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## Question and Answer (Q&A) Document

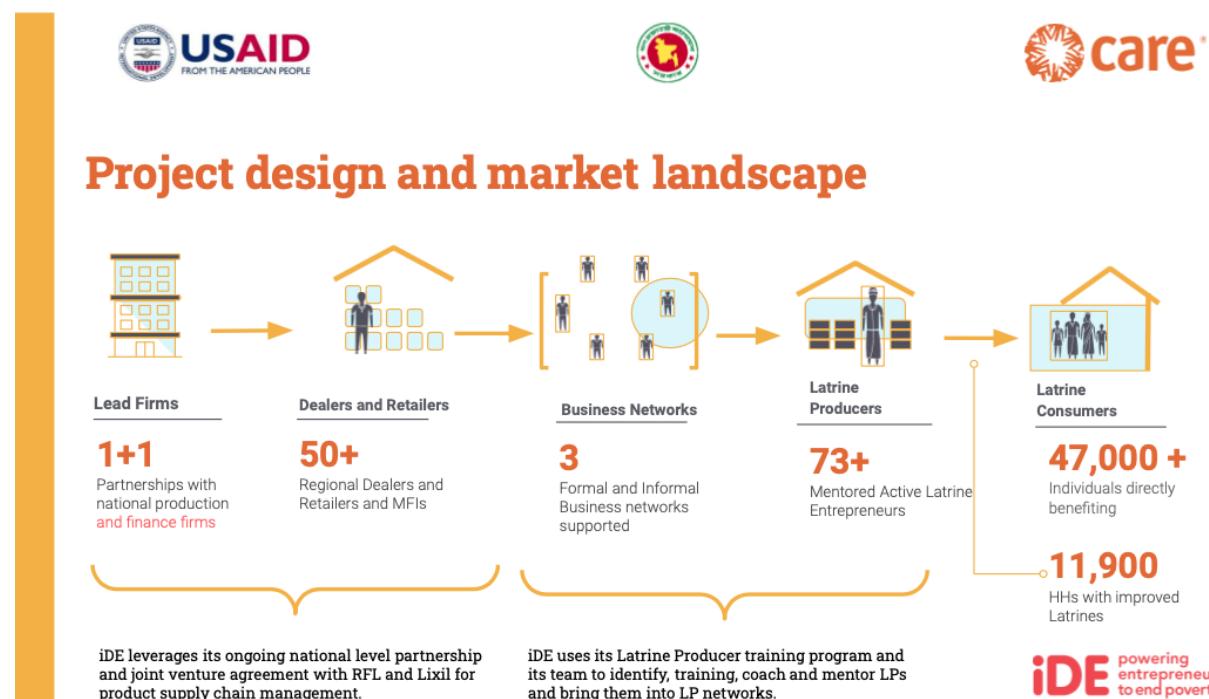
### Leveraging Market Approaches to Sanitation: SWIRL Initiative in Bangladesh - Webinar

**Link to the Webinar Recording:**

<https://www.fsnnetwork.org/event/leveraging-market-approaches-sanitation-swirl-initiative-bangladesh>

**Question: What is your contribution as a project in developing the latrines' value chain? What is the average price for a latrine unit? How were prices decided?**

**Answer:**



We described our approach and its results in the webinar with the infographic of the market systems interventions and our results (see video - timestamp 19:17). In summary, we were able to achieve the following:

- We worked with 2 lead firms through our ongoing institutional partnership with Lixil to help commercialize SaTO Pans and RFL, a Bangladesh based private company that manufactures

SaTO pans in the country, refined these partnerships and improved it for the specific geographic areas.

- We formed local level partnerships with more than 50 local commercial entities that supply latrine installation items - from cement to bricks and corrugated tin sheets to ensure that they would be able to work closely with the latrine producers in our locations.
- The latrine producers were encouraged to form self interest groups (Sanitation Business Associations) for a better negotiation platform for supplies (e.g. bargaining for better prices and supply for pans, cements, bricks) and better coordination when they receive large orders from local public entities. A total of 3 of these associations have been formed and are actively working without our support.
- We have trained, coached and mentored 75 latrine producers and in return they have hired additional 75 sales agents to increase their coverage. A large number of these sales agents are women.
- And all of this has resulted in almost 12,000 latrines being sold which has created new access for over 47,000 people to improved latrines.

In terms of the solutions available, consumers have a range of products at [various prices](#).

The price for these products are set by the commercial actors based on various factors such as the component prices of the different products, the margins that they want to include based on their market assessment and prices of competing solutions. At iDE, based on our ongoing experience with Sanitation market development programs, we provide the latrine producers with information and market insights on the pricing structure, but these are guidelines to make their services accessible to the right consumer category and the latrine producers are free to chose their final price that they fix to sell and instal.

**Question: How were the entrepreneurs selected? What are the incentives to invest in sanitation for the private sector?**

**Answer:** When selecting Latrine Producers (LPs), we go through a rigorous scouting process. We are ideally looking for entrepreneurial traits and an aptitude for learning new skills. Their past experience in similar types of business certainly is helpful, but is not a mandatory requirement. The screening process for potential candidates includes evaluating their willingness to invest seriously in their own business and capacity building. Another key criterion is the LPs willingness to produce and sell improved latrines. Normally, they sell the traditional latrines so their willingness to diversify their portfolio is also another criteria we assess. We also check their existing customer base to determine scale.

For most commercial partners, the primary incentive to invest in sanitation is the ability to generate profits - simply put. We demonstrate this by communicating with them a clear business case - which often includes showing the demand, explaining to them how the business works and ultimately explaining to them how they can generate profit.

**Question:** What would be the main capacity needed at the beginning for rural entrepreneurs who are not used to sales agents, business skills and monitoring of sales and marketing?

**Answer:** based on our experience, the foundation capacity to focus on would be to create a sense of self reliance. There are many different tools and techniques including the global platform that provides the most comprehensive knowledge on this - <https://www.tfsr.org/about/>

Once we create the positive mindset amongst the potential entrepreneurs to take initiatives on their own, then iDE has a series of training programs that focus both on the technical aspects of sanitation business as well as the business formation, improvement and growth.

**Question:** What are the studies to monitor functionality of the SaTopan? What is the life cycle of the product?

**Answer:** As part of our periodic monitoring, we conduct assessments internally within our end year survey to check if toilet components are intact, people are able to use them, whether the latrines have been installed properly. In addition to this, to ensure USAID environmental compliance, SWIRL has introduced an activity to check and ensure the toilets are installed according to the environmental mandate. SWIRL project staff randomly do the physical verifications of the newly installed about 30% of total latrines that have been sold from the enlisted LP's store and ensure that the environmental compliances are met. This physical verification is done through a prescribed checklist. If the compliances are not met the staff of SWIRL inform and inform the household about the installation appropriation (based on environmental safety) and give them counselling. The checklist is furnished with the following pointers:

- Is it installed in a higher position to prevent flooding?
- Is the latrine 30ft away from the tubewell?
- Is the latrine slab improved and hygienic?
- Is it yellow in color?
- Does the footrest have spikes?
- Is the latrine pipe exposed in the open or in a water body?
- Are you satisfied with the toilet?

The life-cycle of the product is typically about 5-7 years.

**Question:** How do you wean off the direct beneficiaries?

**Answer:** Investing in developing a robust and competitive market system in perhaps a good place to start discussing the weaning off process. Competitive markets tend to invite competition which in turn leads to greater choices, better prices and diversity in products and services. However, we need to be careful when we talk about "weaning" off and what we mean by that. In terms of sanitation - we have

experience that suggests with more careful targeting, we can still use a public (meaning subsidized) **and** commercial (meaning at market prices) approach to product sales without distorting the market.

**Question: Was only marketing the entry point or did you use any other Social Behavior Change approach to interest communities?**



## Additional learning from user behaviours



Sanitary Toilet Pan (SaTO) is designed and developed by Lixil and is produced and marketed in Bangladesh by RFL.



Environmental nudges like these ridges in the footrest help remind users to use footwear.

**Lesson # 3, low cost technology rules:** SaTO pan and similar technologies remain a big winner from our learning. They are low cost, easy to use and provide tremendous benefit to users as well as latrine producers.

**Lesson # 4, environmental nudges + behaviour change communications = better adoption of practices:** during the implementation, iDE uncovered a habit amongst users to use their latrines without foot wear (typically slippers). Using environmental nudges (like the inbuilt ridges) can improve promoted behaviour - clue for other SBCC work.



**Answer:** We described our learning around the use of BCC initiatives in the webinar with the slide above ([see video - timestamp 24:37](#)).

We continue to advocate investing in understanding the behavioural determinants for each client segment so that our marketing approaches (which are often product and solution specific and more generic) can be coupled with client centric messages that are at the core of their behavioural determinants.

We have also gained experience in using environmental nudges that were part of the behaviour change communication initiatives. E.g. in the webinar we talked about a design initiative that was included in the latrine that had hard ridges on the foot rest of the latrines. This “nudge” made the users remember (or were nudged) to use their slippers instead of going barefoot to use the latrine. This kind of learning has a greater applicability in other settings perhaps for hygiene behaviours including hand washing nudges.

**Question: How do you address inclusivity, particularly for the disabled?**

**Answer:** Through iDE's work with Unicef and The Embassy of Switzerland in Bangladesh and our project funded by DFAT Australia in Cambodia, we have curated a range of innovative solutions. Please read more about this [here](#).

**Question: Did you observe any positive influence of children on the demand for the sanitation products?**

**Answer:** As stated earlier, this project was implemented during the peak of Covid lockdown in Bangladesh and as such a majority of the schools (if not all) were closed giving us very limited experience in WASH in Schools through this project, but please read more about our work on WASH interventions in School in Bangladesh through our other projects [here](#).

**Question: How did climate change impact your project intervention?**

**Answer:** The Shouhardo III project itself has been designed as a response to the various climate impacts that affect the lives and livelihoods of the people in these fragile communities. As such, there is a constant threat to the project interventions from climate impact. However, in terms of the Sanitation related interventions, during the implementation period there was no major impact to the interventions other than slow uptake of sales and installation of latrines during the monsoon period.

Flash flood in Haor and monsoon flood in the char context is quite prominent under the climate change impact and so beneficiaries taught how to build their house above highest flood level as plinth raising activity. Also sanitation facilities sometimes become weak and/unusable due to disaster and hence people have to re-invest for latrine products and superstructure materials to minimize treatment cost of the family members.

**Question: What are the lessons you learned from these WASH intervention implementations?**



## Learning from our successes and failures



How do you go from unimproved to improved?



**Lesson #1, don't underestimate the importance of access and availability:** just having the sales person visit their homes and available to install the latrines created a high level of demand from users.

**Lesson #2, behaviour change is the key to creating sustainable demand amongst users:** the project works collaboratively with LPs and project team in the ground to use aspirational marketing strategies with SBCC tools.

**Lesson #3, ease of payment = affordability = greater sales:** Latrine producers are offering installment plans, which has greatly improved demand. This can be further augmented by actual latrine loan products.



**Answer:** We described our 5 key lessons from this project in the webinar with the slide above ([see video - timestamp 22:50](#))

**Lesson 1** that if you increase access and availability - demand will increase. As soon as the Latrine producers and their sales agents were active amongst the households, the sales orders started coming in.

**Lesson 2** that you should invest in understanding the behavioural determinants for each client segment and assumptions are risky in these cases and often lead to wrong programming decisions.

**Lesson 3** that financial services are integral to increasing affordability, specially in a market based approach.

**Lesson 4** that we need to continue investing in finding innovative low cost technologies that are easy to produce, sell and service.

**Lesson 5** that we had better behaviour adoption when environmental nudges were coupled with behaviour change communication initiatives.

**Question: Did IDE ever attempt to implement MBS in a context where government/or partners are providing free WASH handouts?**

**Answer:** Whilst responding to this question, it is important to note that public goods (free or subsidized) can coexist with commercial goods (market prices) - if done in a thoughtful and holistic manner, increasing the ability of public resources to target where it needs to while freeing up resources where there is a risk of market distortions.

In this project, the public sector through various government development initiatives allocates sanitation budgets for marginalized communities at the lowest government jurisdiction body based on their annual plan. In SHOUHARDO, SWIRL Project in order to accelerate and coordinate the equitable provision of WASH services to individuals and households, we engage with the public sector actors to raise awareness about improved latrines and technologies among the WATSAN committees and link them to the project trained Latrine Entrepreneurs. This leads to increased knowledge on sanitation planning, promotion, implementation and monitoring amongst the public sector actors and the adoption of improved toilets amongst the marginalized communities through the local government initiatives.

**Question: Can you say a bit more about the challenges related to disaster risk management, risk mitigation, asset protection, and resilience to shocks? To what extent were the investments in the latrines protected?**

**Answer:** Improvement of hygiene practices along with water and sanitation facilities is crucial in order to achieve and sustain good health and nutrition status of the population. Interruption of the critical pathways for fecal-oral contamination is more important in case of children, who are more vulnerable and prone to childhood illnesses that contribute to and exacerbate malnutrition.

Various water-borne diseases and other health problems are quite frequent among char households, due to use of ditch and tidal water for drinking water and limited access to safe latrines. Similarly, in haor regions there is poor access to improved sanitation facilities compared with other parts of Bangladesh. Due to geography, erosion, and increasing population density, it is difficult to maintain sanitation infrastructure. Flooding during the monsoon season can also cause pit latrines to overflow.

Quality sanitation impacts not only health at the individual, household, and community level, but also has impacts on food security, dignity and well-being. These outcomes are even stronger for women and girls, who experience the brunt of such challenges. In order to ensure positive impacts, improved sanitation must be accessible and must remain usable, resilient, and sustainable.

Incorporating a focus on WASH as part of food security and nutrition programs like SHOUHARDO III can help programs achieve their larger goals of improving households' health and well-being. Evidence increasingly points to the central role of adequate access to sanitation services for bolstering nutrition outcomes.

Natural disaster occurred each year threatens the livelihood of the people living both in haor and char and sometimes latrine structures are washed away which coupled the investment of repair to buy new latrine from the sanitation centre. Also the poor and ultra poor people couldn't afford properly to build

latrine superstructures each year which is quite challenging in the disastrous situation. But the message were given to the beneficiaries about the latrine installation above highest flood level with durable structure so that they could easily understood and decide to buy improved latrine from LP of SWIRL project. Also DRR related message were disseminated during courtyard session at village level so that beneficiaries could understand the risk and could take mitigation measures.

**Question: In the wake of global hike of petroleum prices, the cost of SaTo products have gone up. How has the Bangladesh market responded to this? To what extent has it affected the sales?**

**Answer:** The price has been subsidized to some extent based on the LIXIL partnership with Rangpur Foundry Ltd (RFL), the SaTo manufacturer for Bangladesh. RFL also takes special consideration in not increasing prices rapidly as they know that this product is for BOP markets unlike their other products.

Since 2013, RFL has not increased its price from BDT 120 ~ USD 1.5 per SaTo pan. But unfortunately during covid pandemic, they have increased its price from BDT 120 to BDT 122 (US 0.23 cents increment), a 1.66% increment in the last 8 years. This is not considered a major impediment (yet) in our opinion.