

Evidence-building for cash and markets for WASH in emergencies

PRACTICES IN MARKET-BASED PROGRAMMING IN THE SANITATION SUBSECTOR



WASH Cluster
Water Sanitation Hygiene



Authors

Lead Authors: Jean Christophe Barbiche and Olivia Collins
Coordinators: Franck Bouvet and Dana Truhlarova Cristescu

Citation

Global WASH Cluster, Evidence-building for cash and markets for WASH in emergencies, UNICEF, Geneva, 2020.

Photo credits:

- © UNICEF/UN0139479/Prinsloo (front cover)
- © UNICEF/UN0436094/Prinsloo (page v)
- © UNICEF/UN0270053/Prinsloo (page vi)
- © UNICEF/UNI338899/Panjwani (page viii)
- © UNICEF/UN0403970/Franco (page xii)
- © UNICEF/UN0314966/De Wet (page 4)
- © UNICEF/UN0348935/Modola (page 7)
- © UNICEF/UN0139474/Prinsloo (page 16)
- © UNICEF/UNI236055/Noorani (page 16)
- © UNICEF/UN0348904/Modola (page 29)
- © UNICEF/UNI366240/Co (page 32)
- © UNICEF/UN0467626/Pouget (back cover)

This publication was supported by the Cooperative Agreement numbers SM 190105, funded by the Danish International Development Agency (DANIDA) and SM200836, funded by the Swiss Agency for Development and Cooperation (SDC). We would like to thank DANIDA and SDC for their generous contributions to the Global WASH Cluster. Its contents are solely the responsibility of the authors and contributors and do not necessarily represent the official views of DANIDA and SDC.

Editing and proof-reading: Green Ink, United Kingdom (www.greenink.co.uk)

CONTENTS

ACKNOWLEDGEMENTS	vii
ACRONYMS	ix
GLOSSARY	x
1. INTRODUCTION	1
2. BACKGROUND ON SANITATION MARKET SYSTEMS	2
2.1 Sanitation market systems.....	2
2.2 Price, affordability and demand for sanitation.....	3
2.3 Sanitation market systems in emergencies.....	3
2.4 MBP in the sanitation subsector.....	3
3. METHODOLOGY	5
3.1 Research questions.....	5
3.2 Identification, categorization and assessment of the practices.....	5
3.3 Study limitations.....	6
4. DESCRIPTION OF PRACTICES	8
4.1 Market support modalities	8
4.1.1 Support to the private sector.....	9
4.1.2 Social marketing.....	11
4.1.3 Microfinance.....	13
4.1.4 Support to the sanitation labour market.....	15
4.1.5 Support to sanitation market policies and norms.....	16
4.1.6 Support to public institutions and infrastructure.....	18
4.1.7 Support to community-based systems.....	20
4.1.8 Market-aware procurement practices.....	21
4.2 CVA modalities	22
4.2.1 WASH-specific vouchers.....	23
4.2.2 WASH-specific cash.....	25
4.2.3 Multisectoral vouchers.....	27
4.3 Complementary programming for sanitation	27
4.3.1 Complementary programming for sanitation.....	28
4.4 MBP for sanitation throughout the humanitarian programme cycle	29
4.4.1 Market-sensitive assessments, response analysis and planning.....	30
5. CONCLUSION	33

FIGURES, TABLES AND BOXES

Figure 1. Market support for sanitation.....	6
Figure 2. CVA for sanitation.....	6
Figure 3. Market support for sanitation practices reviewed.....	8
Figure 4. CVA for sanitation practices.....	22
Table 1. Number of MBP for sanitation practices.....	5
Box 1. Healthy Latrine Project in Central Sulawesi, Wahana Visi Indonesia.....	24
Box 2. Cash for latrine construction in refugee camps, UNHCR.....	26



WASH Cluster
Water Sanitation Hygiene

Evidence-building for cash and markets for WASH in emergencies
Practices in MBP in sanitation



WASH Cluster
Water Sanitation Hygiene

Evidence-building for cash and markets for WASH in emergencies
Practices in MBP in sanitation

ACKNOWLEDGEMENTS

This study is the result of the work of the Global WASH Cluster's (GWC) Markets Technical Working Group (TWiG) and has been made possible with the financial support of the United Nations Children's Fund (UNICEF), the Swiss Development Cooperation (SDC) and the Danish International Development Agency.

The study has been written and researched by Jean Christophe Barbiche (WASH Consultant) and Olivia Collins (Cash and Voucher Consultant), under the guidance and supervision of Dana Truhlarova Cristescu (CashCap Cash Advisor for UNICEF-led clusters) and Franck Bouvet (GWC Deputy Coordinator).

Many thanks to all the members of the GWC Markets TWiG who have been involved in this study from the outset and have taken precious time to extensively review the final reports. The TWiG includes members from: Action contre la Faim (ACF), British Red Cross, Cash Learning Partnership (CaLP), CARE, Croix

Rouge Française, Catholic Relief Services (CRS), German WASH Network, International Committee of the Red Cross (ICRC), International Federation of Red Cross and Red Crescent Societies (IFRC), Norwegian Church Aid (NCA), Norwegian Refugee Council (NRC), Oxfam International, Relief International (RI), Save the Children, Solidarités International, UNICEF and World Vision International (WVI).

Special thanks to Pierluigi Sinibaldi (Save the Children), Alexandra Kappeler (ICRC), Eyasu Gebeto (WVI), Giulio Andrea Franco and Sunny Guidotti (UNICEF), Alice Golay (CaLP), Julien Eyrard and Celine Sinitsky (ACF), Jennifer Weatherall and Jennifer Lamb (CRS) and Parvin Ngala (Oxfam) for their inputs and review of this study. However, the views expressed herein are those of the authors and any mistakes remain the authors' own.



WASH Cluster
Water Sanitation Hygiene

Evidence-building for cash and markets for WASH in emergencies
Practices in MBP in sanitation

ACRONYMS

ACF	Action contre la Faim
BCC	behaviour change communication
CaLP	Cash Learning Partnership
CFW	cash for work
CVA	cash and voucher assistance
DRC	Democratic Republic of the Congo
GWC	Global WASH Cluster
ITS	internally tented settlement
KII	key informant interview
LMIC	low- and middle-income country
MBP	market-based programming
MPC	multipurpose cash
NRC	Norwegian Refugee Council
WASH	water, sanitation and hygiene

GLOSSARY

- **Cash and voucher assistance (CVA):** All programmes where cash transfers or vouchers for goods or services are directly provided to recipients. In the context of humanitarian assistance, the term refers to the provision of cash transfers or vouchers given to individuals, households or community recipients – not to governments or other state actors. This excludes remittances and microfinance in humanitarian interventions, although microfinance and money transfer institutions may be used for the actual delivery of cash (CaLP).
- **Emergency hygiene interventions:** In this study, interventions which aim to improve or maintain safe hygiene behaviours in emergency settings through hygiene promotion and education activities, behaviour change communication (BCC), creating an enabling environment for hygiene practices (such as hand-washing facilities), and facilitating the use of essential hygiene items. Although the package of 'essential hygiene items' varies from one context to another, the list of standard hygiene items usually includes water collection and storage containers, hand-washing soap, laundry soap and menstruation management items. Other potential items can include nail cutters, shampoo, combs, oral hygiene items, baby diapers, towels and underwear.
- **Emergency sanitation interventions:** In this study, interventions which aim to provide, restore or improve sanitation services in emergency settings through the building or repairing of human excreta containment infrastructure (such as latrines, toilets, septic tanks etc.), provision of excreta management infrastructure and services (latrine pit desludging, sludge stabilization ponds, sewage systems, wastewater treatment plants etc.) and provision of solid waste collection, recycling and disposal services.
- **Emergency water interventions:** In this study, two main groups of interventions used in emergency settings: (1) water supply interventions, which aim to supply water or improve the existing supply, for drinking and domestic use; and (2) household water treatment (HHWT) interventions, which aim to improve water quality and use through the promotion of water treatment in the home (chlorine, filters, boiling etc.) by beneficiaries. HHWT interventions are often referred to as 'point of use' intervention
- **Labelling:** The process by which humanitarian agencies 'name' a cash intervention in terms of the outcome they want it to achieve. This may be accompanied by activities to influence how recipients use their cash assistance; for example, this could include messaging conveyed to recipients, possibly in combination with complementary programming activities (CaLP).
- **Local markets:** In this study, markets which are easily accessible to the local population or local market actors (retailers, companies). Local markets can include markets from neighbouring countries, especially for areas located close to borders. As long as supply chains between producers and consumers exist, local markets can sell goods and services which are made locally or nationally or imported from other countries.
- **Minimum expenditure basket (MEB):** Requires the identification and quantification of basic needs items and services that can be monetized and are accessible in adequate quality through local markets and services. Items and services included in an MEB are those that households in a given context are likely to prioritize on a regular or seasonal basis. An MEB is inherently multisectoral and based on the average cost of the items composing the basket. It can be calculated for various sizes of households. A survival minimum expenditure basket (SMEB) is a subset of the MEB and refers to the identification and quantification of goods and services necessary to meet a household's minimum survival needs. Delineating the threshold for survival and differentiating a SMEB from an MEB is not currently a standardized process (CaLP).
- **Microfinance:** The provision of financial services adapted to the needs of micro-entrepreneurs, low-income persons or persons otherwise systematically excluded from formal financial services, especially small loans, small savings deposits, insurance, remittances and payment services (CaLP). When used in the water, sanitation and hygiene (WASH) sector,

microfinance can be used to support households to build a latrine, access a water filter or connect their home to the water network.

- **Modality:** The form of assistance – e.g., cash transfer, vouchers, in-kind, service delivery or a combination (modalities). This can include both direct transfers at household level and assistance provided at a more general or community level – e.g., health services, WASH infrastructure (CaLP).
- **Multipurpose cash (MPC):** Transfers (either periodic or one-off) corresponding to the amount of money required to fully or partially cover a household's basic and/or recovery needs. All MPC transfers are unrestricted in terms of use, as they can be spent as the recipient chooses (CaLP).
- **WASH complementary programming:** Programming where different modalities and/or activities are combined to achieve WASH objectives. Complementary interventions may be implemented by one agency or by more than one agency working collaboratively. This approach can enable the identification of effective combinations of activities to address needs and achieve programme objectives. Complementary programming will ideally be facilitated by a coordinated, multisectoral approach to needs assessment and programming (CaLP).
- **WASH goods and services:** All water, sanitation and hygiene-related items and services that are usually needed in humanitarian settings. They include water, soap, water collection and storage containers, drinking water treatment services, latrine construction materials, latrine emptying services etc.
- **WASH market:** A simple system of exchange of WASH goods and services between two or more actors. A 'WASH market system' is more complex, as it refers to all the players or actors and their relationships with each other and with support or business services, as well as the enabling environment – i.e., the rules and norms that govern the way that WASH markets work. Market systems are interconnected when they share the same enabling environment/rules/norms and business/support services – e.g., when they operate within one country (CaLP).
- **WASH market-based modality:** A form of humanitarian assistance that uses, supports or develops WASH market systems before, during or after emergencies. This covers two main categories of modality in this study: WASH market support and CVA which is designed to have an effect on WASH outcomes.
- **WASH market-based programming (MBP):** Interventions that work through or support local WASH markets. The term covers all types of engagement with market systems, ranging from actions that deliver immediate relief to those that proactively strengthen and catalyse local market systems or market hubs (CaLP).
- **WASH market support interventions:** Interventions that aim to improve the situation of crisis-affected populations by providing support to the critical WASH market systems on which they rely for accessing and using WASH goods and services. These interventions usually target specific WASH market actors, services and infrastructure through dedicated activities (e.g., grants to traders of hygiene items to enable them to repair their shops and restart businesses; training and donation of materials to private water truckers to improve their internal procedure for water chlorination etc.) ([GWC Guidance on Market Based Programming](#)).
- **WASH-specific cash:** Cash assistance which is designed to be used by recipients to achieve WASH-specific objectives. The term 'WASH-specific cash' has been developed for the purposes of this study, inspired by the CaLP definitions for 'cash transfer' and 'sector-specific intervention' (CaLP).
- **WASH-specific voucher:** Vouchers that can only be exchanged for WASH-related commodities and services. This includes 'value vouchers', which have a cash value (e.g., \$25), and 'commodity vouchers', which are exchanged for predetermined goods (e.g., 20L water, soap, latrine slab etc.) or specific services (e.g., labour for latrine construction). The term 'WASH-specific voucher' has been developed for the purposes of this study, inspired by the CaLP definitions for 'vouchers' and 'sector-specific intervention' (CaLP).



WASH Cluster
Water Sanitation Hygiene

Evidence-building for cash and markets for WASH in emergencies
Practices in MBP in sanitation

1. INTRODUCTION

This report presents an overview of practices related to the use of market support and cash and voucher assistance (CVA) for sanitation in emergencies. These market-based approaches can have a number of advantages, such as improving the efficiency and effectiveness of emergency sanitation response while also supporting the existing local market systems that will continue to deliver sanitation services long after the crisis.

While supporting sanitation markets is not new to the water, sanitation and hygiene (WASH) sector in development contexts – the training of masons for latrine slab construction or sanitation marketing have been routinely used for many years – sanitation market support is rarely used during humanitarian responses. CVA modalities, however, have started to be used by WASH actors to deliver sanitation during emergencies, though interventions are generally still on a small scale. While the use of market-based programming (MBP) has been steadily growing, the Global WASH Cluster (GWC) has identified the need to consolidate and take stock of experience of MBP for WASH in humanitarian contexts, including the sanitation subsector.

This report aims to respond to this need by presenting an overview of practices related to the use of

market support and CVA modalities in the sanitation subsector during preparedness and emergency response. The practices described in this report are drawn from a systematic review of 60 documents as well as 41 key informant interviews (KIIs) with humanitarian WASH practitioners. This report aims specifically to:

- present current practices (and practice gaps) of MBP for sanitation in preparedness and emergencies, identifying the contexts and conditions under which MBP modalities are implemented and highlighting lessons learned;
- support WASH practitioners to use MBP for sanitation in the humanitarian contexts in which they work, when relevant, appropriate and feasible. This report is one in a series of five on MBP for WASH in emergencies. The other four reports in this study cover practices in MBP in the water and hygiene subsectors, practices related to the use of multipurpose cash (MPC) for WASH, and a mapping of the evidence of MBP and WASH outcomes. The study has been commissioned by the GWC, with the overall aim of supporting the increased use of MBP when appropriate and feasible.

2. BACKGROUND ON SANITATION MARKET SYSTEMS

This section describes 'sanitation market systems', provides information about sanitation prices and affordability in low- and middle-income countries (LMICs), explains how sanitation market systems

can be affected by emergencies and introduces the potential role of MBP in emergency sanitation interventions.

2.1 Sanitation market systems

Based on the [CaLP glossary](#) definition, a 'sanitation market' refers to the exchange, between two or more actors, of sanitation materials and infrastructure, such as various types of latrines, flush toilets, latrine pits and tanks, sewage systems and wastewater treatment plants, or sanitation services, such as latrine/toilet construction, emptying of latrine/toilets pits and tanks, and sludge and wastewater management.

A 'sanitation market system' is more complex than a 'sanitation market', as it refers to:

- all **secondary infrastructure and related services** that enable sanitation markets to function, including labour, construction materials, energy, transport and wastewater treatment chemicals;
- the large range of actors involved in sanitation markets, including **public actors** such as WASH or health-related ministries, municipalities and public utility boards for water and sanitation, and **private actors** such as masons, plumbers, manual labour for emptying pits, private wastewater/sludge removal companies, private wastewater treatment companies etc.;
- the **enabling environment, policies and norms** that govern the way in which sanitation market systems work.

The sanitation market can be separated into two distinct categories: excreta containment (related to toilet facilities and their construction) and excreta management (related to emptying, transport, treatment, reuse and/or final disposal) (UNICEF, 2018b).

The nature of a sanitation market also depends on the type of sanitation technology used.¹ Two main technology groups exist:

- **On-site sanitation systems**, which include pit latrines and flush toilets connected to a pit or septic tank. This is the most common type of sanitation in rural areas, informal urban settlements or displaced population camps, and is therefore common in contexts affected by humanitarian crises. Toilets are usually constructed by local labourers (both skilled and unskilled). Latrines are emptied manually or mechanically by daily workers or specialized sludge removal companies. Final sludge disposal sites are managed by large private companies or public institutions.
- **Water-based centralized sanitation systems**, which include flush toilets connected to a sewerage network, where grey and blackwater flow to a final disposal or treatment site. 'Grey water' is all the wastewater without faecal contamination that is generated in households (sinks, showers etc.), while 'blackwater' is the wastewater from toilets. Water-based sanitation systems are commonly found in large urban centres. The main actors in this market are unskilled and skilled labour for toilet installation and connection, and water and sanitation utilities for sewage and wastewater management and treatment.

Although the sanitation market in LMICs can provide significant business opportunities for private companies, the private sector in this area often remains weak.² The sanitation market is very fragmented:

¹ For more information about sanitation technologies, refer to the 'Compendium of Sanitation Systems and Technologies' (Tilley, 2019).

² For example, in the four countries of Bangladesh, Indonesia, Peru and Tanzania, one-time sales of improved sanitation facilities to the 228 million people without access are worth at least US\$2.6 billion (Sy, 2014).

some private actors provide targeted sanitation services (desludging, masonry etc.), but few of them offer 'turnkey' sanitation solutions, wish to bundle or extend the scope of their activity, or invest in marketing. Companies which focus on sanitation

have few options to increase their profit margins, as the prices of the construction materials used in sanitation are dependent on prices in the wider construction market (Sy, 2014).

2.2 Price, affordability and demand for sanitation

Even if expenditure linked to sanitation can be significant, cost is not necessarily an insurmountable barrier, even for poorer households.³ However, evidence indicates that poorer households generally do not prioritize spending on sanitation. For example, the improved on-site sanitation options currently available cost between 3 per cent (Bangladesh) and 7 per cent (Peru) of the annual income of poor households, and, as a point of comparison, many poor households spend considerably more on consumer durables such as mobile phones (Sy, 2014).

Sanitation markets in LMICs tend not to be as 'vibrant' as water markets, and there are often few options for households or entrepreneurs seeking to reduce

sanitation costs without having a negative impact on the durability and safety of the infrastructure. To improve financial access to sanitation for poor people, governments and relief actors have set up innovative and at times successful strategies such as microfinance, partial subsidies, promoting self-construction of low-cost latrines, or promoting the selling and reuse of faecal matter/urine as compost/fertilizer in the agricultural sector to cover the cost of faecal sludge management. However, despite the effectiveness of some of these strategies, they are rarely applicable in rapid-onset emergency or even protracted crises.

2.3 Sanitation prices and affordability

Emergencies affect sanitation market systems in many ways. Shops selling construction materials used for sanitation infrastructure may be closed, sludge removal service providers can stop their activities, and urban sewage systems sometimes cease to function due to damage or because of a lack of energy supply or manpower. The price of construction materials can increase due to low availability and increased demand for reconstruction work. Household economies are also negatively impacted, reducing their capacity to pay for sanitation-related costs.

In areas where sanitation demand is low, demand can drop even further in an emergency, as households have more pressing priorities than to invest in sanitation or pay recurrent sanitation-related costs. Populations affected by disasters often have no choice but to use negative coping strategies to adapt to these situations, such as sharing toilets, using substandard infrastructure or resorting to open defecation. All these factors can have a negative impact on the health and economic status of households.

2.4 MBP in the sanitation subsector

'MBP for sanitation' refers to interventions that work through or support local sanitation markets. The term covers all types of engagement with sanitation market systems, ranging from actions that deliver immediate relief to those that proactively strengthen

and catalyse local market systems or market hubs to improve or sustain sanitation in emergencies.

MBP is expected to have a positive impact on people's health and on the resilience of sanitation markets to shocks through the achievement of five outcomes

³ For example, in India an improved toilet can cost between \$160 and \$400, material and labour included (PSI, 2015).

related to sanitation (*availability, access and quality of goods and services, as well as sanitation-related awareness and use*). The effect of MBP on these sanitation outcomes is analysed in the evidence

mapping report, while the present report focuses on the practices used to achieve them. The causal framework on MBP for WASH, including the specific framework for sanitation, can be found in [Annex 5](#).



3. METHODOLOGY

This section briefly summarizes the methodology used: the research questions, the process by which practices were identified, categorized and assessed, and the methodological limitations. Further details

on the methodology used for the overall study are included in the evidence mapping report, as well as in [Annex 8](#).

3.1 Research questions

This report focuses on the two research questions specific to the use of MBP in the sanitation subsector:

- What current practices are used in MBP for sanitation in emergencies, across the programme cycle?
- What examples are there of successful partnerships in MBP for humanitarian sanitation outcomes (i.e., between humanitarian actors, governments, community-based organizations and the private sector)?

There are many different aspects of the sanitation subsector, but this practice review focuses only on human excreta containment and management. The scope of this report covers all practices that aim to assess, use, support, develop and monitor market systems related to human excreta containment and management in humanitarian contexts, which are referred to collectively as 'sanitation practices' in this report. Practices around the use of MBP for solid waste management are presented in [Annex 12](#).

3.2 Identification, categorization and assessment of the practices

This report provides an analysis of the subset of documents describing the use of MBP practices to achieve sanitation outcomes. Details of the methodology used in this study are described in the report on evidence, as well as in [Annex 8](#).

For this review, a total of 73 examples of market support and CVA practices for sanitation were identified, drawn from 51 documents. Figures 1 and 2 present the different types of documents used in the study. In addition to documentary sources, 41 KIIs were conducted, enabling the identification of additional practices.

MODALITY	NUMBER OF PRACTICES
Market support	41
CVA	32
TOTAL	73

Table 1. Number of MBP for sanitation practices reviewed



Figure 1. Market support for sanitation; number of practices per type of document

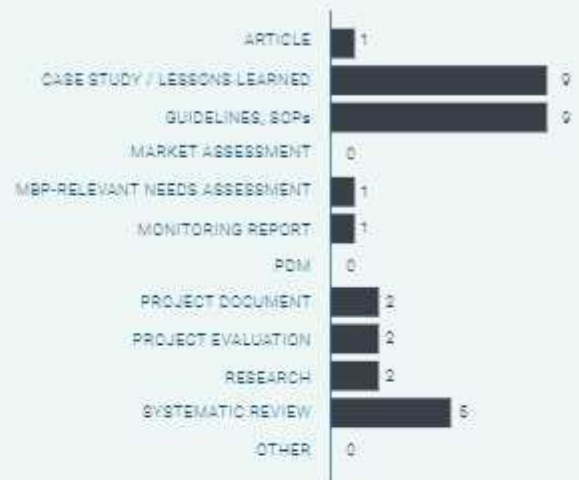


Figure 2. CVA for sanitation; number of practices per type of document

Notes: PDM, post-distribution monitoring; SOPs, standard operating procedures.

As sanitation market support interventions are often implemented over a relatively long time frame, the document review identified practice examples from stable development contexts that were considered to have the potential for positive effect during emergencies, by building the resilience of sanitation markets or of the populations at risk of disaster. Thus, although documents relating to development contexts were generally excluded in the study screening process, some documents related to sanitation marketing and microfinance in devel-

opment contexts which were subject to recurrent crises (Cambodia, Chad, Democratic Republic of the Congo (DRC), India, Indonesia, Kenya, Tanzania) were nevertheless included in this practice review, due to their relevance for emergency response. Bearing in mind that market systems exist before, during and after crises, the inclusion of these practices follows the overall rationale of MBP for WASH, which often implies breaking down the barriers between humanitarian and development approaches.

3.3 Study limitations

In addition to listing practices, this report provides an analysis of the benefits, enabling factors, risks and limitations for each group of practices. The following limitations should be taken into account with regard to the conclusions drawn from this analysis.

- While the evidence mapping report only includes documents for which the effect of interventions on WASH outcomes could be observed, the majority of the documents included in this practice review simply describe a practice and not its effect (though some evidence is also included in practice

reports, as they often describe how MBP was implemented – i.e., practices). Therefore, the 'benefits' listed in the practice reports are not necessarily backed up by 'evidence'; these benefits were not observed for all the practices of the group and were sometimes simply 'expected results' without clear evidence of effect.

- The fact that an MBP approach or modality has been used and documented suggests that it is feasible and can likely be reproduced in similar contexts and under similar conditions, described as 'enabling factors' in this report. However, the

absence of documented practice does not mean that the practice is not feasible, but only that it has not yet been piloted or documented. Refer to the 'practice gap' section in the conclusion for more details.

- In general, the documentation available described practices with a positive bias. The risks and limitations presented here are often drawn from KIIs or as a result of authorial interpretation.



4. DESCRIPTION OF PRACTICES

The following sections describe and analyse various types of MBP for sanitation practices: (1) implementation of *market-support modalities*; (2) implementation of *CVA modalities*; (3) *complementary programming*, which combines different modalities;

and (4) *MBP throughout the humanitarian programme cycle*, which presents the use of MBP during sanitation-related assessment, response analyse and monitoring processes.



Figure 3. Market support for sanitation practices; number per type of implementation modality

4.1 Market support modalities

Figure 3 presents the types of implementation modalities reviewed.

Charts showing the breakdown of practice by country and type of emergency are available in [Annex 10](#).

The following tables provide an overview of the interventions reviewed for each group of market support modality.

4.1.1 Support to the private sector

<p>Role and benefits</p>	<p>The private sector can improve sanitation outcomes during emergency preparedness or response by building or repairing latrines and toilets and emptying septic tanks and soakage pits. Relief agencies can support the private sector by creating and nurturing businesses, supporting them with grants, material or training and finding solutions to improve the financial viability of the sanitation business.</p>
<p>Enabling factors</p>	<p>In most humanitarian contexts, support to the private sector for latrine construction or pit-emptying should include strengthening the demand for improved sanitation through marketing, CVA or behaviour change communication (BCC), which is a long process. Support to the sanitation private sector is therefore enabled when used in the preparedness or resilience-building phases.</p>
<p>Risks and limitations</p>	<p>In general, the private sanitation market in LMICs is weak and takes a long time to develop. The opportunities for humanitarian actors to support the private sector are therefore limited, unless enabled by long project durations and partnerships with development actors.</p>

Observed practices

Supporting the private sector to supply improved sanitation infrastructure and services in resilience-building contexts

All sanitation marketing interventions reviewed for this study included some element of private sector support (see also section 4.1.2 below). Examples from the Philippines (Denis Le Sève, 2019), Chad (ACF, 2018), DRC (Kanani, 2018), Cambodia (WSP, 2012; Angkor Research, 2020), Indonesia (Cameron, 2013) and Ghana (Global Communities, 2019) were reviewed.

Water for People (WfP) in Malawi trained a number of small sanitation entrepreneurs at village level to build low-cost latrines and provided them with capital to purchase materials. WfP also designed flexible payment plans for household latrines with an option for partial payment through composting (“humanure”). However, this programme was largely unsuccessful, because of the provision of latrines for free by other actors in the same area, lack of analysis of the humanure market, the small size of sanitation markets at village level, and misperceptions among the population of the incentives given to the sanitation entrepreneurs (Taylor, 2013).

As part of its Corporate Social Responsibility strategy, the US-based household hygiene goods company SC Johnson established the Community Cleaning Services (CCS) franchise in slum areas of Nairobi. CCS would purchase cleaning products wholesale from SC Johnson and offer households the use of well-maintained communal toilet facilities in exchange for a fee (\$0.70 per month). A few months after its set-up in 2009, CCS was working with over 20 entrepreneurs, operating over 100 toilets. Ultimately, CCS failed as a profitable sustainable business venture, because of a lack of opportunities for business expansion.

It was later handed over to Plan International and continues to require external support to operate (Taylor, 2013).

Supporting the private sector to supply sanitation services in emergencies

During a WASH pre-crisis market assessment in Jakarta, Oxfam identified that during times of floods, most households had to stop using their toilets (as they became flooded), whereas some paid public toilets, operated by private companies, still continued to function. A recommendation was made to support this market and ensure a more systematic use of such facilities during floods, through a partnership with wastewater management companies that would provide these services more widely (Oxfam, 2016).

Supporting private container-based sanitation solutions

In many informal urban settlements, standard latrines cannot be built, due to a lack of space, high water tables, the impossibility of connecting to a wastewater network, or land tenancy issues. Container-based sanitation services consist of providing a small dry toilet and a bag of absorbent material (such as sawdust) to households and then ensuring weekly collection of faecal matter and replacement of the absorbent material. The faecal matter collected is later reused for agriculture or energy production. This service is provided for a fee. Many such businesses exist, including Sanergy, BioCycle™, Sanivation, Safi Sana, Loowatt, Banka BioLoo and SOIL (Waterpreneurs, 2018; Earwaker, 2015). The World Bank is considering developing this solution at scale in Haiti (World Bank, 2019). The company Sanivation deployed 500 container-based toilets in Kakuma refugee camp in Kenya from 2016 to 2019, through a partnership with UNHCR, the Norwegian Refugee Council (NRC) and the US Centers for Disease Control and Prevention.⁴

⁴ For further details, see <https://sanivation.com/kakuma>

4.1.2 Social marketing

<p>Role and benefits</p>	<p>Social marketing applied to sanitation consists in improving both sanitation demand and supply. Demand is improved through BCC and marketing techniques. Supply is improved by supporting private companies to design, produce, market and distribute products adapted to customers' needs and preferences.</p>
<p>Enabling factors</p>	<p>Initial analysis of value chains, economic profiling of households and analysis of markets and other factors are needed to develop a financially viable business model. In addition to standard market assessments, initial studies should be conducted to understand households' consumption patterns related to sanitation (see the 'behavioural economics' practice below). A strong local market for construction materials is an enabling factor, supporting supply and reducing costs. Combining sanitation marketing with subsidies or microfinance can boost latrine sales. These interventions need adapted human resources (i.e., marketing and communication specialists), support and follow-up from local public institutions and long project implementation (over three years).</p>
<p>Risks and limitations</p>	<p>Social marketing is only applicable in resilience-building, emergency preparedness and recovery phases. It is difficult to implement in very fragile contexts (extreme poverty, food insecurity and insecure environments). There is a risk of price fluctuations for construction materials during the course of the project time frame. Social marketing may have limited effectiveness if other actors in the same area provide free latrines.</p>

Observed practices

Support improved sanitation demand and supply through sanitation marketing

Several sanitation marketing projects were reviewed, all of which were from development contexts, with the exception of one example from the Philippines, after Typhoon Haiyan (Denis Le Sève, 2019). In this practice, Oxfam used social marketing with the aim of encouraging households to invest in repairing their sanitation facilities damaged by the typhoon, or in building new ones.

Action contre la Faim (ACF) implemented a four-year sanitation marketing project in the north of Chad. A concrete latrine slab production and supply chain was set up, and 18 masons were trained. After three years of project implementation, the number of latrine slabs sold was still very low (20 slabs) (ACF, 2018).

ACF intended to set up a private company providing advice and construction services for latrines in slum areas in Djibouti, but the intervention was not successful. The lessons-learned document mentioned that social marketing was not an appropriate modality for sanitation in this context (ACF, 2018).

Oxfam implemented a two-and-a-half-year sanitation marketing project in northern DRC. A modular latrine model was designed and marketed, and private builders

were trained. Some 18 months after project completion, results are still limited, with only 45 latrines sold (Kanani, 2018).

Compared to the three ACF and Oxfam interventions described above, projects implemented in less fragile contexts have been shown to have much higher impact, with the sale of thousands of latrines and a substantial increase in latrine coverage indicators in Cambodia (WSP, 2012; Angkor Research and Consulting, 2020), Indonesia (Cameron, 2013) and Ghana⁵ (Global Communities, 2019).

Implement behavioural economics studies to inform the design of sanitation marketing interventions⁶

Research in Tanzania (Peletz, 2017) compared latrine installation rates among different groups that had received vouchers for various types of toilet platform (concrete Sanplat, plastic sanitary platform, ceramic pan) with different levels of discount (a reduction of between 15 per cent and 90 per cent of the retail price of the three platforms). The study concluded that:

- willingness to pay was too low to support commercial supply models that will reach poor households, and demand should be increased through subsidies and microfinance;
- subsidizing only the latrine platform would have a low impact on latrine coverage. To address this, sanitation marketing should be accompanied by a complete package that includes latrine rehabilitation or upgrading.

⁵ Although it should be noted that in Ghana a large number of these latrine slabs were purchased not by households but by the Ministry for its own latrine programme.

⁶ Behavioural economics studies the effects of psychological, cognitive, emotional, cultural and social factors on the economic decisions of individuals and institutions and analyses how these decisions vary from classical economic theory (source: adapted from Wikipedia).

4.1.3 Microfinance

Role and benefits

Microfinance is “the provision of financial services adapted to the needs of micro-entrepreneurs, low-income persons, or persons otherwise systematically excluded from formal financial services” (CaLP 2018).⁷ Microfinance has the potential to trigger investments by poor households in sanitation infrastructure that would otherwise be unaffordable for them. Used in preparedness, microfinance has the potential to build long-term WASH resilience.

Enabling factors

Microfinance should be accompanied by strengthening the supply of and demand for improved sanitation. This modality works well for sanitation and has proven effective in development contexts. Microfinance is appropriate in protracted crises or as a resilience-building measure. It requires a local microfinance institution (MFI). Depending on market functionality and the context, loans can be provided to clients/beneficiaries in cash or in the form of materials and services. Loans can be provided for a range of sanitation products (toilet/bathroom construction, biogas, pit construction etc.). Microfinance interventions require specialized human resources.

Risks and limitations

Microfinance is not recommended in first-phase emergency contexts, and humanitarian actors are understandably reluctant to use it, as it takes time to implement and requires beneficiaries to repay loans. The credit market for sanitation is not well developed, because a household’s investment in sanitation does not generate an income that can repay the loan. There is also a common concern among MFI staff that because the sanitation market is weak, artisans providing sanitation products and services may not do a ‘good job’, and customers will return to the MFIs with complaints. The purchase of a latrine through a loan does not always translate into latrine installation and use.

Observed practices

Use of microfinance for sanitation in emergency recovery phase

Only one documented use of microfinance in an emergency was identified in this review. In the Philippines, after Typhoon Haiyan, Oxfam set up a microfinance scheme with a local MFI to enable households to rebuild their toilets, as part of recovery efforts. Better-off households were encouraged to take out a loan at the MFI, while the poorest households received paper vouchers to pay for latrine construction materials, transportation and labour. Toilets were constructed by a franchise of local masons, managed by the MFI (Denis Le Sève, 2019).

Provision of microcredit to sanitation users and enterprises in development contexts

In Cambodia, a randomized controlled trial observed that offering a loan for the construction of latrine pits and slabs increased willingness to pay to 60 per cent, compared to 20 per cent for communities where loans were not offered. However, two years after the loan, only 30–40 per cent of households that had purchased a latrine had actually

⁷ Microfinance is not considered a CVA modality by CaLP and it is categorized in this research as a market support intervention that can support both market demand (microfinance to households) and market supply (microfinance to small businesses).

installed it, regardless of whether they had taken out a loan or simply purchased the latrine themselves. This low installation rate was due to several factors, such as the high price of the superstructure households had planned to install and the fact that neighbours started to share latrines instead of constructing one for each household (Yishay, 2017).

**Improvement of the
sanitation credit market
in development contexts**

In a sanitation marketing programme in India, Population Services International (PSI) partnered with several MFIs to design and deliver a sanitation loan product that was low risk for both consumers and enterprises. US\$1.5 million was injected into the supply chain to spark demand and facilitate enterprise growth; first results were promising, with over 1187 consumer loans and 39 enterprise loans disbursed within 8 months of the launch, with 100 per cent repayment rates and 91 per cent of the latrines constructed (PSI, 2015).

In Tanzania, the SHARE consortium supported a research initiative to improve the capacity of MFIs to offer microcredit for sanitation. Training and technical assistance were provided to eight selected institutions so that they would start offering innovative financial services for sanitation products and services (Tremolet, 2015).

4.1.4 Support to the sanitation labour market

Role and benefits

The functioning of sanitation markets in emergencies is dependent on the skills in the local labour market. The rapid building and repair of sanitation infrastructure requires plumbers, masons, electricians, welders, drillers etc. Through short training courses, vocational training and cash for work (CFW), agencies can use and strengthen the skills of key technicians to build and repair sanitation systems.

Enabling factors

Support to the sanitation labour market is appropriate in emergency recovery or protracted crises, or areas affected by frequent and recurring crises (such as flooding). It can be useful to complement training schemes with CFW, to ensure on-the-job training.

Risks and limitations

Supporting the WASH labour market takes time. It is difficult to implement in rapid-onset emergencies and unlikely to have an impact in the short term. It is also difficult to ensure that people trained in preparedness will be available/present when and where disasters occur.

Observed practices

Training of sanitation market actors

In general, all sanitation marketing interventions include the training of masons to build latrines or latrine slabs. Examples from Chad (ACF, 2018), DRC (Kanani, 2018), Cambodia (Angkor Research, 2020) and Ghana (Global Communities, 2019) were reviewed.

Sanitation-related vocational training

UNHCR is actively involved in education and vocational training for refugees, some of which relates to the sanitation market, such as plumbing or entrepreneurship (UNHCR, 2020b).

In Iraq, NRC implemented a CFW for household sanitation project alongside a livelihood and vocational training programme for masons and plumbers. The trained beneficiaries received cash payments through the CFW project, by providing skilled labour to other household beneficiaries to help them improve sanitation infrastructure in their homes (NRC 2019).



Workers from the community-based organization ACADEC contracted by Water and Sanitation for the Urban Poor (WSUP) discard sewage from a tank on their truck into the Infulene waste water treatment plant in Maputo, Mozambique.

4.1.5 Support to sanitation market policies and norms

Role and benefits	This consists in advocating for the improvement and enforcement of national sanitation policies that govern the provision and management of sanitation during emergencies.
Enabling factors	It is better used in preparedness/resilience-building contexts. A stable and secure environment is necessary, as well as the political will to improve and enforce policies.
Risks and limitations	Policies aimed at developing the private sanitation market in LMICs generally have limited impact and have not been shown to increase involvement of the private sector. Public policies have tended to focus on infrastructure investment rather than setting a framework for market provision of services (Sy, 2014).

Observed practices

Regulate latrine desludging services in camps

In Lebanon, Oxfam advocated for the signature of a Memorandum of Understanding (MoU) with the **Bekaa Water Establishment (BWE)** and the Ministry of Environment and Water to regulate desludging services in informal tented settlements (ITSs). Under this MoU, desludging companies contracted by Oxfam would discharge sludge at the wastewater treatment facility in North Bekaa, under a fixed tariff agreement, directly paid by Oxfam to the BWE. In 2018, this MoU was still not signed by the authorities, due to concerns about encouraging the permanent settlement of Syrian refugees in ITSs. In parallel, an alternative approach led to a decrease in the cost of desludging, achieved through a comparative analysis of desludging costs among non-governmental organizations and subsequent negotiations with private tankers (Oxfam, 2018d).

Improvement of sanitation-related policies during protracted emergencies

No documented example of the use of this modality was identified. The sanitation report of the emergency market mapping and analysis conducted by Oxfam in Bukavu (DRC) recommended to advocate "with state and local authorities for compliance with sanitation standards, development of suitable sites for the treatment of faeces, and improved urban planning" (Elluard, 2013). However, it is not known from the documentation reviewed here whether this recommendation was carried out.

Improvement of sanitation-related policies as a disaster resilience-building measure in fragile contexts

In several reports by the World Bank, recommendations were made concerning public policies and their potential to make sanitation markets more functional, although it is not known to what extent these recommendations have been followed. They include the following:

- In Haiti, public institutions should directly tax the main producers of faecal waste (businesses and institutions) to subsidize faecal waste management for the poorest, and container-based sanitation services should be included in government sanitation strategies (World Bank, 2018).
- In LMICs, well-capitalized private companies (with the marketing skills to drive consumer interest and capacity to coordinate supply chains) can be encouraged to join the sanitation sector; quality assurance and accreditation for sanitation services can be developed, as well as practical standards and protocols for faecal sludge disposal; small sanitation enterprises can be assisted to signal service quality and assure potential purchasers that they will get value for money, durability and continuity of service (Sy, 2014)

4.1.6 Support to public institutions and infrastructure

Role and benefits

In large cities equipped with a sewage network, wastewater is usually managed by public sanitation utilities.⁸ For on-site sanitation systems, although faecal sludge collection and transportation is usually done by the private sector, sludge disposal sites or treatment plants are generally still managed by public institutions.⁹ In urban emergencies, although humanitarian actors tend to focus on water supply, collapse of the wastewater management system is a serious risk, which can lead to disastrous environmental health issues. Resuming or ensuring continuity of these services can be done by providing financial, material or technical support to sanitation utilities in preparedness or during emergency response.

Enabling factors

Strong political will from the central government to improve wastewater management is key to engage local authorities. Interventions supporting centralized wastewater management by public institutions are relevant mostly in contexts with high-quality sewage systems. In contexts with decentralized sanitation systems, the management role of local authorities can be focused on monitoring and regulation.

Risks and limitations

Financial mechanisms designed to support large municipalities or utility companies can be complex to set up, as the budgets involved are consequential and beyond the funding capacity of individual aid organizations or donors.

Observed practices

Support preparedness or emergency repair of large-scale public wastewater management systems

In the Middle East and North Africa, organizations such as the International Committee of the Red Cross have started to invest in developing the skills and capacity of their staff to work with utilities in emergency preparedness or response, not only for water but also electrical utilities and, where relevant, wastewater too (Diep, 2017).

In Yemen in 2015, the water and sanitation utility in Aden was on the verge of collapse and unable to pay the salaries of its 2000 employees. To ensure continuity of its activities, the WASH Cluster ensured that the utility was involved in the response with the support of international organizations. For example, the utility set up an emergency team responsible for quick maintenance and repairs, while Oxfam provided financial incentives for the utility workers, based on a daily rate (Diep, 2017).

⁸ In many cases, water supply and sanitation are managed by the same utility, although the associated infrastructure and technology can be quite different. For example, in Yemen, both water supply and sanitation in the urban areas of Aden are managed by a local utility called the Local Water and Sanitation Corporation (LWSC).

⁹ For example, the two faecal sludge management plants of Port-au-Prince (Haiti), built by humanitarian agencies after the 2010 earthquake, are today managed by the Direction National de l'Eau Potable et de l'Assainissement (DINERPA). They are the official disposal sites for sludge tankers.

During the COVID-19 outbreak, many water and sanitation utilities have been providing three months of free services, which has meant a complete lack of revenue during that period (WaterAid, 2020). At the time of writing this report, UNICEF is exploring various ways of supporting these utilities to ensure continuity of service – e.g., by providing financial support to governments, which would then redistribute the funds either directly to public utilities (to support supply) or to vulnerable households through CVA (to support demand). This approach is under discussion and has not yet been implemented (Hutton, 2020).



Public–private partnership toilet facility constructed to promote sanitation in the city of El-Fasher, the capital of the state of North Darfur, Sudan.

4.1.7 Support to community-based systems

<p>Role and benefits</p>	<p>This group of modalities consists in supporting community-managed sanitation infrastructure, such as shared latrines or waste disposal pits (e.g., through CFW or direct rehabilitation), or supporting community-based organizations to provide sanitation services in emergencies (such as waste collection).</p>
<p>Enabling factors</p>	<p>Community-based organizations specialized in sanitation should already be present and active in the local area (e.g., in urban slums). There should be community-level willingness and demand for improved sanitation. CFW can be appropriate for distinct, one-off community works (such as construction or clearing an area after a natural disaster).</p>
<p>Risks and limitations</p>	<p>In LMICs, community-based organizations may not be able to provide sanitation services at humanitarian standards. For CFW, a good practice is that the community chooses the projects on which they would like to work, and sanitation may or may not be identified as a priority. CFW has limitations in terms of supporting the community management of recurrent tasks, such as waste collection, as there is a risk that introducing payment can reduce community participation in the future or that communities may throw waste into newly cleaned areas, as was the case in Haiti (Oxfam, 2011b). While the cash transferred can contribute to households meeting their basic needs, it is generally not designed (nor used by recipients) to achieve sanitation outcomes.</p>

Observed practices

CFW used to build or rehabilitate sanitation infrastructure in emergencies

Only a few examples of CFW being used for sanitation infrastructure were reviewed here. For example, CFW was used during the 2011 drought response in Kenya, where CFW 'microprojects' were used to increase access to safe water and sanitation, combined with hygiene promotion and unconditional cash assistance for families without labour capacity who could not participate in the CFW. Some communities chose to work on 'shared pit latrine construction' as well as 'community garbage pit digging' (Schira, 2011).

4.1.8 Market-aware procurement practices

Role and benefits	Emergency sanitation interventions often rely on the installation or distribution of plumbing, latrine platforms and construction materials. These items can be purchased on the national or international markets, supplied from agencies' contingency stocks or purchased locally. Local procurement can support the local economy and supply chains and improve the availability of products, while other types of procurement can, potentially, contribute to market failure (Jones, 2015).
Enabling factors	In general, local markets must be functional to be used for procurement. When local sanitation markets exist but are considered too weak to be used, market support can be implemented to enable local procurement. Sanitation materials available locally should be assessed (prices, quality, stocks) before procuring locally. Flexible procurement rules can enable local procurement, and agencies should, when applicable, mention specifically in their project proposals that local suppliers will be prioritized, with the objective of strengthening the local market.
Risks and limitations	Local procurement of sanitation materials can take longer and be more expensive than using larger non-local markets or agencies' contingency stocks. Goods available on the local market can be of low quality. There is a risk of depleting stocks and increasing prices for the local population. In some organizations, there can be tension between a programmatic approach of supporting local markets and a procurement approach of purchasing at competitive prices (with processes that are compliant with internal and donor rules).

Observed practices

Market-aware procurement is not an aspect that was well reflected in this review, as aid agencies rarely share publicly the way in which they procure items in emergencies. A certain number of initiatives were identified that could support local procurement in emergencies, such as UNICEF's 'Sanitation Market Shaping Strategy'. This strategy presents a range of actions (industry consultation, supply-side financing) that would result in more functional local sanitation markets, thereby allowing for increased local procurement of sanitation goods and services for both development and humanitarian actors (UNICEF, 2018b).

4.2 CVA modalities



Figure 4. CVA for sanitation practices; number per type of implementation modality

Figure 4 presents the breakdown of documented CVA practices by modality (not including information from KIs).

The following tables provide an overview of the practices reviewed for each type of CVA modality used

for sanitation, with the exception of CFW, which is included in the following section on complementary programming, and MPC, which is addressed in the specific report on MPC and WASH.

4.2.1 WASH-specific vouchers for water

Role and benefits

When used in the sanitation subsector, 'WASH-specific vouchers' are exchanged for sanitation-related goods and services. This includes 'value vouchers', which have a cash value (e.g., \$25), and 'commodity vouchers', which are exchanged for predetermined goods (e.g., latrine slab, materials for latrine construction etc.) or specific services (e.g., latrine desludging, labour for latrine construction).

Vouchers are frequently used in the WASH sector as a less risky way of directly meeting project objectives and targeting the most vulnerable households while giving the user some flexibility in terms of when they want to make purchases and from which vendor. Quality and quantity can be monitored, as humanitarian agencies have a direct contract with the supplier/vendor, and beneficiaries are able to check quality before 'paying' with their voucher (Denis Le Sève, 2019). In the case of desludging services, the contract can ensure that service providers visit more isolated areas (UNHCR, 2016).

Enabling factors

Latrine construction materials or desludging services must be available on the local market, at least for small volumes. As both latrine construction/rehabilitation and desludging are irregular expenses, the set-up of a specific delivery mechanism for sanitation vouchers is unlikely to be cost-effective; piggybacking on an existing voucher delivery mechanism is therefore recommended, whenever possible.

Risks and limitations

In contexts where housing conditions are unstable (rental agreements that do not protect tenants or risk of further displacement), affected households are unlikely to invest in constructing or rehabilitating latrines (Chaaban, et al., 2020; KII with CAMEALEON Lebanon). Other potential risks include poor-quality latrines or construction in a location that creates a public health risk or is difficult if not impossible to desludge (UNHCR, 2016). Some contractors complain that it is difficult to desludge an area in a single trip, as beneficiaries make individual requests (KII with UNHCR Lebanon). With vouchers, there is also a risk that mobile populations, such as refugees, may move out of the area covered by their desludging vouchers and can no longer use them (UNHCR, 2016).

Observed practices

Vouchers for latrine construction

In Indonesia, Wahana Visi (World Vision) used a combination of value vouchers and commodity vouchers for the construction of latrines (see Box 1 for further details).

In the Philippines, ACF used vouchers to support households to construct or rehabilitate their latrines, in response to the earthquake in Bohol and then after Typhoon Haiyan. To adapt the emergency response to the community-led total sanitation methodology which was already being used in the same area, households contributed their labour to complete the latrine construction and received vouchers that were exchanged for materials with local suppliers (UNHCR, 2016).

Vouchers for desludging

Since 2014, a number of humanitarian agencies (Oxfam, ACF, MedAir) in Lebanon have been using vouchers to ensure desludging of latrine tanks for Syrian refugees in ITSS.

In Oxfam's project 'Integrated Protection and WASH Response', vouchers worth US\$19.30 were distributed every two months to latrine owners (or groups of families who shared latrines) in one of the ITSS. During the voucher distribution, beneficiaries were trained to check the quality of the contractor's work, to ensure that the latrine had been properly emptied before giving the voucher to the contractor. This was an improvement on the previous approach, in which Oxfam staff were required to check the contractor's work, and beneficiaries complained that some latrine pits had not been completely emptied (Denis le Sève, 2019; UNHCR, 2016).

Also in Lebanon, MedAir used a slightly different approach, distributing desludging vouchers to the settlement representative ('Shawish') or WASH community focal point, who either distributed the vouchers to the households or was responsible for organizing the service with the desludging contractor when several latrines needed to be desludged (UNHCR, 2016).

Apart from in Lebanon, no other examples of the use of vouchers for latrine desludging were reviewed.

Box 1. Healthy Latrine Project in Central Sulawesi, Wahana Visi Indonesia

In 2018–2019, Wahana Visi Indonesia implemented the Healthy Latrine Project in response to the damage caused by the earthquake, liquefaction and tsunami which struck Central Sulawesi Province.

In the first phase of the response, 50 public latrines were constructed through CFW. In the recovery phase, 850 transitional shelters with private household latrines were constructed, through a combination of value vouchers and commodity vouchers, as well as in-kind distribution of construction materials.

For the sanitation component, commodity vouchers were used when latrines needed to be constructed from scratch (as a standard list of items applies), but value vouchers were used when latrines were 'retrofitted' or rehabilitated (as the materials needed varied from one household to the next).

For those households that did not have the labour capacity to construct their own latrines, an additional 460 private septic tank toilets were constructed by community members (who were paid through CFW). Project staff reported that it was a challenge to find local suppliers with the capacity and willingness to participate in the voucher scheme, so suppliers from neighbouring areas were eventually selected to participate in the project (KII with Wahana Visi Indonesia, formerly World Vision Indonesia).

4.2.2 WASH-specific cash

<p>Role and benefits</p>	<p>'WASH-specific cash' is assistance in the form of money – either physical currency or electronic cash – that is designed to be used by recipients to achieve WASH-specific objectives, such as paying for latrine material, labour or desludging services. The value of WASH-specific cash is only intended to meet sanitation-related costs – unlike MPC, which is designed to meet a variety of basic needs.</p>
<p>Enabling factors</p>	<p>Although cash is inherently unrestricted, aid agencies can use conditionality and labelling to encourage the use of cash to pay for sanitation-related costs. WASH-specific cash should be used in complementarity to other forms of assistance, such as MPC or in-kind distributions of food and non-food items (NFIs), to cover basic needs other than sanitation. Although cash is inherently unrestricted, aid agencies can use conditionality and labelling to encourage the use of cash to pay for sanitation-related costs. WASH-specific cash should be used in complementarity to other forms of assistance, such as MPC or in-kind distributions of food and non-food items (NFIs), to cover basic needs other than sanitation.</p>
<p>Risks and limitations</p>	<p>Risks and limitations are similar to those identified for vouchers: in contexts where housing conditions are unstable and tenants' rights are not protected, affected households are unlikely to invest in constructing or rehabilitating latrines (Chaaban, et al., 2020; KII with CAMEALEON Lebanon). In first-phase emergency response, direct latrine construction is likely to be faster and more appropriate than cash transfers. With cash and self-build approaches, there is also a risk that latrines are poorly constructed, built in a location that creates a public health risk or complicated to desludge. When using cash for desludging, there is a risk that it will not be prioritized by households, who may use the cash for other purposes. CVA approaches (and unrestricted cash in particular) may also be less successful in contexts where the population is on the 'first step of the sanitation ladder' – i.e., where open defecation is still common and demand creation is required (UNHCR, 2016).</p>

Observed practices

Cash for latrine construction

Conditional cash transfer instalments (or 'tranche payments') have been widely used by UNHCR and partners to provide refugees with the means to construct their own latrines, with examples of this practice from DRC and Kenya (see Box 2) (UNHCR, 2016; Denis le Sève, 2019).

In the Philippines, Catholic Relief Services (CRS) provided cash transfers plus training, supporting 23 000 families to rebuild their shelters and latrines after Typhoon Haiyan. Households were categorized into four grades, according to the level of damage, and received a corresponding amount of cash assistance to buy materials. For families who would struggle to construct their own latrines (such as some female-headed households, elderly people, persons with disabilities,

and families with very young children), CRS continued to provide 'direct-build' in-kind support for the construction of shelters and latrines (Ahmed, 2016).

Cash for sanitation

Only one example of the use of unconditional (but labelled) cash for sanitation was reviewed: the 'Cash4WASH' initiative piloted by UNICEF and partners to provide WASH services for Syrian refugees in ITSs in Lebanon. In addition to MPC, the poorest households in the ITS also received top-up cash assistance intended to cover the additional costs of water-trucking and latrine-desludging services in those areas. The additional cash assistance was transferred directly to the same card with which refugees were already familiar, making this a cost-efficient and simple approach. An evaluation of this approach was planned for 2020 but has been delayed (UNICEF, 2018; KII with UNICEF Lebanon).

Box 2. *Cash for latrine construction in refugee camps, UNHCR*

UNHCR and partners have been providing refugees with conditional instalments (or 'tranche payments') to construct household latrines. Examples of this tranche payment method were found from both Kenya (Kakuma and Kalobei camps) and DRC (North and South Ubangi). The cash transfers are conditional on the household contributing labour to the latrine construction process.

The number of cash payments and the work conditions vary across contexts, depending on the materials and labour that project participants can contribute themselves, as well as the materials and technical skills available on the local market. The cash is sometimes combined with the provision of materials by the aid agency; for example, in DRC, UNHCR and its partner, ADES, provided latrine slabs. In Kenya, the cash was delivered in two tranches: when the household had dug the latrine pit according to specifications, the first cash payment was transferred, which was intended to cover the costs of the latrine slab. When the latrine slab was completed, the household received the second cash transfer, which was intended to cover the costs of the latrine superstructure. UNHCR and partners provide technical support and check the quality of the work throughout the latrine construction process. For households with specific protection needs and those that did not have the labour capacity to dig the latrine pit themselves, direct latrine construction was used.

The tranche payment method for latrine construction has a number of advantages: it was cited in KIIs that as the refugees were involved in the process they took "better care of the latrines and hygiene levels improved in the community". In addition, in Kenya bank accounts were opened for the refugees, to provide cash assistance, and these same bank accounts were used not only for the cash for latrine construction but also for monthly cash distributions for soap and other hygiene products, as well as for menstrual hygiene items for women of reproductive age. Refugees could use their bank accounts for other purposes, such as saving or transferring their own money, thereby improving financial inclusion (Denis le Sève, 2019; KII with former UNHCR Cash-Based Interventions Officer in Kenya).

4.2.3 Multisectoral vouchers

'Multisectoral vouchers' is a term used in this study to denote vouchers which are designed to achieve objectives for multiple sectors – i.e., for WASH and one or more other sectors. In the sanitation sub-sector, no examples of the use of multisectoral vouchers were found in this practice review. Due to the gap in practices and evidence around the use of multisectoral vouchers for sanitation, no conclusions can be drawn as to their feasibility or the conditions under which such a modality might

be relevant or appropriate. 'Multisectoral vouchers' is a term used in this study to denote vouchers which are designed to achieve objectives for multiple sectors – i.e., for WASH and one or more other sectors. In the sanitation sub-sector, no examples of the use of multisectoral vouchers were found in this practice review. Due to the gap in practices and evidence around the use of multisectoral vouchers for sanitation, no conclusions can be drawn as to their feasibility or the conditions under which such a modality might be relevant or appropriate.

4.3 Complementary programming for sanitation

There are multiple barriers to achieving sanitation outcomes in emergency contexts, and the use of several modalities is often necessary to address them all. While the sections above focus on the implementation of specific market support and CVA modalities, this section presents examples where agencies have used a combination of different modalities and/or activities (both market-based and non-market-based) to better address the needs of affected populations and achieve sanitation objectives. These approaches are referred to as 'WASH complementary programming' in the glossary.

The following table provides a summary of these practices and approaches, based on the available

documentation and KIIs. Although a wide variety of market- and non-market-based modalities can be implemented simultaneously during emergency response, by single or multiple agencies, this aspect of interventions is often not well coordinated or well documented. The MBP for sanitation practices reviewed for this study tended to focus primarily on market-based modalities, providing very few details on the other modalities used, and there are significant gaps in the documentation for 'complementary programming'.

4.3.1 Complementary programming for sanitation

Role and benefits

In LMICs, sanitation markets are rarely functional enough to provide improved sanitation to beneficiaries affected by humanitarian crises without some external support. Combining CVA and market support is often an appropriate market-based approach, addressing both demand- and supply-side barriers. In situations where sanitation market actors – even with support – do not have sufficient capacity to provide sanitation materials or services that meet humanitarian standards, direct service delivery can be combined with market-based modalities. Depending on the baseline sanitation practices of the affected population, BCC is generally required to improve or sustain sanitation practices during emergencies.

Enabling factors

A thorough response analysis process enables the identification of the most appropriate combination of modalities. Different modalities can be combined within a single agency project; synergies can also be achieved through coordination of multiple partners (one NGO doing direct service delivery, another doing CVA etc.).

Risks and limitations

Combining modalities requires multidisciplinary teams, as CVA, market support and direct water supply assistance require specific skills, which relief agencies are not always able to budget for and provide

Observed practices

Combining CVA and market support and in-kind / direct-build services for latrine construction

In many of the sanitation marketing or sanitation microfinance interventions reviewed, vouchers were provided to poor households on top of the loans to contribute to covering the costs of constructing their latrine (see above sections for more details).

During the Typhoon Haiyan response in the Philippines in 2015, Catholic Relief Services used a combination of cash transfers and direct-build support for shelter and latrine construction. Beneficiaries were able to choose between the two modalities, depending on their situation and preference. The cash transfer beneficiaries also received materials that were not available on the market (corrugated iron, toilet bowls etc.) as in-kind. The direct-build option was also used if local markets were not functional or road accessibility was limited (Ahmed, 2016).

Similarly, during the response to the damage caused by the earthquake and tsunami which struck Central Sulawesi Province in 2018, Wahana Visi Indonesia supported households to construct transitional shelters and latrines, using a combination of CVA and in-kind distribution of construction materials that were not available locally (KII with Wahana Visi Indonesia).

In Iraq, NRC used a combination of vouchers and CFW to enable 3 000 returnee families in Ramadi to upgrade WASH facilities in their homes. The vouchers could be exchanged against a list of up to 42 products, including sanitation materials. For people who lacked the technical know-how, plumbers and builders (also trained by NRC) were made available and paid for through CFW, to support the work for each household (NRC, 2019; KII with NRC Iraq).



4.4 MBP for sanitation throughout the humanitarian programme cycle

Implementation of MBP for sanitation is enabled by a market-sensitive coordinated, multisectoral approach to needs assessment and response analysis. It also involves monitoring processes which are adapted to MBP – e.g., regular monitoring of the construction market system during the response – and new arrangements in terms of information

management and cluster and intercluster coordination. The following tables provide some examples of how MBP was taken into account in the phases of the humanitarian programme cycle and enabling environments, although these arrangements are not well documented and there are significant information gaps in this area.

4.4.1 Market-sensitive assessments, response analysis and planning

Role and benefits

Market assessments are the cornerstone of MBP for WASH (GWC, 2019). Their role is to inform subsequent WASH response analysis and planning. During the response analysis phase, the relevance, appropriateness and feasibility of various market- and non-market-based response modalities must be assessed for the sanitation subsector, and the optimal combination of modalities identified and included in the implementation strategy. Sanitation is one of the many basic needs that need to be covered, and response analysis should start by a multi-sectoral analysis, before being narrowed down to the WASH sector. This process can be done at agency level by project managers or programme coordinators, or at humanitarian response level by cluster coordinators. The sanitation market can change over time (e.g., prices, quality, availability of construction material or labour), so it should be monitored during the emergency response phase, and corrective actions implemented if needed.

Enabling factors

To ensure that sanitation is adequately considered during market-sensitive assessments and response analysis processes, WASH project managers or coordinators should follow MBP training or have dedicated support from a cash and markets specialist. They should also be involved in other types of market-sensitive multisectoral assessments, such as basic needs analyses, when these take place at interagency or inter-cluster level. Strong inter-cluster leadership is an enabling factor for multisectoral and market-sensitive response analysis, as this process can be extremely challenging – especially in first-phase response. As sanitation depends on the wider market for construction materials, working together with the Shelter cluster on construction market assessments could save time and resources.

For camps for internally displaced persons or refugees that may become permanent settlements, it is important to support or develop a functioning sanitation market. At the early stage of the response, discussions with other sectors can help identify exit strategies and alternatives to direct service delivery for sanitation.

Risks and limitations

The practice review indicated that it is rare for sanitation market assessments to be conducted in emergency contexts. Sanitation market assessments are complex because of the fragmentation of the markets: they lack dedicated market actors and depend on the wider market for construction materials. The necessary distinction between latrine construction and sludge management also complicates market assessments, as actors and infrastructure are very different. It is therefore challenging to identify strategies to improve sanitation markets in emergencies, since most solutions are long term. Because of this complexity, and the sometimes low priority given to sanitation by affected populations (e.g., in rural settings), there is a risk that sanitation markets are overlooked during response analysis processes in emergencies.

Observed practices

Two sanitation market assessments conducted in humanitarian contexts were identified: in Somalia (WASH Cluster, 2019b) and DRC (Elluard, 2013). Both reports assessed several WASH markets simultaneously, including: water supply, household water treatment items, hygiene items, latrine construction materials and latrine desludging services. The Somalia report gave concrete recommendations on how to use, support and develop the sanitation market in various regions of the country. It is not known whether these recommendations were followed or not.

During the internally displaced persons crisis in the Somali region of Ethiopia in 2018, as part of the basic needs assessment pilot, a comparative analysis of WASH response options was conducted, which included sanitation (Save the Children, 2018). The analysis for sanitation was far less detailed than for water. As a result of the response analysis it was decided to directly construct community latrines for the internally displaced persons.



WASH Cluster
Water Sanitation Hygiene

Evidence-building for cash and markets for WASH in emergencies
Practices in MBP in sanitation

5. CONCLUSION

This report presents an overview of current practices of MBP for sanitation in emergencies, describing documented interventions and approaches as well as examples of successful partnerships between humanitarian actors and the public and private sectors. The practices are drawn from 73 documented examples of MBP for sanitation and 41 KILs. For each CVA and market support modality, the specific benefits, enabling factors, risks and limitations were identified, based on the practices reviewed. These factors are summarized below for each group of modalities.

Sanitation market support

Market support modalities offer some benefits and opportunities to achieve quality sanitation programming in emergencies:

- The **private sector**, and to a lesser extent **community-based organizations**, are potential partners for the provision of sanitation during emergency preparedness and response.
- **Social marketing** can produce positive effects on both demand and supply for improved sanitation.
- **Support to sanitation utilities** in urban centres can prevent the collapse of sewage and wastewater treatment systems.
- **Support to sanitation policies** can have a long-term impact on disaster resilience.
- **Microfinance** can trigger investments by poor households in sanitation infrastructure.
- **Market-aware procurement processes** used by aid agencies in the emergency sanitation sub-sector can avoid harming local markets, support the local economy and improve availability of sanitation goods and services locally.
- The sanitation labour market can be supported through vocational training, conducted in the emergency preparedness phase and during protracted crises.

Certain factors or environments can *enable* the implementation of sanitation market support modalities. For instance, many market support modalities are appropriate and feasible only in stable contexts

and require a relatively long project duration (over three years); this is the case for sanitation marketing, improving the labour market for sanitation, microfinance and support to sanitation policies. In many contexts, sanitation market support should be combined with approaches that strengthen demand for improved sanitation. Prior to supporting sanitation markets, initial studies should be conducted to understand households' economic profile and sanitation-related consumption patterns. These modalities also require specific skills (such as communication, marketing or finance) among WASH project teams and the establishment of partnerships with development-oriented actors (such as microfinance institutions). Finally, flexible procurement rules on the part of aid organizations and donors are an enabling factor for local procurement.

Market support modalities also present some *risks and limitations* when used in emergency contexts. In general, the sanitation markets in LMICs – whether public or private – are weak and need further development to be used for emergency response. Market support modalities are also unlikely to produce results in very fragile contexts, affected by extreme poverty, food insecurity and insecurity. Generally, policies aimed at developing the private sanitation market in LMICs have not yet been shown to increase private sector involvement and quality of delivery, and more research is necessary in this area. Even when successful, sanitation market support does not always translate into latrine installation and use by households in the short or medium term, and it is likely to be necessary to combine it with other modalities such as BCC and community engagement. When aid actors procure locally for emergency sanitation, the process can take longer and be more expensive than using larger non-local markets and can pose the risk of purchasing lower-quality material or services.

CVA for sanitation

Vouchers or cash can both *play a role in supporting* households to access latrine construction materials, labour or desludging services in emergencies. These modalities should be used only when certain *enabling*

factors and preconditions are present. For instance, the local market for latrine construction materials or desludging services must be functional (at least for small volumes), and there should be a strong (and pre-existing) demand for improved sanitation. In addition, quality control for latrine construction and desludging services remains necessary to ensure finished latrines correspond to recognized technical standards. Stable and relatively secure housing is also an enabling factor for investment in latrines by households. As sanitation-related expenses are usually one-off or irregular, the set-up of a CVA delivery mechanism specifically for sanitation is unlikely to be cost-effective, and therefore 'piggybacking' on an existing delivery mechanism is recommended. Aid agencies can use conditionality and labelling to encourage the use of cash to pay for sanitation-related costs, if necessary. Finally, cash should be used for sanitation only when other basic needs are also already covered (otherwise, sanitation expenses are unlikely to be prioritized).

CVA also presents *certain risks and limitations* for the achievement of sanitation outcomes. When CVA is used to support investment in latrines, it is unlikely to produce a positive effect in contexts where housing conditions are unstable, when affected populations are mobile or where the demand for improved sanitation is very low. These factors effectively exclude CVA from being an appropriate modality for latrine construction in many types of humanitarian response. With CVA there is also the potential risk that the latrines constructed are of poor quality, built in a location that creates a public health risk or complex to desludge (though many of these risks can be mitigated through close technical follow-up from aid agencies). As with CVA for shelter, technical support is crucial to ensure that latrine construction or rehabilitation through CVA meets locally agreed quality standards.

Complementary programming for sanitation

In most contexts, MBP for emergency sanitation should use complementary approaches that combine CVA, market support, direct service delivery and BCC, thereby addressing all demand- and supply-side barriers before, during and after emergency response.

Different modalities can be combined within a single agency project, while synergies can also be achieved through the coordination of multiple partners (one non-governmental organization doing direct service delivery, another doing CVA etc.). Sanitation-related services are complex and costly, and although these services are generally provided and funded by humanitarian actors during the first phase of emergency response, there is a need to discuss with all other sectors how these services will be provided once the peak of the emergency has passed. However, such a process is challenging – especially in first-phase response – and is only really feasible with strong inter-cluster leadership, experience or training in MBP and dedicated support from staff specializing in cash and markets.

MBP for sanitation throughout the humanitarian programme cycle

WASH market-sensitive approaches for sanitation were rarely used by agencies and clusters during situation assessment, response analysis, and strategic planning, and monitoring. As sanitation markets are often weak, and demand for sanitation is not always prioritized by beneficiaries, there is the risk of market-based modalities for sanitation being overlooked during the response analysis process. The existence of cash and market focal points within agencies supporting national WASH clusters and partners, as well as the implementation of MBP for WASH-related training for WASH practitioners, are all enabling factors for the adequate use of market-sensitive approaches for sanitation throughout the humanitarian programme cycle. These approaches, which take into account local market actors and try to address multiple barriers to achieving sanitation outcomes, are essentially 'good programming' for the WASH sector. They bring with them only one real risk or limitation: as these approaches require new skills, a high level of preparedness from WASH practitioners and strong coordination between sectors, adopting MBP could increase the complexity of response analysis to the point where, in the worst-case scenario, it potentially delays the delivery of emergency sanitation assistance. To mitigate this risk, better emergency preparedness, pre-crisis market mapping and capacity-building of WASH practitioners are necessary.

Gaps in MBP practice in the sanitation subsector

Certain gaps were identified in this review of MBP practices in the sanitation subsector, though it should be noted that the absence of documented practice does not necessarily mean that a particular approach or modality is not feasible. For instance, no practice of supporting the private sector to supply sanitation services in emergencies was identified here, although this could be feasible in large urban cities affected by disasters, in which there is usually a functional sanitation market. In this review, very few examples could be found of practices to improve sanitation-related policies in emergency situations, even in protracted crises. In terms of CVA, MPC was rarely used for sanitation, which can be partly explained by the fact that sanitation-related expenses are often a low priority for affected

households and involve high and irregular costs. Although many initiatives exist in LMICs to support private or community actors to improve sanitation financing, such as the selling and reuse of faecal matter in the energy or agricultural sectors, more practice and research should be done to link these initiatives to disaster resilience, preparedness and response. MBP was not often used for solid waste management in emergency settings, and in the few practices reviewed here (e.g., developing markets for solid waste collection and recycling in refugee camps) the solid waste market developed still relied on funding and direct support by aid agencies. In general, the transition from direct delivery to market-based delivery of sanitation services in protracted refugee crises is not adequately addressed or documented.



**Cluster Advocacy and Support Team
Global WASH Cluster**

UNICEF
4 route des Morillons
CH-1211 Geneva Switzerland
<https://washcluster.net>

For more information, please contact the GWC helpdesk:
globalwashcluster@gmail.com

