



Transform Water, Sanitation, and Hygiene (WASH) Activity Performance Evaluation: Overview and Key Findings

Transform WASH Context and Evaluation Background

Transform Water, Sanitation, and Hygiene (Transform WASH) is a six-year, US\$27.5M activity implemented by Population Services International and consortium partners SNV, International Water and Sanitation Centre, and Plan International to test and develop market-based models in Ethiopia that increase demand for and supply of quality sanitation and hygiene products and services. With a target to support over 400,000 people in 41 woredas gain access to a basic sanitation service, the phased implementation approach started with 9 woredas in one region in the first year, with expansion to 41 woredas across all regions by Year 3 (See Figure 1). With Transform WASH support, business partners sold over 100,000 basic sanitation products from 2017 to 2022, reaching well beyond the activity's targets.

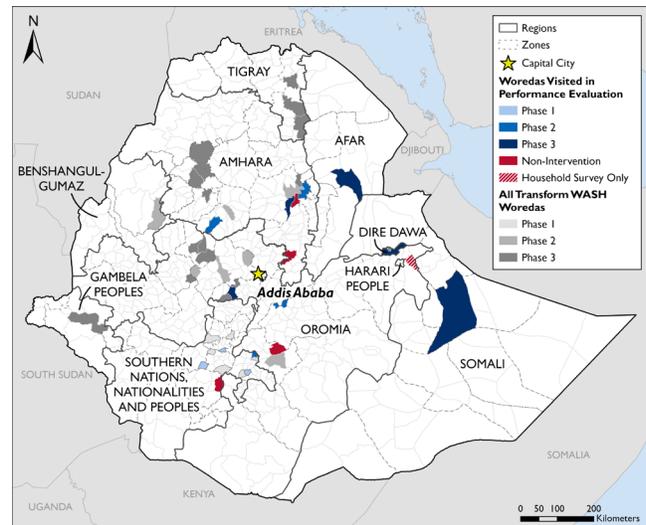


Figure 1: Transform WASH and Performance Evaluation Woredas

USAID/Ethiopia requested that Water, Sanitation and Hygiene Partnerships and Learning for Sustainability (WASHPaLS) #2 Project conduct a final performance evaluation of Transform WASH between April and October 2022 to understand the effectiveness of demand creation activities, approaches to advancing market-based sanitation (MBS), contributions to good governance, and how the activity incorporated gender equality and female empowerment (GEFE) into design and implementation. The Evaluation Team employed multiple data collection methods including: (a) a desk review of project documents and data; (b) over 160 key informant interviews with national and subnational stakeholders from across the public, private, and civil society sectors and with development partners; (c) 46 focus group discussions with communities, entrepreneurs, woreda administration officials, and consortium members; (d) 16 woreda visits (12 to Transform WASH intervention woredas and 4 to non-intervention woredas) including observations at the community level; and (e) a household survey that collected responses from 3,076 randomly selected participants (2,308 from intervention areas and 768 from non-intervention areas). The team chose non-intervention woredas primarily to understand how MBS approaches are reaching non-activity areas.

Brief Sanitation Context – With an estimated 2020 population of 101 million, and with 80 percent living in rural areas, the Government of Ethiopia (GOE) has made significant progress increasing rural sanitation coverage nationally from 11 percent in 2000 to 71 percent in 2017. According to Joint Monitoring Program 2020 rural data, however, almost 21 percent of rural households still practice open defecation and those with access are mostly using unimproved toilets. Thus, Ethiopia remains considerably behind in attaining the 2030 GOE goal of 82 percent basic sanitation coverage. The GOE sees an effective and sustainable MBS system as key to achieving this goal. (MBS is defined as the development of a sanitation market in which the user makes a full or partial monetary contribution to the private sector toward the purchase, construction, upgrade, and/or maintenance of a toilet.)

Summary of Findings

Evaluation findings confirmed that Transform WASH made many appreciated and significant contributions to advancing MBS as a valid approach with the potential to reach greater numbers with sanitation services. Through advocacy and convening efforts, a close working relationship with GOE, and the sharing of relevant research, Transform WASH shifted more skeptical attitudes toward MBS and helped shape MBS-related GOE policies and approaches. Through learning by doing, Transform WASH provided a practical demonstration of the National MBS Implementation Guidelines bringing ready-made lessons for woredas to adopt.

Effectiveness of Transform WASH Demand Creation Approaches – After over a decade of public health messaging, households are aware of the benefits of investing in sanitation with household demand for sanitation products increasing dramatically over recent years. Customer segmentation strategies for converting interest into purchase, however, could have been more explicit and greater efforts made to address the key bottleneck of access to finance for the sizable customer segment who are willing to invest but temporarily constrained in terms of cash flow. Working with village savings and loan associations in over 450 communities helped nearly 3,900 poor households access sanitation loans. While a sound investment strategy for poorer consumers, loan amounts are small and several loans may be needed to install a latrine, which may not provide the pace and scale needed by business people/enterprises to invest in the market. As the market is far from saturated, with growing understanding of potential market take-off, the private sector is most likely to drive sales. Targeting customers through joint efforts by healthcare officials, other GOE stakeholders and private sector actors including financial institutions will be critical going forward.

Market-Based Sanitation Results – Actors in the supply chain include importers and manufacturers of products like the SATO latrine pan and AIM slab; wholesalers/distributors and retailers; and slab manufacturers and mason installers. Along with health extension workers, sales agents serve as an interface between households and product and service suppliers. Transform WASH has effectively analyzed and documented four business models, explaining to potential new business entrants what is required in terms of financial investment, space, equipment, and skill levels to offer different service levels, as well as what firms can expect in terms of monthly profitability based on a set number of sales. The Evaluation Team saw thriving, profitable local sanitation businesses adapting their product options and services to increase sales—albeit perhaps not at the pace needed for a significant expansion of the market. Still needed are alignment on demand creation approaches; market segmentation; and finance, pricing, and subsidy design and targeting; as well as further refinement of the business models to understand how best to speed up the process. As sales increase, more formalized credit schemes combined with domestic sanitation product manufacturing will be crucial.

Effectiveness of Governance and Learning Activities – Transform WASH dedicated significant energy to creating an enabling environment open to and prepared for a viable MBS approach that will contribute to households' improved access to sanitation services. The Activity is widely appreciated for its contributions to important national-level policy and guidance documents as well as research and practical demonstration. Transform WASH led significant capacity building and training efforts and introduced several tools to strengthen WASH and MBS subnational teams. Ensuring that the material covered, skills reinforced, and tools put in place are institutionalized has been a key challenge. Transform WASH also developed important research and learning publications and activities. While helpful, the strategy around developing the research agenda could have been clearer and the findings more effectively communicated at the subnational level.

GEFE – Transform WASH interventions have systematically sought to alter social norms that marginalize women in the sanitation value chain, creating opportunities by strategically identifying and encouraging women to enter manufacturing and construction businesses. Women make up 85 percent of Transform WASH-supported sales agents, 14 percent of manufacturers, and 4 percent of mason installers. Women have practically demonstrated they can successfully lead profitable construction and manufacturing businesses. At the community level, Transform WASH has also been instrumental in advocating for and supporting women in their economic empowerment and ability to pay for their basic sanitation needs.

For more information on the Transform WASH Performance Evaluation, please contact:
Morris Israel, Chief of Party, USAID WASHPaLS #2 (morris.israel@tetrattech.com)