Improving sanitation services

Government engagement with Non-State Providers

Introduction

Public agencies in developing countries usually have a small share of the sanitation market, in terms of providing facilities for excreta disposal to the poor. Non-state providers (NSPs) are the primary group ensuring that some level of sanitation service, however limited, is offered to the vast majority of poor households. Given the substantial health and environmental benefits that can emerge from effective sanitation services, governments are looking at ways to work more closely with NSPs, in order to make an impact that could not be achieved by using the limited government resources alone.

This Briefing Note considers the role that non-state providers play in delivering basic sanitation services, what action governments can take to support a more effective role for these NSPs and how, by working together, they can improve services.

Key references


This Briefing Note is based on the full report by Rebecca Scott and Kevin Sansom available at www.Lboro.ac.uk/well

Briefing Note compiled by
Rebecca Scott and Kevin Sansom of WEDC

Photographs by Bob Reed, Darren Saywell and Rebecca Scott

DFID Resource Centre in Water, Sanitation & Environment

www.Lboro.ac.uk/well

For further information, contact:
WELL Water and Sanitation Services in India, Africa and Latin America

Loughborough University

Leicestershire LE11 3TU UK

Email: WELL@Lboro.ac.uk
Phone: 0 (44) 1509 228384
Fax: 0 (44) 1509 219079
Website: http://www.Lboro.ac.uk/well/

WELL is a network of resource centres: WEDC at Loughborough University UK, IRC at Delft, The Netherlands, AMREEF, Nairobi, Kenya, IWND, Harare, Zimbabwe, LSHTM at University of London, UK.

This note was funded by the UK Department for International Development (DFID). The views expressed, however, are not necessarily those of DFID.

Published by WEDC on behalf of WELL

WELL 2006

Headline facts

- Most rural and peri-urban sanitation facilities are on-site solutions provided by households or local communities. Small scale entrepreneurs (non-state providers, or NSPs) support construction (e.g. making latrine slabs) and operation and maintenance (emptying pits, managing and cleaning public latrines).
- NSPs typically operate independently from the state, offering basic services where the state fail to provide.
- As countries decentralize, local government has a greater role in sanitation service delivery, either as a direct provider, or by supporting alternative service providers (increasingly NSPs) to fill the capacity gap.
- Local governments and other key stakeholders need clear strategies for effectively engaging with NSPs, so that they can support improved delivery of sanitation. Formal recognition of NSPs, clearly defined and agreed roles are key.
- In South Asia, innovative tripartite relationships involving government, civil society and the local private sector have achieved some success in both urban and rural sanitation. Further work is required to determine how such approaches can work effectively at scale.

www.Lboro.ac.uk/well/
Disincentives for government engagement

Creating an Environment for Better Engagement

Governments typically take the lead in creating the institutional environment within which state and non-state actors operate. They can hinder processes, or seek to create a favourable environment in which greater levels of engagement with sanitation NSPs improve sanitation services to the, as yet, unserved. This institutional environment can support government engagement with NSPs through:

- low level engagement, such as formal recognition of NSPs;
- medium-level engagement, such as registration, creative ways for collaboration, developing opportunities for dialogue and policy engagement, or short term contracts; and
- high-level engagement, including appropriate longer term contractual relationships and regulation.

Incentives and Disincentives for Engaging with NSPs

There are both incentives and disincentives for government to engage with NSPs operating in the sanitation sector. Outlined in Table 1, these need to be borne in mind as programmes are developed.

<table>
<thead>
<tr>
<th>Element</th>
<th>Disincentives for government engagement</th>
<th>Incentives for government engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management capacity</td>
<td>High-level engagement is often seen as requiring several ministries/departments, leading to confusion and a lack of action.</td>
<td>Regulated capacity is often weak.</td>
</tr>
<tr>
<td>Demand</td>
<td>Chaotic demand means larger term investment, without quick returns.</td>
<td>NSPs can help stimulate demand, then respond quickly to changes in demand.</td>
</tr>
<tr>
<td>Supply of services</td>
<td>Government is often mandated to provide basic services, and may view increased cost as a threat.</td>
<td>Government cannot do it alone. Government can enhance its role as a regulator, ensuring that NSPs perform services to the required standard, and/or technical assistance to help establish a regulatory framework.</td>
</tr>
<tr>
<td>New innovations</td>
<td>Requires changed mind set in civil servants to accept non-conventional sanitation solutions.</td>
<td>Innovation is often driven by NSPs, while governments who ‘get-on-board’ gain some of the credit.</td>
</tr>
<tr>
<td>Finance</td>
<td>Government funds for sanitation are limited, water services typically dominate.</td>
<td>Cost sharing options include: public financing of public aspects (demand creation, health education, etc.), to stimulate household financing of private aspects (such as construction, or O&amp;M).</td>
</tr>
</tbody>
</table>

Comparative Advantage of Non-State Providers (NSPs)

Initiatives to stimulate demand for sanitation have seen a growth in supply mechanisms, to match that demand. A growing number of informal private providers for sanitation services – such as supplying basic latrine components or emptying pit latrines – can be responsive to fluctuating demand, having the flexibility to provide a range of services that suit financial and other household constraints.

Each provider offers some form of comparative advantage within its particular market niche. In a competitive market, private providers have to be cost-effective, to generate sufficient profit to stay in business while also offering a satisfactory level of service to retain existing and generate new customers. In general terms, private sector NSPs are able to be more responsive to user demand than government departments. Some NGOs have also demonstrated good capacity to pilot innovative approaches, generating more demand for sanitation which can be scaled-up in partnership with government.

Sanitation Partnerships

No single provider, private or public, has the overall advantage or capacity for providing extensive sanitation services. Development programmes increasingly explore opportunities for sanitation partnerships between local government, NGOs, CBOs and the private sector, to achieve effective, workable and sustainable solutions. This is achieving promising results in the Community-led Total Sanitation (CLTS) approach to rural sanitation provision in Bangladesh, India and other Asian countries.

A more detailed explanation of the CLTS approach can be found in WELF Briefing Note 18: Achieving Sanitation at Scale, and the supporting background report, available from www.Lboro.ac.uk/well.

Other sanitation partnerships between civil society and local government are being replicated:

- the Orangi Pilot Project (OPP) approach in Pakistan entails NGOs working with communities and local government to provide low cost sewerage using a component sharing approach.
- widespread public toilet provision has been achieved by the NGO Sulubi International in India, who are given long term concessions to construct and manage public toilet blocks.

Good partnerships allocate responsibilities and risks to the stakeholders best able to manage them.