

In September 2023, iDE Cambodia successfully concluded its decade-long implementation of a market-based sanitation program, known as the Sanitation Market Scale-Up (SMSU). Scaling across seven provinces, the program delivered over 400,000 latrines. SMSU facilitated access to improved sanitation for one in five rural Cambodian households, protecting their health, dignity and safety.

Centered on evidence-based programming, iDE's approach in SMSU was four-fold and focused on:

- Designing affordable and aspirational sanitation solutions to context using the human centered design methodology
- Using professional sales teams to generate demand and change behaviors for improved sanitation in rural communities
- Powering and strengthening local entrepreneurs to sustainably deliver resilient, inclusive sanitation products and services
- Building the capacity of local authorities to achieve Cambodia's goal of reaching "open defecation free" status.

### **Key Facts**

Timeline: 2009 - 2023 Budget: \$30.8 million

#### Donors:

Stone Family Foundation

United States Agency for International Development

Australian Department of Foreign Affairs and Trade UNICEF

Bill & Melinda Gates Foundation Budget: \$30.8 million

Grand Challenges Canada

World Bank Global Sanitation Fund

Tripadvisor Foundation

Manitoba Council for International Cooperation

World Bank Water and Sanitation Program

### **Impact**

410,308

Latrines delivered

2,043

Villages declared open defecation free

**6.5** percentage points

Decrease in rural diarrhea prevalence

23 - 88%

Latrine coverage increase 2009 - 2022

**12 - 78%** 

Latrine coverage increase among low-income households 2009 - 2022



# Pillars of Success **Building Resilient Markets**

Entrepreneur support. iDE empowers local entrepreneurs through technical training and business management support. The team engages with these entrepreneurs weekly to build manufacturing and installation capacity and strengthen their financial and administrative skills for business sustainability. iDE has supported 467 sanitation entrepreneurs in rural Cambodia since 2009.

### Generating demand and changing behaviors.

iDE's sales team drives demand and behavior change by connecting with households and offering desirable sanitation solutions. They first establish an emotional connection with customers regarding sanitation challenges and discuss the financial implications of open defecation. By highlighting the benefits of owning a toilet, such as enhanced safety, privacy, and dignity, and comparing the cost of a latrine to the costs of open defecation, they stimulate demand for latrines and shift customer behavior towards consistent latrine usage.

Building enabling environments for market sustainability. iDE facilitates networks between communities, sanitation entrepreneurs, and local governments. These connections allow for direct communication between communities and entrepreneurs, give entrepreneurs a voice in local government, establish referral agreements between entrepreneurs and authorities, and encourage community leaders to promote WASH awareness and improved sanitation.

Additionally, through a training-of-trainers approach, iDE powers local authorities to educate their communities and increase access to safe sanitation.



## **Evidence Based Programming**

**Human centered design.** In all research and product development, iDE employs a human centered design (HCD) approach. HCD begins with empathy-driven exploration, followed by iterative design, prototyping, and testing phases, all with a focus on the end user. Products are only scaled in the market after rigorous testing and piloting confirm their viability, desirability, and affordability. iDE Cambodia has effectively utilized this HCD approach to design, test, and scale over 10 sanitation products and dozens of product iterations, ranging from basic latrines to shelters, fecal sludge management upgrades, and technical innovations tailored for challenging environments.



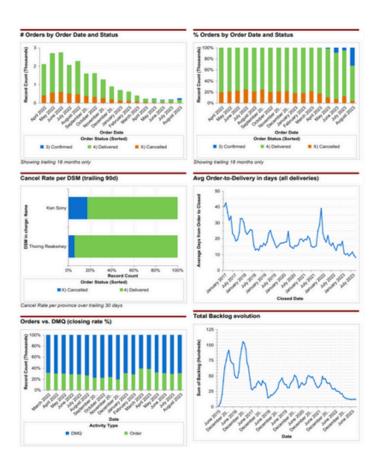
**Rigorous research.** To answer complex questions with conclusive answers, iDE conducts rigorous academic research. iDE has authored or co-authored 11 peer-reviewed journal articles, either published or currently undergoing review, with focuses on climate vulnerability, fecal sludge management, and gender and social inclusion.

Real-time data collection. Evidence-based decision making is a cornerstone of SMSU's operations. Real-time data collection through a custom, cloud-based Salesforce platform allows for all levels of management to effectively manage their staff, assess LBO performance, and ultimately improve the efficiency and quality of latrine deliveries to households. These tools allow for timely reaction and agile course correction when needed.

# Multiple Donors & Innovative Financing

Harmonized co-funding. Throughout the project, SMSU received funding from 10 donors. The trust established between iDE and these funders allowed SMSU to stay resourced and plan for the long-term, ultimately spanning 14 years. This funding enabled SMSU to expand and adapt to meet the evolving sanitation market's needs, achieve cost effectiveness through leveraging economies of scale, and ultimately improve the lives of over two million rural Cambodians.

Additionally, iDE 's market facilitation leverages household investment in sanitation. Between 2018-2022, donor funding contributed \$16 million to the project, while households invested an additional \$9.1 million in their personal WASH infrastructure.



LBOs are leveraging profits generated from this revenue to further expand their sanitation businesses.

Innovative program financing. Along with the Stone Family Foundation and USAID, iDE pioneered the world's first Development Impact Bond (DIB) in the WASH sector as part of the SMSU program. This model improved donor value for money and program efficiency by linking investor returns to predefined performance targets.

The outcomes-based nature of the DIB provided flexibility for iDE to evolve and adapt to the needs of a dynamic sanitation situation, ultimately, supporting local authorities to make claims in 1,780 villages for "open defecation free" status.



### Central Focus on Gender Equity, Disability and Social Inclusion

**Powering women entrepreneurs and local authorities.** In the private sector, iDE provides weekly coaching and has collaborated with local gender equity, diversity, and social inclusion (GEDSI) experts to bolster the skills and confidence of women sanitation entrepreneurs and foster supportive environments for women to thrive.

In the public sector, iDE builds the capacity of female local authorities through training of trainers, enabling them to aid communities in achieving and sustaining climate-resilient open defecation-free status.

#### Products designed for people with disabilities.

To meet the unique needs of people with mobility impairments, iDE designed an accessible latrine shelter that includes a sitting toilet, handrails, and a ramp to enter.

By utilizing human centered design to prototype, test, and design this product, iDE has ensured that people with mobility impairments are not left behind and have equal access to safe, affordable, and aspirational latrines.

Reaching the lowest income households without distorting markets. iDE ensures access to sanitation for the lowest-income households by collaborating with the public and private sectors. iDE advocates for increased public WASH funding and supports local governments in allocating social funds to subsidize latrine purchases for low-income households.

In the private sector, iDE trains entrepreneurs to offer non-interest-bearing installment plans, assess household credit, and manage payment collection.

Additionally, iDE has developed, rigorously tested, and deployed a method for providing targeted subsidies for government-verified low-income households without distorting the sanitation market. These subsidies discounted the price of latrines, enabling over 38,000 low-income households to own their first toilets.



### What's Next?

While Cambodia has achieved significant increases in sanitation coverage in the last decade, the work is not yet finished. There is still a disproportionately marginalized and climate-vulnerable portion of the population that does not have access to basic sanitation. For those who own a latrine, pits are filling up. There is still limited access to safely managed sanitation, including pit emptying and other fecal sludge management products and services.



iDE is continuing the work of reaching universal sanitation coverage, with a focus on climate-vulnerable populations, in the EUfunded GREEN Project (East Tonle Sap Lake region) and the Australian Aid-funded Climate Resilient WASH Project (Siem Reap). To achieve safely managed sanitation and further protect the health, environment, and livelihoods of rural Cambodians, iDE is building on the success this sanitation marketing and piloting market-based projects for fecal sludge and solid waste management in rural areas in early 2024.

### **Technical Partners**

Amplify 17 Triggers

Causal Design Noble Pursuits Cambodia MRD

Engineers Without Georgetown University

Borders - Australia

iDE Innovation Lab

**IDinsight** 

SHE Investments

Whitten & Roy Partnership

CU Boulder

Six Degrees Social Finance

University of Technology

Sydney



**iDE** 

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iDE (International Development Enterprises) is a nonprofit organization dedicated to ending poverty. We work in sectors including agriculture, sanitation, climate change resilience, and gender equality. iDE believes in powering small-scale entrepreneurs and building robust market ecosystems that lay the groundwork for low income and marginalized people to prosper on their own terms.