit within a CATS context?

Improvements to broad enabling environment conditions can take time. Luckily, UNICEF is already making substantial progress in many CATS countries towards shifting governments from supply-driven interventions towards demand creation and support for local community action. SanMark activities should simply build on these efforts.

CATS program strengths in engaging champions and creating demand for community-wide social change can help to 'prime the market' for affordable, desirable products. Businesses can build on the momentum of CATS by making their products known and available to triggered and ODF communities. Conversely, CATS programs can benefit from the presence of local SanMark partner businesses in the area, which are ready with the right products at the right time to respond to newly created demand. Local governments can be supported with mentoring, capacity building and appropriate tools to facilitate the growth of the local sanitation market, protect low income consumers, and oversee product and service quality.

Programmatic linkages between CATS and SanMark will be covered in more depth in GN10: SanMark and CATS. Some practical roles and SanMark facilitation activities for local government and other partners include:

- **Help businesses to identify and conduct product promotions in triggered and ODF villages** Sanitation businesses can be given a list of triggered and ODF villages, so that they know where and when to go to a village.
- **Use CATS follow-up to encourage immediate installation and use of purchased products** Where CATS programs are active, CATS facilitators can help encourage the installation and correct and consistent use of purchased products. Natural leaders and other officials can provide additional advice on product options, technical aspects of installation, construction and usage of improved latrines.
- **Incorporate business tracking and support for 'healthy competition' between businesses into on-going activities** Sub-national authorities can consider non-monetary rewards and incentives for businesses, including recognition of 'high performing' partner businesses and local market development innovations that help to expand rural access. In Cambodia, the WaterSHED Hands-Off SanMark program has supported district and commune officials to include improved coverage, sales, and business performance in monthly meetings that track ODF status. High-performing businesses are brought to a national forum to celebrate their success. In this framework, businesses selling quality affordable products in previously unserved communities are seen as key partners that can support achievement of ODF status and sustain ODF over time.
- **Incorporate new product sales and installation monitoring into existing CATS monitoring and verification frameworks** CATS follow-up and verification systems can be expanded to include regular monitoring of new product purchases and installations, which can be cross-checked with sales records of businesses.

4. Practical tips for UNICEF

UNICEF has a unique role to play in supporting local government and other partners to take on sanitation market facilitation roles. Here are some tips to consider as you develop and implement your SanMark activities:

Tip 1: Engage government partners in each step of the 7-Step SanMark process to create buy-in for testing SanMark approaches Particularly at the start of your program, you may need to spend time building understanding and support within government for market-based approaches. Consider making a ‘jump start’ on activities in order to build some quick wins and provide early evidence. For example, UNICEF Sierra Leone worked with government to develop consumer and supply chain research, then presented early findings in a national workshop to build understanding and momentum for the next steps.

Tip 2: Consider exchange visits to take government partners to visit successful SanMark programs in neighboring countries in your region This is a great way to build understanding and interest during or even before SanMark work begins. During program design stage, WSP facilitated an exposure visit to Cambodia for Lao PDR national, provincial and district officials. The visit allowed Lao PDR officials to talk to their Cambodian counterparts about practical issues and to see mature SanMark programs in action to convince them of the power of marketing.

Tip 3: Assess the enabling environment as part of early market research Consider using tools like the UNICEF MoRES bottleneck analysis framework or WSP’s Enabling Environment Framework to understand the policy environment, institutional arrangements, and existing roles and capacities of government counterparts and other sanitation partners. This will help you to determine who might be best placed to take on different market facilitation roles. In Benin, SanMark is a national approach led by the Ministry of Health, which uses district-based environmental health officers to implement the program and support key local SanMark roles. In some districts that did not have such personnel, local NGOs were contracted by the Ministry through a competitive bidding process to take on these implementation functions in their place, following the same program approach.

Tip 4: Budget funds to train, support, and mentor local government leaders This will include demand creation and product promotion activities, introductions to local partner businesses in business forums, and support for enforcement of quality standards and other consumer protection activities. Accreditation of local businesses by local authorities has proven to be a successful way to monitor quality and build consumer confidence in several Asian countries including Indonesia and Vietnam.

Tip 5: Be flexible in the development of roles and functions There is no ‘one-size-fits-all’ approach to market facilitation. As this is an area of emerging learning, there is also not yet clear evidence on the things that different actors ‘should’ and ‘shouldn’t’ do. It is best not to be prescriptive, especially at the beginning. Taking an iterative approach to learn what works is a great way to quickly build up program knowledge. For example, if it is unclear what roles CATS facilitators should play or when they should be involved, you can pilot test having them involved in different roles at promotional events before, during, and after CATS triggering events to see what works best.

5. Resources for further reading

Reports

1. UNICEF 2010 “Sanitation Marketing in a CATS Context: A Discussion Paper” prepared by Ann Thomas. http://www.unicef.org/wash/files/Sanitation_Marketing_in_a_CATS_Context.pdf
2. WSP (2012). What does it take to scale up rural sanitation? WSP Working Paper. http://www-wds.worldbank.org/external/default/WDSCContentServer/WDSP/IB/2012/07/16/000356161_20120716024231/Rendored/PDF/709440WP00PUBL00up0rural0sanitation.pdf
3. WSP (2012) Policy and Sector Reform to Accelerate Access to Improved Rural Sanitation. WSP Working Paper. <http://www.wsp.org/sites/wsp.org/files/publications/WSP-Policy-and-Sector-Reform-to-Accelerate-Access-to-Improved-Rural-Sanitation.pdf>
4. UNICEF (2013) Briefing Note: Enhanced Programming and Results through Monitoring Results for Equity Systems (MoRES).

On-line Course

Rural Sanitation at Scale – WEDC and WSP on-line course: <http://wedc-knowledge.lboro.ac.uk/my-courses/rss.html>

Videos

WaterSHED Cambodia - The ‘Hands Off’ Approach to Sanitation Marketing:

<http://www.youtube.com/watch?v=QJGiPZQM5tk>

WSP TSSM Indonesia - Sanitation Marketing/CLTS Intervention Sequence in District:

<http://www.youtube.com/watch?v=LiznFw8EAbM>

About the UNICEF Sanitation Marketing Learning Series

This Guidance Note is part of the UNICEF Sanitation Marketing Learning Series, a learning initiative designed by the University of California Davis (UCD) to improve Sanitation Marketing knowledge and practice within UNICEF. The Learning Series is delivered by Mimi Jenkins (UCD and London School of Hygiene and Tropical Medicine), Danielle Pedi (Consultant, WASH Catalyst), Jeff Chapin (Consultant, IDEO), and Mike Rios (17 Triggers Behavior Change Lab).

The ten Guidance Notes in the Series are available for download here: <http://uni.cf/Xo2o2l>

1. *Situation Analysis – How do I know if SanMark will work in my country?*
2. *Consumer Behavior – How can we understand sanitation consumers in target markets?*
3. *Sanitation Supply Chains and Business Models – How can we improve market systems?*
4. *Private Sector development - How do we improve capacity of local sanitation businesses?*
5. *Getting the Product ‘Right’ – How do we design affordable, desirable latrines that businesses can profitably produce and sell?*
6. *Enabling Environment – What roles and functions are needed in the new market?*
7. *Demand Promotion and Marketing – How do we reach rural target markets in san mark?*
8. *Equity in Sanitation Marketing - How can we support the market to reach the poorest?*
9. *Monitoring and Evaluation – How do we measure sanitation marketing progress?*
10. *Sanitation Marketing and CATS – How do we link approaches?*