Private and social enterprise in water and sanitation service delivery

WASH 2016 Training
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Mission “to create change towards sustainable futures”

Provide evidence to inform policy and practice in WASH in Asia-Pacific

Offer independent research, advisory support and capacity building, independent evaluations, practical guidance and partnerships
An ongoing research initiative...

http://enterpriseinwash.info/
Enterprise in WASH: Why this research?

- Growing role of small-scale business
- Mixed levels of skills within CSOs to work with private sector
- Growing need to move beyond voluntary or subsidised approaches
Influencing policy and research agendas

Informing partner governments

Influencing CSO practice

DFAT posts

Informing DFAT

WSH section

other areas…
1. Systematic literature review

2. Political economy analyses

3. Value-chain study in remote, rural contexts

4. Motivators, barriers, entrepreneurial and pro-social traits

5. Outcomes for the poor

6. Cost structures for private water provision

7. Gender in enterprises

8. Social enterprises and associations
Status of private sector engagement in WASH
How prominent is private sector service provision?

14% of people globally (and 27% of urban) have some part of their water/wastewater managed formally by a private sector entity.

The informal private sector serves many millions more, particularly in developing country contexts.

CSOs and governments are increasingly engaging with private sector across multiple countries...

Sanitation entrepreneur and sanitation association leader APPSANI, Indonesia

Private water service provider, Dong Thap, Mekong Delta

Water scheme construction business, Dili, Timor-Leste

Sanitation enterprise Dien Bien Vietnam
What we know...
The evidence base is limited, but growing

- Dominantly grey literature
- More rigorous evidence base focused in Africa
- Recent increase in literatures on sanitation (linked to sanitation marketing)
- Longer history of analysis for water
- Limited evidence on CSO engagement, or outcomes for the poor
Literature points to some common enablers and constraints to enterprise development.
The national and local political economy in each country shape which enterprise roles are possible and viable.
Enterprises may not flourish everywhere!
Many WASH enterprises have strong social motives

67%–85% across different types of 101 entrepreneurs showed pro-social traits
Market-based approaches require specific attention to reach the poor and disadvantaged.
What we do not know...
Many things!

What are the most important supports in the enabling environment to strengthen enterprises?

How to best reach the disadvantaged within or in association with market-based approaches?

What are the most effective ways to encourage, and to link, supply and demand?

What different business models are possible and desirable?