Efficiently Identifying and Addressing Market Failures in Urban Sanitation in West Africa

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Background

Close to half of residents in Abidjan and Cotonou are not connected to a toilet system. In Benin, Cotonou and Ghana, the sanitation coverage gaps are much lower.

The Sanitation Service Delivery Program (SSD) is a USAID-funded urban sanitation program implemented in Benin, Cote d’Ivoire and Ghana by PSI in collaboration with PATH and WSUP.

The goal is to improve urban sanitation outcomes through building and testing scalable, market-based models, with an initial focus on Cotonou (Benin), Abidjan (Cote d’Ivoire), and Accra and Kumasi (Ghana). Improved sanitation coverage in these countries’ urban areas is currently low.

Method

The objectives of the market landscaping were to: describe the local market system for urban sanitation, and to identify current market barriers.

Within the SSD project a market system includes the market’s core functions as well as supporting functions and rules.

Key insights

Abidjan

Context: The majority of residents in Abidjan are renters and sub-let their toilet facilities.

- 60% of the city uses onsite sanitation, and there is no market for sanitation products and services.
- Private lessees have limited access to formal sanitation delivery via existing formal sanitation delivery systems.

Correlate: Cotonou has a high water table, and flooding is a regular occurrence, particularly in low-income areas along the coast and the lagoon. Open defecation is prevalent and use of shared sanitation tools and public toilets is common among poor consumers. The government plays a major role in provision of sanitation services, but this may be adversely impacting the growth of the private sector. Although there is a sanitation police force, the government lacks the capacity to enforce environmental regulations. Benin has no functional treatment center, and waste trucks are introduced into ocean.

- 1. When shared toilets get too dirty people stop using them, and few households see as their responsibility to clean shared toilets.
- 2. Input material suppliers are prevalent, but few see sanitation as an area for business growth.
- 3. Emptying services are used infrequently, and they have little customer loyalty to specific toilets. There is a major issue between VTOs and their clients, specifically regarding how much sludge is actually removed from their tanks.
- 4. High taxes hinder the growth of businesses.
- 5. The reputation of MTOs is steering away from credit, but small, local savings and loans groups provide fairly reliable access.

Ghana

Context: The sanitation coverage gaps are much lower.

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- 3. Emptying services are used infrequently, and they have little customer loyalty to specific toilets. There is a major issue between VTOs and their clients, specifically regarding how much sludge is actually removed from their tanks.
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Map: SSD OBJECTIVES:

- To improve sanitation delivery in Ghana by 2-year of SSD by raising the priority of sanitation among governing bodies at the national and municipal level, and embedding systems to maintain and improve sanitation provision within the municipality structures that help ensure improvements are locally supported and sustained.
- To strengthen WSUP’s understanding of the economic and social barriers to sanitation improvement is linked to business models that address these barriers in a truly sustainable manner, including models to improve sanitation product offerings and financing options for inhabitants of compounds and supporting the professionalization of the management of sanitation operators.

During Year 2, SSD will proactively use lessons learned from WSUP in Ghana to adapt activities in Benin and Cote d’Ivoire (where sanitation markets are less developed).

Market barriers were then identified and prioritized in the system using a traffic light system.