



FINANCING CLIMATE RESILIENT SANITATION SYSTEMS AND SERVICES (SANIFIN)

OVERVIEW

The United States Agency for International Development (USAID) SANIFIN program aims to enhance access to safe and climate-resilient sanitation services in Haiti using demand-driven advisory services, blended finance, and a pay-for-performance mechanism. The project aims to improve sanitation access for 85,000 Haitians within a five-year period while catalyzing \$5 million in additional financing. The SANIFIN approach has been co-designed with core partners and engages the participation of Government of Haiti (GOH) entities, municipal governments, enterprises, civil society organizations, and other public and private sector institutions. This initiative builds on successful experiences with micro-, small-, and medium-sized enterprises (MSMEs) in Haiti and is led by the Pan American Development Foundation (PADF).

GOAL

Through its demand-driven and innovative financing approach, SANIFIN strives to unlock financial and non-financial investments throughout the sanitation value chain. SANIFIN's primary objective is to ensure that 85,000 Haitians receive improved sanitation services, transitioning from existing basic or limited options. This goal aligns with the urgent need to address the fact that over one-third of Haitians lack access to basic sanitation, with a similar percentage admitting to open-defecation.

PROJECT APPROACH

- **Blended Finance:** Utilize demand-driven advisory services and strategic funding allocations to de-risk investments in the sanitation sector and attract additional investment.
- **Pay-for-Performance Mechanisms:** Identify and scale promising pilot interventions for effective and impactful sanitation.
- **Innovation and Diaspora Expertise:** Utilize fintech and digital business models, as well as diaspora expertise and remittances, to enhance scale and sustainability in the sector.

The project includes the following key objectives:

OBJECTIVE 1: STRENGTHEN MANAGEMENT AND FINANCIAL VIABILITY OF SANITATION SERVICE PROVIDERS

SANIFIN will enhance the managerial and financial capacity of Sanitation Service Providers (SSPs) through targeted advisory services and improve their ability to access market capital. In addition, SANIFIN will provide support to OREPAs in the management of fecal sludge management (FSM) facilities to increase partnerships with SSPs for safe processing of waste.

OBJECTIVE 2: FACILITATE PARTNERSHIP OPPORTUNITIES AND MODELS FOR AFFORDABLE, CLIMATE-RESILIENT SANITATION SYSTEMS AND SERVICES

Haitians need access to affordable, climate-resilient products. SANIFIN will use pay-for-performance grants and blended financing, as well as access to qualified advisory service providers to promote innovation in the sector, as well as increase the capacity and market reach MSMEs in the sanitation value chain.

OBJECTIVE 3: INCREASE CAPACITY OF FINANCE PROVIDERS TO SERVE THE SANITATION SECTOR

Financial service providers (FSPs) need increased knowledge of the sanitation sector to increase their willingness to invest. Advisory services and blended finance tools will help to de-risk the sector for FSPs and promote greater use of credit products by enterprises in the sanitation sector. SANIFIN will also provide pathways for access to capital for low-income households seeking to invest in safer sanitation options.

GENDER AND INCLUSION

SANIFIN aims to incorporate gender equality and female empowerment throughout the project, from planning to execution and monitoring, evaluation, and learning. The project will promote women leadership in sanitation SSPs, access to sanitation for women/women-led households, and the development of gender-responsive sanitation products.

CLIMATE RESILIENCE

SANIFIN will support climate-resilient sanitation solutions through financial incentives, train SSPs to identify service outages caused by climate-related events, and partner with the General Directorate for Civil Protection (DGPC) to integrate safe sanitation management into disaster risk management.

Project duration: June 2023–June 2028

Zones of intervention: Resilience focus zones (RFZ) of Central Plateau, North, Northeast, and South; Croix des Bouquets; and Artibonite

Target beneficiaries: 85,000 people, as well as sanitation service providers, financial service providers, and Regional Offices for Drinking Water and Sanitation (OREPA)

Partners & Collaborators: HaitiPay, CEDEL, University of Haiti Limonade, Haitian Diaspora Groups (HRA, NAAHP, Edem Foundation), Financial Institutions, Village Savings and Loans Associations, and Business Advisory Service Providers

ANTICIPATED RESULTS

- **People served:** 85,000 people will receive improved sanitation service quality.
- **Increased capacity:** SANIFIN will provide 25 SSPs with improved management capacity and train 50 SSPs in data-driven business decision-making.
- **Funding mobilized:** \$5,000,000 in new funding will be mobilized to the water and sanitation sectors and \$3,000,000 in non-financial investments.

ABOUT

USAID: The American people, through USAID, have provided economic and humanitarian assistance worldwide for over 50 years. For more information about USAID's programs, please visit www.usaid.gov.

PADF: The Pan American Development Foundation (PADF) was established in 1962 to implement projects that benefit marginalized communities in Latin America and the Caribbean through the development of public-private partnerships and promotion of private sector engagement. Please visit www.padf.org for more information about the organization.