

SUPPORTING SUSTAINABLE SANITATION IMPROVEMENTS in Bihar



Healthy lives. Measurable results.

In partnership with Bill & Melinda Gates Foundation and Grand Challenges Canada.

Strengthening supply side for increased toilet uptake by establishing a sustainable business model through market development approach.



MARKET FAILURES

- Missing product
- Fragmented supply chain
- Lack of toilet financing
- Toilet lies low in the priority of needs of the households
- Open defecation; a socially accepted practice
- Long toilet delivery time

INTERVENTION

- Established Financing mechanism for toilet Sales and Enterprise financing with MFIs
- Identified micro enterprises and made them fulcrum of the business model
- Built their capacities in production, sales and enterprise financing
- Introduced toilet sales agent/motivators to accelerate the sales
- Business model introduced where the enterprise will gradually start marketing of the product and bear its cost from the profit (See sustainability model illustration)
- Capacities of the enterprises are being built on product promotion and investment on marketing

RESULTS

- More than 250,000 toilets have been sold
- 756 enterprises were engaged for toilet sales
- \$1.2 M was infused for sanitation financing that mobilized more than \$7.2 M
- > 67000 toilet loans distributed with no default
- >300 enterprise financing is done
- Currently, 127 enterprises are engaged for investing in toilet marketing cost
- 127 enterprises have identified 336 incentive based toilet motivators. 1 in 3 are female toilet motivators
- 101 enterprises have initiated their marketing activity
- A few enterprises started paying incentives to the toilet motivators
- Enterprise groups are formed and started purchasing input materials in bulk from the 11 identified super stockists



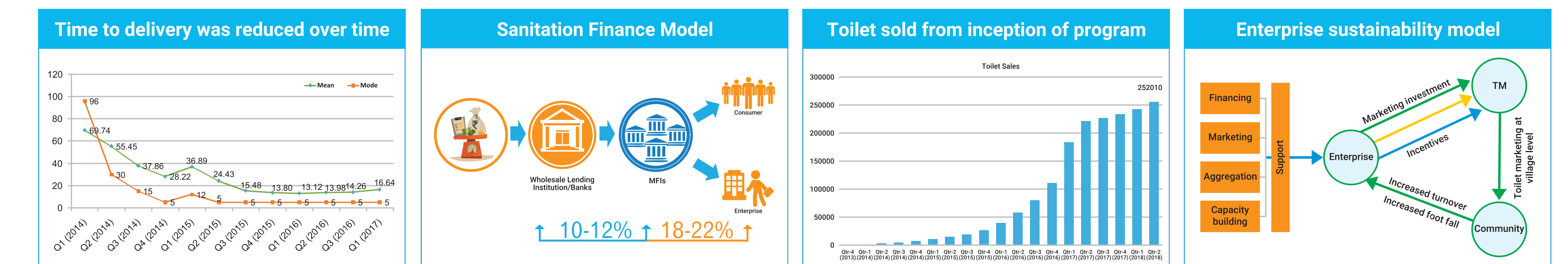
INNOVATIONS

BUSINESS MODEL: The project tested and scaled an innovative business model-CRM Plus- Cement Ring Manufacturer (CRM) was strengthened and converted to fulcrum of the business model

ENTERPRISE CAPACITY ASSESSMENT TOOL: The project developed an Enterprise Capacity Assessment Tool to access the potential of any enterprise for Enterprise Financing

QUALITY CHECK TOOL USE: The project started the use of Schmidt Hammer that reads hardness of the cement rings produced

FINANCIAL INNOVATION: In order to make capital available in the system and to incentivize MFI for sanitation financing in Bihar, an agency was identified as wholesale lending agency to subsidize the initial toilet financing



LEARNINGS

- REFRAIN FROM TOO MUCH STANDARDIZATION
- CREATE COMPETITION AND LET THE MARKET REGULATE THE PRODUCT PRICE
- ENTERPRISES INITIALLY REQUIRE FINANCIAL SUPPORT
- IT'S A LOW MARGIN BUSINESS THAT SUITS THE MICRO ENTERPRISES

DIFFERENT STAGES OF THE DEVELOPING SUSTAINABLE SANITATION MODEL

MARKET ASSESSMENT

DEVISING SOLUTIONS

TESTING BUSINESS MODEL

FINALIZING BUSINESS MODEL

TESTING FOR SCALE

SCALING UP

MARKET OWNERSHIP



CEMENT RING MANUFACTURER



TOILET MOTIVATOR



TOILET DELIVERY



WOMEN'S SAFETY AND DIGNITY