



USAID Sanitation Consultation Synthesis Report

I. Executive Summary

In response to a heightened worldwide focus on the critical needs of 2.6 billion people lacking access to adequate sanitation, the U.S. Agency for International Development (USAID) is reviewing its current sanitation programming and laying the groundwork to optimize its contribution to the Millennium Development Goal sanitation target. As an initial step, USAID convened a 1½ day Sanitation Consultation workshop, held June 19 and 20, 2008, in Washington, DC., which brought together 35 participants — including USAID staff from across the Agency and eight internationally recognized sanitation experts from outside of USAID.

Through panel presentations, plenary discussions, and small working-group activities, participants in the Sanitation Consultation came together to share and analyze information on international and USAID actions in sanitation, identify programming gaps and USAID comparative advantages, prioritize programming options and develop next steps to incorporate these priorities into USAID programs.

Two expert panels presented information on USAID programming and the status of international sanitation programming. These presentations informed the plenary discussions and working groups, which identified six priority program areas as an outcome for this Consultation. The six program areas below are recommendations that would build upon USAID comparative advantages in programming, a broad geographic presence and global networks:

1. **Sanitation marketing**, which includes demand activities like total sanitation approaches, supply chain management, and access to sanitation products and services.
2. **Private sector financing** for sanitation, incorporating business interests that can benefit from viable sanitation markets and private financial service organizations that can move capital toward sanitation improvements.
3. **Operationalizing national sanitation policies and strategies** by engaging stakeholders in country-specific action plans and operationalizing strategies at all levels.
4. **Sanitation for the urban poor** through state-of-the-art programs that might include sanitation marketing and private sector participation, reform, and revitalization of utilities.
5. **Sanitation for PLWHA households**, including expanding current activities by working with the Office of the U.S. Global AIDS Coordinator to develop concrete guidance for missions on feces management and sanitation, safe water treatment and hygiene promotion in households of people living with HIV and AIDS (PLWHA).
6. **Capacity-building**, a core activity in all USAID programs, targeting USAID staff and stakeholder groups, including health extension workers, NGO field staff, and Ministry and municipal staff.

To move the sanitation agenda forward and channel these areas of competitive advantage in the sanitation sector agency-wide, USAID's Bureau of Global Health will form a Sanitation Working Group to help create a vision for USAID sanitation programming; develop strategic sanitation activities; produce USAID Mission guidance/guidelines, programming tools, and staff training etc.; and foster the sharing of sanitation programming and experience within USAID and externally.

II. Introduction

USAID convened a Sanitation Consultation in June 2008, to strengthen the Agency's role in sanitation and develop a common vision on community and household approaches to sanitation, while ensuring that its investments are strategic and complement efforts by USAID and others in this sector. The Sanitation Consultation had three objectives:

- Identify USAID's comparative advantages and opportunities in community and household sanitation programming for improved health;
- Describe specific program approaches that USAID should take to increase access to and use of basic sanitation over the next five years; and
- Agree on next steps that will help USAID incorporate best sanitation practices into ongoing or new programs.

This report synthesizes the results of the Sanitation Consultation and is intended for participants as well as a broader audience of USAID staff and external sanitation practitioners interested in USAID's ongoing work to incorporate the best sanitation practices into its programs. After a brief background discussion, the report follows the workshop agenda and captures key points from the various sessions.

III. Background

The year 2008 is a watershed year for the sanitation sector. The UN declared 2008 to be the International Year of Sanitation; the *Lancet* has published no less than three high-profile editorials lauding the cost effective impact of sanitation programs in improving human health and economic development; international donors are investing in a Global Sanitation Fund to help meet the MDG sanitation target; thirty-two African ministers have pledged to spend 0.5 percent of their GDPs on sanitation and hygiene; and water and sanitation appeared on the G8 summit agenda in July 2008.

Within USAID, the 2005 Senator Paul Simon Water for the Poor Act has resulted in a \$300 million water earmark that in 2008 is driving a programmatic response in water and sanitation from USAID Missions and an associated demand for programming guidance. USAID's Bureau for Global Health (GH) is responding to this demand with additional funding to support sanitation and hygiene programming.

In response to these external and internal demands for a more strategic USAID approach to sanitation and building on over two decades of solid, health-focused sanitation and hygiene programming, USAID/GH conceived the idea of the Sanitation Consultation as a means to increase and organize the Agency's attention to sanitation. A background paper entitled "Moving Toward a Strategic Approach to Sanitation at USAID" (available at http://www.ehproject.org/PDF/ehkm/sc_background.pdf) was developed to provide a succinct analysis of the current sanitation landscape, including USAID's current strengths, and challenges and options for building and implementing an Agency approach to sanitation.

IV. Setting the Stage

The Consultation opened with two panel presentations: the first highlighted ongoing USAID sanitation work and the second reviewed the global state of the sanitation sector from the perspective of internationally recognized experts.

The panel on **Sanitation Programming at USAID: Examples from the Field**, moderated by **John Borrazzo**, chief of USAID's Maternal and Child Health Division/GH, provided snapshots of USAID sanitation activities incorporating the best of current practices in the sector.

USAID project contractors **Lisa Lumbao and Foort Bustran** discussed respectively the work of the Environmental Cooperation-Asia (ECO-Asia) in urban sanitation with the Philippine Sanitation Alliance and the Environmental Services Project (ESP) in Indonesia. In both projects, stakeholder participation and sanitation mapping are vital to developing city-wide solutions in sanitation, including septic waste management and on-site treatment facilities, sanitation master plans, and technical demonstration projects. Infrastructure is sustained through payment for services. Both projects use counterpart exchanges, facilitated by ECO-Asia, to introduce innovations with a targeted audience of sanitation decision-makers. In addition, these projects demonstrate USAID's effectiveness in facilitating processes and the critical value of promotion (marketing) activities if sanitation solutions are to be accepted, valued and paid for by users.

Merri Weinger, Hygiene Improvement Program Manager, USAID/GH, highlighted sanitation work currently supported through the Bureau for Global Health:

1. The Hygiene Improvement Project (HIP) supports important models for sanitation programming through:
 - “engaging multiples” to achieve scale – multiple sectors, multiple behaviors (hand washing with soap, household water treatment and safe storage, safe disposal of feces), multiple levels around a common agenda (Madagascar and Ethiopia);
 - implementing hybrid approaches that combine the use of state-of-the-art of behavior change techniques encouraging households to try “small doable actions” with participatory “total sanitation” approaches (Ethiopia);
 - creating sanitation markets that approach households as consumers rather than beneficiaries, and engaging the private sector to market desirable, affordable products (Peru and Uganda).
2. The USAID/GH/Office of Health, Infectious Diseases and Nutrition in collaboration with the USAID/GH/Office of HIV/AIDS is using a two-pronged approach to integrate safe water, sanitation and hygiene into care and support programming for people living with HIV/AIDS: 1) laying the institutional groundwork in countries by developing programming guidelines and capacity building through pilot interventions (Uganda and Ethiopia); and 2) providing program and financial guidance and technical assistance to Missions to integrate sanitation and hygiene into USAID Country Operational Plans.
3. Sanitation activities are implemented within the Child Survival and Health Grants Program as part of a \$22 million investment through 39 grants in 27 countries. These offer a wealth of programming experience as well as a significant geographic platform.

USAID's **Tony Kolb**, Urban Health Advisor, USAID/ Bureau for Economic Growth, Agriculture, and Trade, moderated the second panel on **Perspectives of External Partners/Global Leaders in Sanitation**, with presentations reflecting on the status of international sanitation programming to provide guidance and recommendations for USAID's consideration.

Jon Lane, executive director of the Water Supply and Sanitation Collaborative Council (WSSCC), called on USAID staff to “sell” sanitation to senior USAID decision-makers as a cost-effective solution for addressing global morbidity and mortality. He sees sanitation moving away

from being a development/aid activity to a market/business activity, implying that the availability of financial services will be as important as the availability of technical products and services.

Eddy Perez, senior sanitation specialist with the Water and Sanitation Project (WSP) of the World Bank, urged USAID to focus on sanitation for the poor, especially in urban settings, and not to neglect institutional, policy and financial issues as key elements in the strategy. USAID can optimize its contributions to global sanitation by actively collaborating with global partners, using the Demographic Health Survey (DHS) to capture better data on sanitation, and by designating a sanitation champion/point person at the agency.

Therese Dooley, senior advisor for sanitation and hygiene with UNICEF, presented provocative data on the unit cost per daily adjusted life year (DALY) prevented for different public health interventions, indicating that improving sanitation is the most cost effective intervention that public health professionals have at their disposal. Based on recent experience at UNICEF she believes that developing a sanitation strategy is a fundamental step for USAID; and it should address advocacy, cross-sectoral integration, interagency collaboration, and attention to learning and dissemination. Also, USAID should work at scale and leverage its presence in emergency response environments to impact long-term sanitation improvements.

In response to these two panels, the plenary discussion ratified USAID's current strengths. It was agreed that USAID should leverage data collected in the DHS; capture lessons from its interdisciplinary sanitation portfolio — including work with urban poor and urban water services; learn from activities in microfinance and loan guarantees; as well as land tenure; and take advantage of its cross-sectoral field presence and its ability to link programming in emergency response with those in development.

Richard Green, Director of USAID's Office of Health, Infectious Diseases and Nutrition, stressed the importance of an integrated approach that draws the best from USAID's health, emergency and development assistance. He challenged USAID staff in attendance at the workshop to present sanitation solutions that will convince USAID Missions that sanitation is a "good buy" because these programs are cost-effective, scalable, and produce results.

V. Ideas for Expanded Sanitation Programs

Consultation participants used the Hygiene Improvement Framework (HIF) as the basis for analyzing options for strategically expanding USAID's approach to sanitation programming. The HIF identifies three elements as critical to achieving improved sanitation: 1) Access to Hardware, 2) Promotion and Demand Creation, and 3) Enabling Environment.

The discussion on **Access to Hardware** — perhaps reflecting current thinking that the role of hardware is secondary to "demand creation" and "enabling environment" — focused on sanitation for the urban poor, defined less as urban planning and more as the immediate challenge of access to sanitation in existing urban slums. It was suggested that USAID can be most effective in this area by engaging in inter-institutional alliances with partners and assuming a role within the context of a larger, integrated program. While starting with technologies is not recommended, there are hardware challenges for urban slums and room for technology innovation in addressing flooding, poor soils, high population densities, and removal of septic waste.

The **Promotion and Demand Creation** discussion identified possible strategic roles for USAID: building sanitation supply chains and partnering with the private sector to help stimulate

demand; implementing demand assessments and sanitation mapping that generate data to design sanitation marketing programs; and engaging international, national, and local media to help create demand for sanitation. Standard indicators for sanitation programming should take into account market-based approaches and include measurement of open defecation free communities. Participation in multi-donor forums, sharing tools, guidelines, and approaches that contribute to shared donor priorities will enhance USAID's international role in the sanitation sector.

Based on the plenary discussion of the three HIF elements, participants found that USAID's most promising potential role is in the **Enabling Environment** arena. USAID can potentially engage the private sector to strengthen its role in sanitation, particularly the role of financial institutions in helping consumers, as well as suppliers of sanitation products and services, access capital. USAID's partnerships with governments can open opportunities to strengthen sanitation policies and strategies and to help governments implement them. Building implementation capacity in host countries is an area where USAID may have a comparative advantage. Advocacy within USAID to address land tenure issues and broaden water utility responsibilities is another potential area of strength.

VI. Priorities for USAID

Based on the recommendations of USAID's external partners as presented in their panel discussions, and building on the analysis of information and ideas generated throughout the consultation, participants recommended **six programming priorities**. Illustrative activities for each were identified to help USAID move forward. Cross-cutting actions in support of all priorities were also identified, including a mapping activity to target priority MCH countries, building alliances and partnerships with other players in the sanitation sector, and documentation and communication of the approaches developed by USAID. Each priority area is discussed below.

1. **Sanitation marketing** includes demand creation activities such as total sanitation approaches and hybrids, supply chain management, and increasing access to sanitation products and services. In embracing sanitation marketing as a core approach, USAID builds on its work now underway in Peru, Uganda, Madagascar and Ethiopia and joins other major international actors like WSP, World Bank, UNICEF and bilateral donors in embracing market approaches that transform beneficiaries into consumers while understanding the need to balance pro-poor equity issues. USAID can help catalyze sanitation market approaches with partner NGOs that historically often relied on heavy subsidies to increase sanitation coverage. USAID should draw on its traditional strengths in advocacy, communication, behavior change, hygiene promotion and capacity building to support both demand, including community-led total sanitation (CLTS) approaches and supply side objectives.
2. USAID can assume a facilitator/catalyst role and leverage current activities with financing mechanisms to support **private sector financing** for sanitation with business interests that can benefit from a viable sanitation market; and private financial service organizations that can move capital toward sanitation improvements via any number of mechanisms, e.g. social responsibility funds, credit directed to providers of products and services, and loans to individuals and households. Use of USAID's Development Credit Authority (DCA) is a proven and effective tool that permits USAID to issue partial loan guarantees to private lenders to help mobilize local financing in the water and sanitation sectors. USAID's long-standing experience with DCA and micro-finance approaches are a key Agency advantage

in addressing the sanitation credit gap, as are ongoing partnerships through the Global Development Alliance (GDA) work in the water and sanitation sector between USAID and such entities as Coca-Cola.

3. USAID Missions are well placed to identify opportunities to help countries **operationalize their national sanitation policies and strategies**. USAID/HIP has helped Ethiopia and Uganda translate sanitation strategy into field programming, and USAID's close ties to host governments — especially governments in transitional phases (from humanitarian crisis to development) — puts the Agency in an excellent position to help facilitate involvement of key stakeholders, sanitation mapping to shape programming options, country-specific action plans and operationalization of sanitation policies at all levels.
4. USAID has a strong history in urban programs, and ongoing work in utility reform that can be a basis to tackle **sanitation for the urban poor** through state-of-the-art programs. Drawing upon existing networks and links and building on current geographic platforms, USAID can bring current best practices, innovations, technologies, social networks, and integrated approaches to the urban sanitation problem, for example, by supporting the inclusion of sanitation marketing, land tenure reform, and private sector partnerships to reform and revitalize utilities. USAID can also help broker and vitalize utility capacity to incorporate sanitation services.
5. USAID is already contributing to pioneering work in safe water, hygiene, feces management and **sanitation for PLWHA households**. USAID should expand these activities by working with the Office of the U.S. Global AIDS Coordinator to develop concrete guidance for Missions on the subtleties of feces management and sanitation in PLWHA households — e.g. improving access without stigmatizing, simple latrine designs and modifications to facilitate use, identifying complementary sources of funding, adapting sanitation marketing approaches to reach PLWHA households, and forming in-country partnerships. The sizable U.S. Government investment in HIV/AIDS programming makes this an area where USAID could make globally significant, high-profile contributions.
6. **Capacity-building** is a core activity in all USAID programs and a capacity-building strategy for sanitation should target audiences at every level and incorporate training needs assessments, curricula development, innovative training approaches, and incentives for building local capacity. Target audiences would include USAID staff, now charged with implementing programs associated with the new water earmark, and stakeholder groups, such as community health extension workers, NGO field staff, Ministry and municipal staff. USAID is positioned to contribute to the development of national-level curricula, certification systems, and training norms for the sector; and to introduce programmatic innovations around sanitation marketing and CLTS, with a particular opportunity in countries in transition.

VII. Next Steps

A key outcome of the Sanitation Consultation was a recommendation that USAID's Bureau for Global Health convene a Sanitation Working Group that would:

- Establish a vision for USAID sanitation programming — a coherent, non-centralized approach to sanitation taking into account the proposed overarching programming principles that emerged during the Sanitation Consultation (see box that follows).

- Develop strategic sanitation activities, building on the priority programming areas identified at the Sanitation Consultation.
- Work with the USAID Water Team to coordinate production of guidance/guidelines, programming tools, staff training etc. to enable Missions to confidently program state-of-the-art sanitation projects.
- Assume a liaison and communication role on sanitation with external organizations.
- Take on responsibility for inter and extra-agency advocacy for sanitation programming.

As an initial step, the Sanitation Working Group needs a specific scope of work with a clear and limited timeline for producing results. The Sanitation Working Group might also help create an electronically-linked Community of Practice in USAID on sanitation to facilitate sharing information and best practices, and help identify a person to serve as the Agency sanitation point person responsible for moving the agenda of the Sanitation Working Group forward and representing USAID on all matters relating to sanitation programming.

While participants in the Sanitation Consultation expressed satisfaction with the consultation process, they also acknowledged the challenges in maintaining the momentum generated in the workshop in order to act on its recommendations. Rapid organization and ignition of the Sanitation Working Group should therefore be the number one priority for the Bureau for Global Health in its follow-up to the Sanitation Consultation.

**Proposed Overarching Principles for USAID Sanitation Programming
(from the Sanitation Consultation)**

1. **The Hygiene Improvement Framework (HIF)** will be used to describe Agency sanitation activities.
2. **Programming for outcomes vs. outputs** – programs and projects will work toward impact not simply outputs, as described by the Millennium Development Goal target for sanitation; access to sanitation coverage means not just the presence of infrastructure, but also that it is properly used and maintained.
3. **Working at scale** – The Bureau for Global Health seeks solutions that are applicable at scale; there is no interest in promoting pilot activities.
4. **Agency policy on subsidies for sanitation** – acknowledging the failure of top-down approaches that rely on blanket subsidies for household infrastructure. USAID will address subsidies strategically, taking into account equity issues and potential abuses.
5. **Sanitation will be given a status equal to that of water** when the two are linked as part of a water/sanitation program. Too often in combined projects, sanitation is included only nominally and is under-supported and, ultimately, unsuccessful.
6. **Excreta management "from start to finish"**– sanitation programs should be comprehensive, from hygienic disposal of feces to ensuring that excreta is rendered non-pathogenic and completely removed from potential contact with humans.
7. **Common norms and guidelines** – USAID is committed to applying consistent norms and guidelines for sanitation programs across the Agency’s programming spectrum.
8. **Hand washing promotion with sanitation** – Given the impacts and low cost of hand washing behavior change and technologies, USAID should consider requiring a hand washing with soap component as part of all sanitation programs.

For more information: materials from the Sanitation Consultation, including the background paper, water and sanitation resources, the agenda, participant list, and workshop presentations are available on the **Sanitation Consultation website** at:

http://www.ehproject.org/ehkm/san_consultation.html