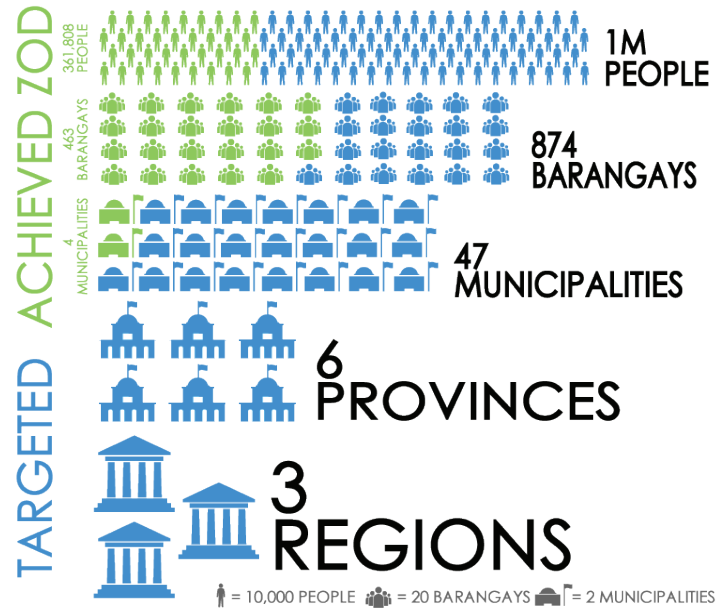


PhATS Newsletter



Issue 4

November 2015



Local governing bodies like the Philippines Departments of Health (DoH) and Education (DepEd), as well as the League of Mayors are working in tandem with UNICEF and its twelve implementing partners to improve sanitation across Yolanda-affected areas.

SUSTAINING DEMAND THROUGH SUPPLY SIDE INTERVENTIONS: Sanitation Marketing

The supply pillar of the Phased Approach to Total Sanitation (PhATS) aims to strengthen local supply chains for sanitation and hygiene goods and services and encourage sanitation marketing (through which suppliers and service providers market their goods and services to rural households, with the aim of increasing demand, improving supply and achieving greater sales and profits). This pillar also aims to develop the regulatory, monitoring and support functions of the local government (which should track the activities and impacts of sanitation suppliers and service providers, and provide capacity development, information and support where required)

Supply-side activities include the development and testing of appropriate low-cost sanitation solutions; the formulation of viable business models for the sustainable expansion and improvement of local sanitation markets; direct support to current and potential suppliers, producers and service providers; and the development of financing mechanisms for household credit (to assist the purchase of sanitation and hygiene goods and services), and working capital loans to local producers and service providers.

OXFAM PILOTS PHATS SANITATION MARKETING IN EASTERN SAMAR

Oxfam has sanitation marketing projects in Eastern Samar and Bantayan Island based on the six key marketing principles of product, place, price, promotion, policy and partnerships. The aim is to build demand for latrines as a desirable product thereby increasing ownership and use of sanitation facilities, as it is widely accepted that households will pay for a service or product that they want and is reliable and affordable.

However, finding such a product or service needs careful planning and research and should be based on the analysis of market trends and assessments, matching designs with affordability, and ensuring materials are available. Although many of the principles and activities of Water, Sanitation and Hygiene programming are similar to those used in livelihood programs.



THE EASTERN SAMAR SITUATION

Oxfam has sanitation marketing projects in Eastern Samar and Bantayan Island based on the six key marketing principles of product, place, price, promotion, policy and partnerships. The aim is to build demand for latrines as a desirable product thereby increasing ownership and use of sanitation facilities, as it is widely accepted that households will pay for a service or product that they want and is reliable.

However, finding such a product or service needs careful planning and research and should be based on the analysis of market trends and assessments, matching designs with affordability, and ensuring materials are available. Although many of the principles and activities of Water, Sanitation and Hygiene programming are similar to those used in livelihood programs.

MUNICIPALITY	NO. OF BARANGAYS	POPULATION	NO. OF HOUSEHOLDS (HH)	NO. OF HH WITH NO TOILET
Balangiga	13	15,266	3,313	1,821
Giporlos	11	9,512	1,879	652
Guiuan	28	19,511	4,578	1,795
Lawaan	12	13,105	3,027	1,263
Salcedo	11	6,441	1,412	650
TOTAL	75	63,835	14,209	6,181

*A grant of \$100 will be offered to the poorest 10% of households without toilets (roughly 1,500 HHs) as part of the UNICEF PCA agreement. This will be administered in a way that does not disrupt the sanitation marketing process.

The Eastern Samar program is intended to work as shown in the flow diagram below, the further elements of the approach are detailed in this document along with some of the challenges.

OXFAM'S SANMARK STRATEGY

Sanitation marketing relies on the existence of an unformed market, so adequate time needs to be allowed for the different actors to develop their capacities (suppliers with

materials, contractors with designs etc). The sanitation marketing program in Eastern Samar and Bantayan Island is being implemented in four phases:

- Phase 1** **October 2014 to March 2015** preparation and planning of project, discussion with partners such as (Local Government Units etc) to gain support, development of products
- Phase 2** **April 2015 to September 2015** market assessments, training of entrepreneurs, on the job training
- Phase 3** **October 2015 to March 2016** consolidation of activities with technical support (Microfinancing Institutes, entrepreneurs etc) to resolve problems
- Phase 4** **April 2016 to September 2016** latrine construction system to function more or less independently from Oxfam, followed by an evaluation in August/September 2016.

Oxfam has a strong interest in developing the sanitation marketing approach in the Philippines and to gain significant learning from its two ongoing projects in Bantayan and Eastern Samar. Because both projects are currently too short to adequately develop the sanitation marketing

approach, Oxfam proposes to continue providing support beyond their current project length. It is also looking at the possibility of developing a project in a third area that would use lessons learned from current projects.

A SOCIAL FRANCHISING APPROACH

The Eastern Samar program will build upon work started by Microfinancing Institutes (MFI) partner, Negros Women for Tomorrow Foundation (NWTF). In Negros, they have built a small social franchise which aims to have locally-based franchisees offering household services. The franchise approach allows for the franchisor (NWTF) to set

operational procedures and control the franchisee's way of working. The franchisee gets support from the franchisor for training and business development, but they have to ensure their own customer base. For the customer, this means a guaranteed level of quality and service delivery from a recognized brand.

OBJECTIVES

1. Develop and promote low-cost sanitation solutions including supply chain
2. Develop a business model to guide supply side intervention for WASH infrastructure capable of withstanding anticipated extreme events
3. Conduct franchisee trainings on the business model
4. Develop low cost financing options including micro-finance

The low-cost latrine designs offered by franchises are based on those developed in the Philippines by various organizations such as Water and Sanitation Program (WSP) and PhATS Partners ACTED and Samaritan's Purse. Support to the supply chain for the materials needed by the business operators to produce the latrines was given to allow for an increased demand for products. Activities were determined by the results from the market assessment which identified potential gaps or issues.

To ensure sustainable supply of services, Oxfam recommends that municipalities regulate the sanitation franchises with assistance from relevant departments (Department of Health, sanitary inspector, planning and city engineers). This will take the form of a waiver for accredited and registered franchisees to use the approved designs for latrines, ongoing quality checks on franchisees and supporting of their services for latrine construction.

The approach of sanitation marketing is to build demand gradually and sustainably, focusing on a service and product that a home owner is willing to pay for. To increase demand, marketing is needed to build a brand that gives confidence to consumers that they are paying for a quality service beyond just a product.

A rapid approach has been tried in other countries but when the initial support of the program ended the entrepreneurs have not continued to build toilets as there was no more demand. If there is no long term investment in the sanitation marketing approach, there is a risk that the supply chain will be swamped for the duration of the program period, but immediately thereafter see a large reduction in demand. The aim and strategy of PhATS is to enable an environment where that imbalance does not exist, but rather that supply and demand for sanitation products and services occur in balance. Mabuhay, sanitation!

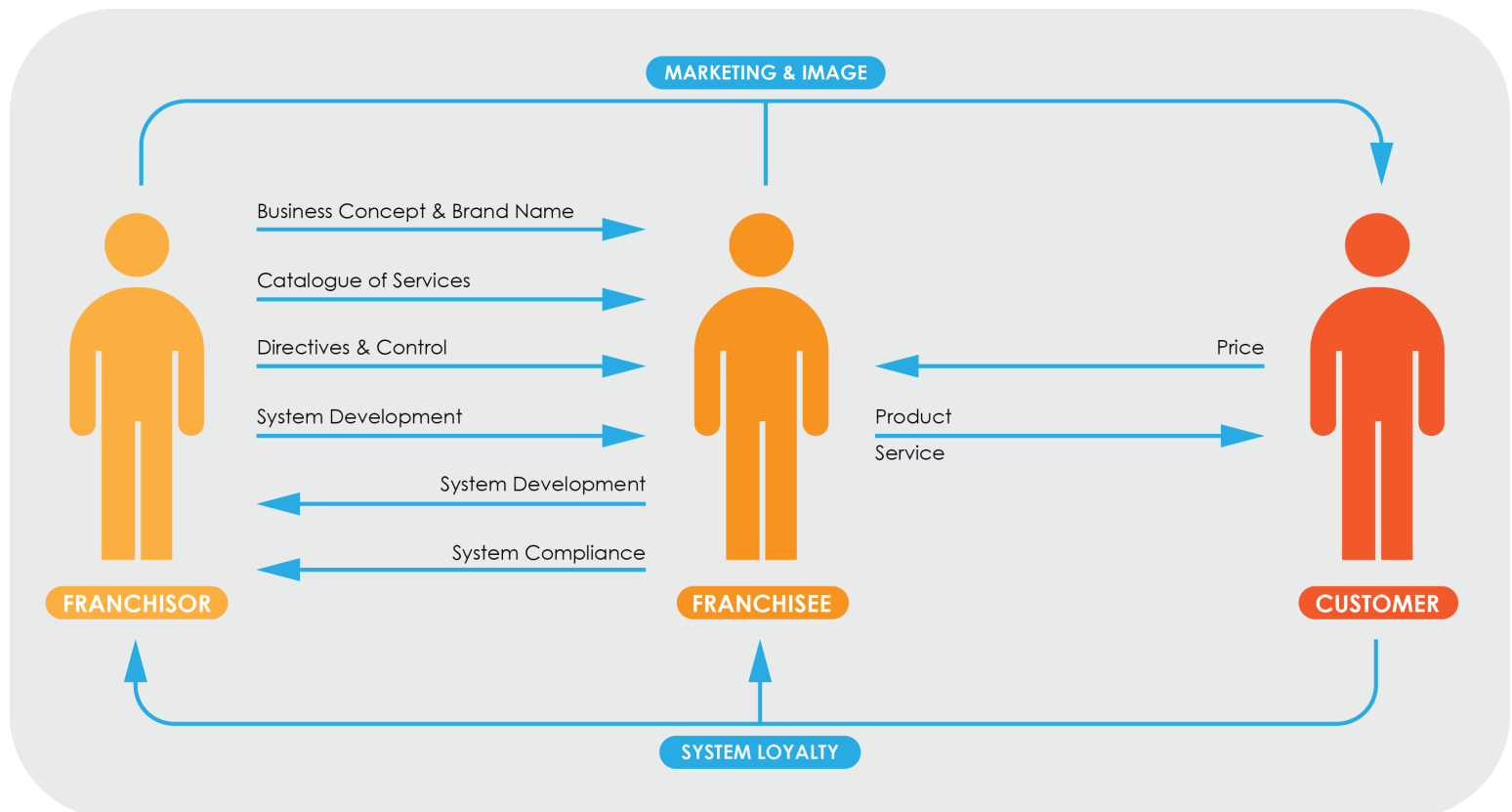


Figure: Oxfam's social franchising approach



FROM NEEDLE TO SPADE

The Story of a Female Mason in Homonhon Island

Beside her sewing machine, a woman sits down and fixes her hair. She puts on her earrings and a pink bracelet. When you look at her, she portrays the look of a typical housewife, doing the majority of care work while trying to earn a little income from sewing. But Daisy Badar is a no ordinary woman.

Daisy, 43, lives in Homonhon Island in Guiuan, Eastern Samar, with her husband and four children. It was not an easy life for Daisy since her husband does not have permanent and full time work and her eldest son, 19 years old, has special needs. Despite the financial challenges, she and her husband make sure that their daughter will attend college.

Sidekick No More

Daisy was a full time housewife until she was given the opportunity to become a female mason. When Oxfam looked for masons who could be trained in constructing latrines for its sanitation marketing program, Daisy did not hesitate to apply.

When her neighbors found out that she continued with her application as a mason and attended the training, she received discouraging comments from them.

"They laughed at me. They called me "panday" (Filipino term for carpenter or mason). They said it's a man's job and I cannot do it. People asked if I'm a lesbian because I do a man's job but I just ignored them. As long as I am helping my family, there's no reason for me to be ashamed" she recalled.

Carrying bags of cement and hollow blocks is not new to Daisy. She used to work in a hollow block factory when she was still in Mindanao. She is accustomed to performing typical "men's work" because that's the way she was

raised by her father. In order to make ends meet, she accepts sewing jobs from her neighbors. She has an old sewing machine in her house which she uses to make bags, school uniforms, and repair clothes. But when her husband accepts masonry works, she also works as his side kick. Instead of paying another helper in the construction, she is the one assisting her husband so that they can get the full contract payment. In fact, her first project was their first family house.

"My husband and I built our first house here in Homonhon in 1998. He did the carpentry and mason work and I was his assistant. But the house was destroyed when Yolanda came."

raised by her father.

Daisy's motivation is driven by the financial needs of her family. She understands that it is not going to be easy leaving her children to her mother-in-law, especially her eldest son. But she cannot just rely on her husband's seasonal work contracts. Their income is not enough to raise their children. Her husband is very supportive of her decision, and is proud that she will no longer be his assistant but a full time mason.

In the coming months, Daisy will put down the needles and thread of her sewing machine for a while. Instead, a spade will keep her company in constructing latrines in Eastern Samar.

"I am nervous but I am confident that I can do it. I will always give my best so that people will be happy about my work. That's a fulfillment for me," Daisy said with a determined smile on her face.

SANITATION SITUATION: Three households in Basey, Samar share about SanMark experience



Household 1 (With Toilet)

Medilina Galanza lives with her family in an interior area of Brgy. San Fernando, Basey, Samar. Among the (29) households in their sitio, hers was one of seven households who purchased a toilet endorsed by the Samaritan's Purse SanMark team. She has narrated a few of the activities that happened prior to the construction of her toilet. She never had a toilet before typhoon Yolanda, which forced them to defecate outside. When the SP SanMark team presented information about the dangers of defecating in the open and the benefits of having a toilet, she was encouraged to get one built in her house; she chose a concrete toilet bowl model with a wooden superstructure. Galanza confesses she is quite happy to finally have her own toilet and has stated the convenience of not going out into the dark at night to defecate. But she has also expressed the difficulty of repaying the full amount of the construction. Her 64-year-old husband only gets 1,600PHP a month for harvesting coconut to be fermented into wine, and they have agreed to pay a thousand a month which leaves them with only 600PHP for food and other expenses. Nonetheless, they are willing to make the sacrifice knowing that having a proper toilet can improve their quality of life and help prevent disease.



Household 2 (Without toilet)

Nanay lives with her husband and seven children in an interior area of Basey, Samar. They are among the households who do not have a toilet, those who are compelled to practice open defecation. They have built a makeshift toilet but not proper enough to be considered a CR. She confesses that low household income hindered her from getting a loan to have a toilet built in their house. They have to feed nine people in their household and they have no definite source of income. She expressed that even 50PHP a week is a big amount for them. It is even difficult for them to get a good meal three times a day, often substituting root crops when they cannot afford to purchase rice or meat from the market.



Household 3 (With concrete toilet and superstructure)

Dolores lives in Barangay Palaypay, a more urban area of Basey, Samar. They are one of a few families who bought a higher standard toilet. Though their barangay is more developed than other areas, they confess that there are still households who do not own a toilet and are openly defecating in particular places in their neighborhood. They owned a toilet but it was destroyed by typhoon Yolanda. They used their relatives' toilet before they were able to loan one through the SanMark Program. Now they are paying 295PHP a week for their newly constructed toilet.

EDUCATION FOR ENTREPRENEURS: Samaritan's Purse Hosts Training Workshop

Samaritan's Purse, in an effort to better-equip the 25 entrepreneurs they have been supporting, hosted a nine-day workshop that was conducted in three monthly instalments from June to August. The Foundational Enterprise Creation for Enhanced Sanitation (FECES) Training Design

Workshop had more than 80 sanitation business people participate in structured learning exercises, "lecturette" and plenary discussions (with comprehensive handouts provided), in order to equip them in the following areas:

- Prepare an implementable business plan that can be packaged for fund-sourcing and ultimately used as a management tool.
- Understand the complete technical components of a sanitation infrastructure (from toilet to recycling).
- Discover and appreciate personal entrepreneurial competencies and relate them to successful sanitation enterprise creation.
- Learn to develop marketing strategies that will help them to become competitive in the local sanitation industry.
- Adopt basic capability on record keeping and financial management of a sole-proprietorship enterprise.
- Prepare to start their own micro-enterprise in relation to effective utilization of information and know-how, human resources, physical and financial resource, and networking/linkage generation.
- Master masonry work for the bio-gas digester septic tank and installation of its fittings having undergone field practice and household installation.



The training workshop series featured modules in both business theory and practical application, including Sanitation Infrastructure; Personal Entrepreneurial Competencies; Marketing Plan and Strategies for Competitiveness; Production/Technical Plan and Cost Efficiency; Effective Organization and Management; Basic Record-keeping & Finance; and Bio-gas digester septic tank principles and its application.

Participants have understood & appreciated the basic challenge of customers' satisfaction & competitive strategies; experienced planning for marketing and how to sell with profit. They have been updated and informed about opportunities for sanitation projects in their geographic locations. Lectures were given explaining useful data in planning for marketing. Entrepreneurs were guided and coached on how to draft a practical and simple marketing plan, guided through the workup process, and their initial drafts on marketing plans were reviewed for possible improvement.

Workshop participants experienced planning for production and were taught how to produce with the most efficient cost. They learned and appreciated actual, updated and accurate costs involved in sanitation infrastructures. The sanitation business owners were also guided and coached on how to draft a practical and simple production/technical plan. Their initial drafts on production/technical plans were reviewed for possible improvement and presented to the group.

The 80 participants understood & appreciated management tasks for setting up an effective organization, experienced the effect of collaborative strategy for sustaining a local enterprise, learned about establishing a local cluster for the sanitation industry, and were guided and coached on how to draft a practical and simple organization & management plan.

In the final workshop session, participants were guided through financial planning connections to Marketing, Production and Operation & Management Plans. Participants experienced planning, budgeting and determining profit based on records. They developed systematic record-keeping based on business transactions, were guided and coached on how to develop a project cost as taken from Marketing/Technology/O&M Plans. The new business owners were given the opportunity to present and defend the viability of their business proposal, and were given positive hints on how to improve and package a bankable business plan. Participants were guided and coached on how to prepare projected income statements, cash flow statements and balance sheets based on revised and improved data. They were taught how to maximize use of available resources for business, with the end result of obtaining better financial projections.

Samaritan's Purse views the training as an integral foundation to the success of their SanMark program.

WHAT'S THAT TUNE? A Sanitation Jingle

Samaritan's Purse, in an effort to better-equip the 25 entrepreneurs they have been supporting, hosted a nine-day workshop that was conducted in three monthly instalments from June to August. The Foundational Enterprise Creation for Enhanced Sanitation (FECES) Training Design

Workshop had more than 80 sanitation business people participate in structured learning exercises, "lecturette" and plenary discussions (with comprehensive handouts provided), in order to equip them in the following areas:

UnliAsenso Para Ha Iyo **Unlimited Success For You**

Mga minahal namon nga mulopyo anhi kami para ha iyo
To our beloved people, we are here for you
Mga hingyap naton para han kaupayan, han aton bungto
To help you in your desires for the benefit of the town
Ini nga amon programa ginpapadangat namon ha iyo
This is our program, we are extending it to you
Magiging solusyon nga kalimpyuhan han aton mga libong
Being the solution in maintaining the cleanliness of our surroundings

Chorus

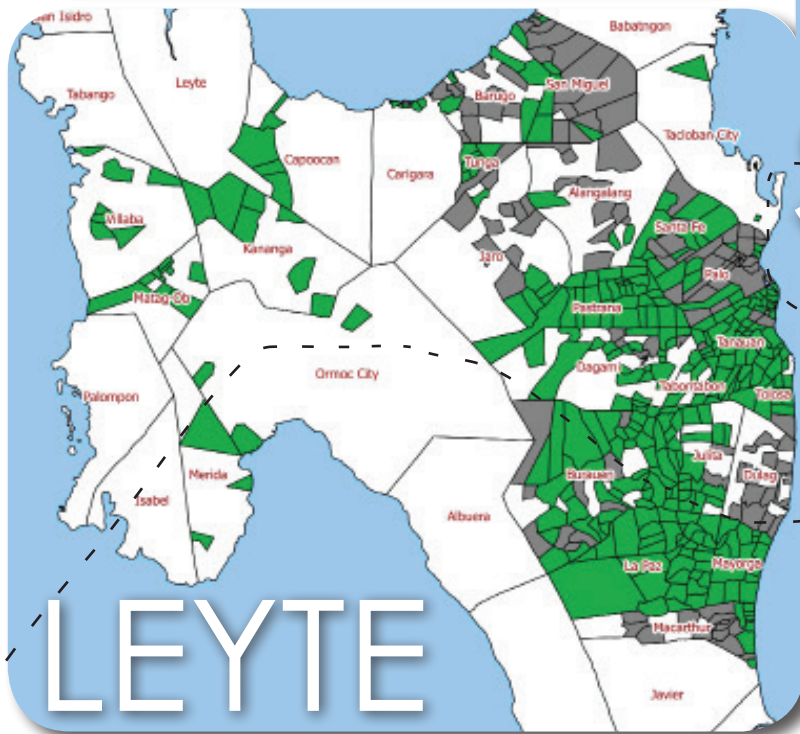
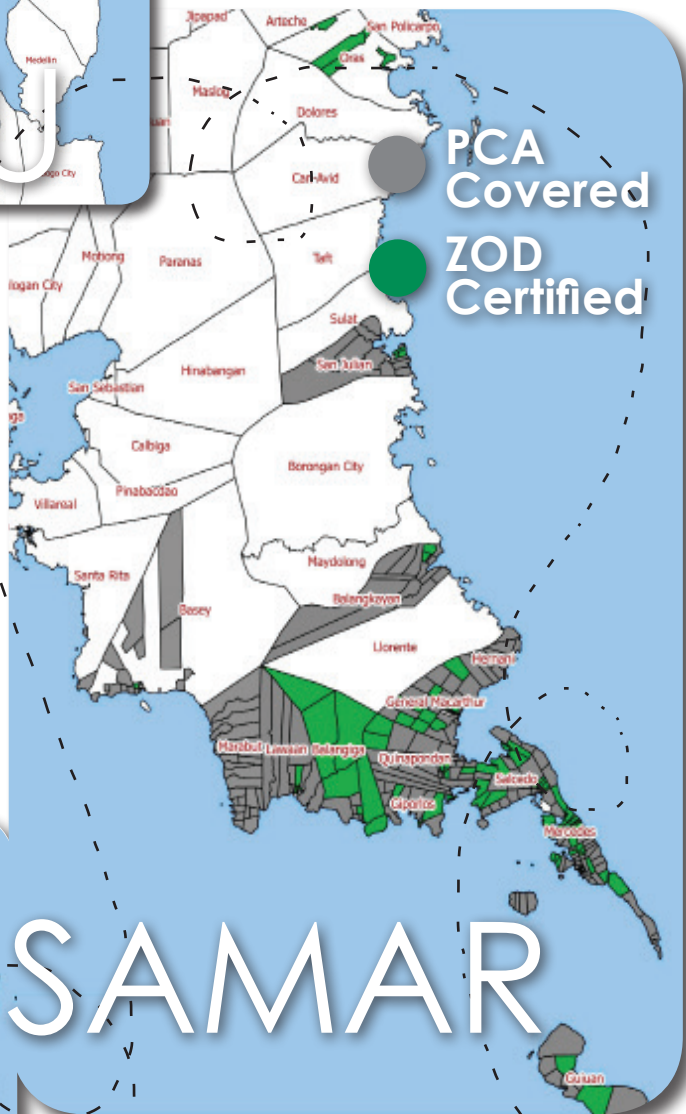
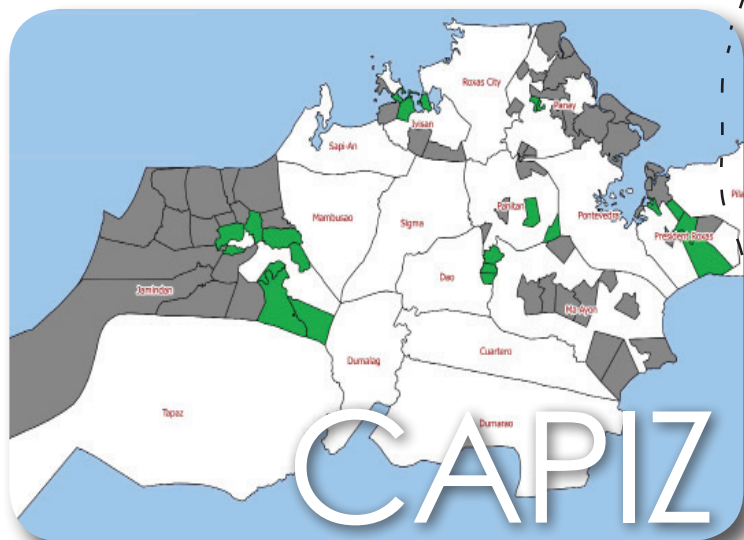
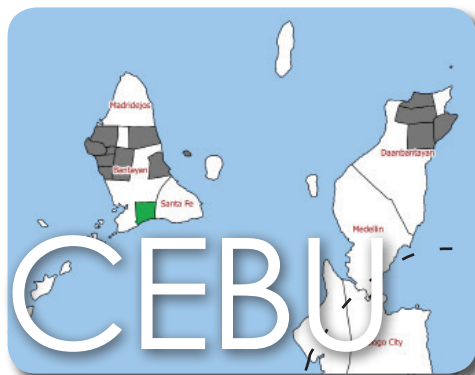
Tara na, Kadi na, mga tatay mga nanay, ate ngan kuya
Come on, Lets go, daddys, mommys, brothers and sisters
Mga kasilyas nga amon produkto barato ngan matatapuran
We have products which are low cost toilets, affordable and trusted
Damu nga pagpipilian, meada kalidad sigurado abot kaya niyo
Lots of designs to choose from and has a good quality, surely you can have it

Mga ka Brgy. magburublig na kita
Everyone, Let's help each other
kalimpyuhan ha aton libong tara tumanun ta
Cleanliness in our surroundings, let's make it happen
UNLI ASENSO!

Unlimited Success!
ini an an aton bag o na Programa
This is our new program

Kaupod an Samaritan's Purse, UNICEF, lokal nga negosyante ngan CCT
with Samaritan's Purse, UNICEF, local entrepreneurs and CCT
kasilyas na pangundoy tah abot kaya nah
toilet were dreaming for, we can all have it
May Konkreto, amakan, plywood ngan Nipa
we have concrete, bamboo slats, plywood and nipa
iba-iba na inodoro ngan septic tank
different designs of toilets and septic tanks
Tara, pili nah!
Come on, choose one!

ZOD PROGRESS MAPPING



FOR MORE INFORMATION
VISIT OUR WEBSITES
WWW.UNICEF.ORG
WWW.PHWASHRESOURCES.COM
OR WRITE TO
UNITED NATIONS CHILDREN'S FUND
PHILIPPINES COUNTRY OFFICE
MANILA, PHILIPPINES

