# Leveraging the Private Sector to Scale-Up POU Interventions

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## **POUZN Project Description**

- USAID-funded five year project
- Designed to go to scale with both zinc treatment for diarrhea and point-of-use (POU) water disinfection by mobilizing the private sector
- Involved in India, Indonesia and Tanzania
- For POU, POUZN focused on Uttar Pradesh (UP) the state with the lowest health indicators and the most populous (est. 180 M) in India

### The Health Problem

- Diarrhea causes 18% of deaths of Indian children under age five — more than 380,000 children a year
- UP has one of the highest rates of child mortality in India (70/1000 die within their 1<sup>st</sup> year)
- UP burden of diarrhea mortality: 25% of India

### Water



### Water Quality

- Unsafe water a major contributor to diarrhea
- Even if safe at source, water may become contaminated at the household: handling, transport, storage
- Focus on POU (Point-of-Use) water disinfection

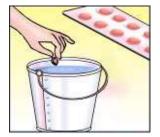
### Range of POU Methods

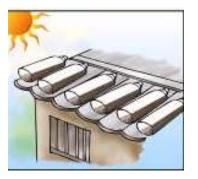
### Chlorination

### Water filters

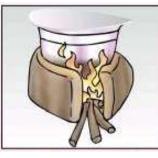
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Boiling Water



### **POUZN Project Focus**

• Focus on families in urban slums and villages in UP

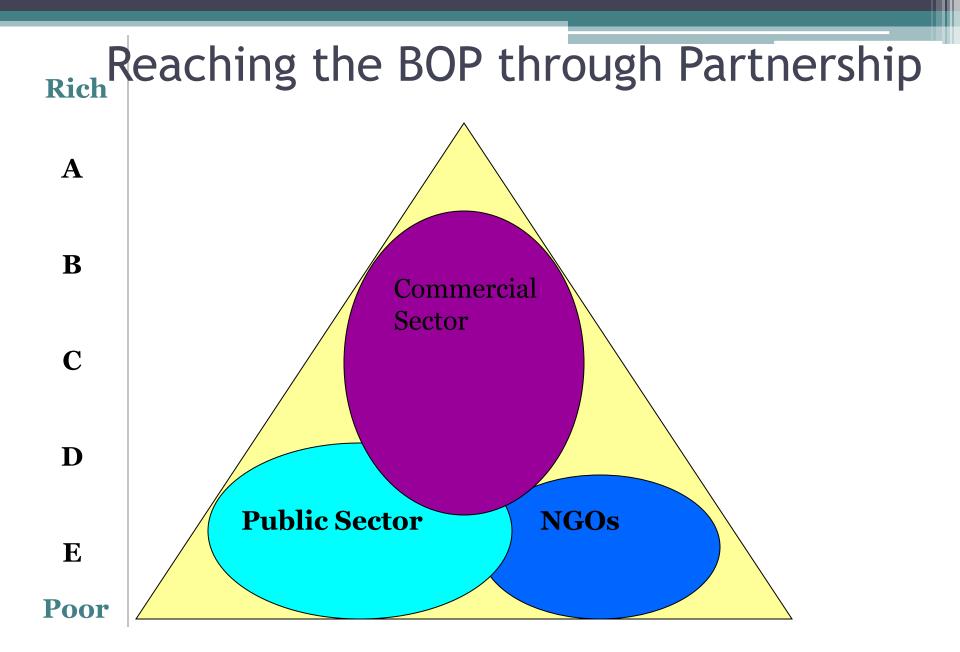


## Market Analysis

- Use of POU is low among the poor (4% boiling and 0.25% chlorination)
- Not serviced by the private sector
- Chlorine manufacturers small and dispersed
- Filter manufacturers market nationwide to the middle class in urban areas, but ...
- Some are interested in reaching the base of the SES pyramid (BOP).

### Barriers to Reach the BOP

- Lack of familiarity with low-income consumers
- Ability to pay
- Do not extend credit facilities
- Logistics difficulty in supply chain (distribution and servicing to rural areas)



## Commercial and NGO sectors

#### Strengths in

- Distribution
- Marketing
- Cost effectiveness
- Management

#### Strengths in

- Community familiarity
- Community trust
- Sensitization

### **Collaboration?**

Mistrust Different language Different objectives

## Creating a Partnership

- POUZN/AED a catalyst to translate/ coordinate/ mediate
- Selection of NGOs and MFIs
- Agreement on pilot program
- Development of micro finance schemes
- Coordination of community program and activities

### Leveraging Mutual Strengths

- Designed IEC materials
- Trained NGO staff
- Negotiated discounts to NGOs
- Ensured supply through micro-distributors



### From Pilot to Scale

- Choice of multiple POU methods, not only filters
- Use of water testing as communication tool
- Adapting micro-financing
- Creating micro-distributors in the community
- Segment strategy to rural and urban slums
- Focus from women SHG to general population

### Urban - Rural Segmentation

- Urban poor are aware of problem and more open to solution (faster behavior change)
- Urban do not have access to micro-finance (find credit solutions)
- Urban are exposed to media (spill over effect of advertising)
- Urban have more access to products (easier distribution)

## The Role of the NGO

### The micro-distributor (called **Jal Mitra** – the water friend) is key to success of POU

- Three-day community sensitization activity
- Follow-up household visits



## The Tipping Point

• A strong BCC tool (water testing) can help reach the "tipping point" convincingly



### Choice of solutions

- **Solutions** must be offered simultaneously
- People like to be given multiple options

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### Results of Partnering with NGOs (on-going: 900 000/ 1.2 million HH)

- Commercial POU uptake in rural areas: 20%
- In urban slums: 21%
- Of which repeat users: 23-28%

# Scaling up

- Commercial partners replicating the model in other states
- New partners attracted to the POUZN model
  - Ion Exchange's Suraksha Plus
  - Tata's new Swach filter priced at 999 rupees





### Lessons Learned on POU

- Converting people to using POU methods takes time and family/community consensus
- Urban and rural differences in POU programs may be profound, require **different strategies**
- **Consumer choice** allows the population to utilize most appropriate POU method

### Lessons Learned - Beyond POU

- The commercial and NGO sectors can adopt a new business model together
- NGOs can be trained to become effective educators, demonstrators and **micro-distributors**
- Segment carefully sub-groups
- Need for **integrated** work at least initially (role of catalyst)
- Leveraging of mutual strengths

### Thank You! <a href="http://pshi.aed.org">http://pshi.aed.org</a>



PUBLIC-PRIVATE PARTNERSHIP MODEL FOR POINT-OF-USE WATER DISINFECTION AMONG LOWER INCOME HOUSEHOLDS:

A Demonstration Project in Uttar Pradesh, India



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