

9

The Soozhal Initiative: A Model for Achieving Total Sanitation in Low-Income Rural Areas

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Summary

One of the objectives agreed at the World Summit on Sustainable Development in Johannesburg in August 2002 was to halve the proportion of people without safe water and sanitation by 2015. Many such people live in rural areas; in India, rural sanitation coverage is just 14%.

This case study documents the Soozhal network's rural sanitation initiative in the Cuddalore district of Tamil Nadu, India. Soozhal, a group of seven NGOs, launched its project to complement one of the Government of India's total sanitation campaigns (TSCs), which involved nongovernment stakeholders.

At the outset of Soozhal's program, which began in October 2000, less than 6% of households in Cuddalore district had a latrine. Soozhal's objective of 25% of target households building latrines in the first 2 years of the initiative has been achieved. From a target population of 47,825 households without latrines, 8,274 had built latrines and a further 3,892 were on track to complete latrines by October 2002.

Soozhal's success has influenced the Government to adopt their methodology within the non-Soozhal areas of the district TSC, which has also boosted the rate of latrine construction there.

Some challenges facing India's TSCs include

- how to create demand for sanitation and bring about behavioral change in large numbers of households and individuals;
- how to bridge the gap between the small government subsidies available and the actual cost of building latrines—a problem for low-income households; and
- how to make the best use of available resources.

Soozhal has addressed these challenges through a threefold strategy:

- unlocking latent demand for sanitation by training local women to use specially adapted communications tools;
- supporting the newly created demand with tailored financial arrangements that respond to the financial realities of low-income households: this optimizes the efficiency of government subsidies; and

- working directly with community-based organizations, to help raise demand for sanitation and to mobilize communities to improve their own sanitation.

Soozhal's experience in Cuddalore district is that it is important to pay attention to the supply and demand aspects of sanitation for low-income households. Unlocking demand needs to be backed up by realistic and timely delivery mechanisms. The program provides a model of how to optimize the use of limited resources—from domestic governments and external development partners—to benefit large numbers of low-income households. It demonstrates how a sanitation program can succeed with low levels of subsidy, by stimulating demand and mobilizing communities.

Introduction

This case study sets out the experience of a rural sanitation program in part of the Cuddalore district of Tamil Nadu, India. The program involved government and nongovernment stakeholders, and formed part of a TSC launched in the district in April 2000 by the Ministry of Rural Development and local authorities. TSCs are being piloted in 69 rural districts throughout India. Their objectives include encouraging households below the poverty line to build latrines, build school toilets, and set up communal sanitation facilities for women.

One of the objectives agreed at the World Summit on Sustainable Development in Johannesburg was to halve the proportion of people without safe water and sanitation by 2015. Many such people live in rural areas: in India's rural areas, sanitation coverage is just 14%. The lack of facilities for the hygienic disposal of human waste leads to a high incidence of diseases linked to water and sanitation, particularly diarrheal diseases.

At the outset of the program, sanitation coverage in Cuddalore district was less than 6%, which is below the national rural average. Soozhal's objective was to achieve 25% coverage in the 81 selected panchayats (groups of villages) within 2 years. This target has been reached. Of a population of 47,825 households, 8,274 had built latrines by September 2002 and a further 3,892 were on track to complete theirs by October 2002.

The impact of the Soozhal initiative can be seen by comparing the rates of latrine construction in the panchayats covered and not covered by Soozhal within the district. By October 2001, 5,455 toilets had been constructed in the entire district. Of these, 4,004 were constructed in the 81 Soozhal panchayats in 12 months as opposed to 1,451 toilets being constructed in the remaining 682 panchayats in 18 months.

As a result of Soozhal's success, the Government adopted Soozhal's methodology and started promoting the use of self-help groups from the second year onward within the non-Soozhal areas. By September 2002, a total of 21,619 latrines had been constructed within the district; 8,274 by Soozhal and 13,435 by the Government.

Cuddalore district has a high proportion of dalits and low-income households: almost 50% of households have an annual income of less than Rs6,000 (\$120). Literacy levels and incomes are lower than the national average, both of which are factors in the low sanitation coverage. The area is dependent on seasonal rain-fed agriculture, with the season lasting from October to March. The major

crops are paddy, sugarcane, and cashew nuts. Agriculture provides the area's only employment opportunity, although in recent years government-sponsored credit programs have provided opportunities for income generation through small-scale dairy enterprises, trading, and commercial services. There is also off-season migration between April and September, when many men travel to other parts of Tamil Nadu and the neighboring state of Kerala to work on construction sites.

The Cuddalore TSC Stakeholders

Ministry for Rural Development

India's Ministry for Rural Development launched its Central Rural Sanitation Program in 1986. The program was refocused in 1999, with an emphasis on a campaign approach involving the use of mass communication techniques such as wall paintings, village motivation camps, and exhibitions. TSCs are based on two principles: first, that the best way to achieve the goal of total sanitation is to respond to demand; and second, that people's participation and hygiene education are prerequisites for unlocking this demand.

Cuddalore District Rural Development Authority

The Cuddalore District Rural Development Authority, a local government department, is responsible for rural development programs in the area. Within this, a separate section oversees the TSC. A committee, consisting of department heads and external funders such as UNICEF and WaterAid, advises the district authorities on TSC matters. Staff turnover among local government officials has been a problem for Soozhal, along with bureaucratic delays, (e.g., on the release of subsidies, etc.). While district-level officials are well disposed to Soozhal's initiative, Soozhal is still working at building a positive relationship with lower-level officials.

WaterAid

Before the TSC began, WaterAid had been actively working with its local partner organization, BLESS, and the district administration taking part in discussions, training local government officials, and helping develop district plans for expanding sanitation coverage. Following this collaboration, the district administration invited WaterAid to help develop a replicable model for the TSC program. As WaterAid's financial resources are limited, it was decided that the most effective role it could take was that of facilitator, preparing the ground for other actors to implement the project.

The Soozhal Network

WaterAid's partner organization in Cuddalore, BLESS, decided that, mainly due to the size of the target area, a network of local NGOs would be more effective than a single agency working alone. BLESS identified other NGOs that had both a good rapport with communities and a commitment to the TSC approach. The process of building the network lasted 18 months, and culminated in its official formation in August 2000. The network comprises seven local NGOs, including BLESS itself.

Project Development and Implementation

The TSC approach focuses on mass communication techniques, rather than working through community groups, and none of the Cuddalore TSC funds were earmarked for community capacity building. WaterAid provided Soozhal funding for this as a strategy for helping create demand for sanitation.

The Cuddalore district TSC covered 682 village panchayats, or groups of villages, with a total population of about 1,427,000. From these, the Soozhal network chose 81 panchayats covering a total of 288 villages and an estimated 208,000 people for its own direct intervention. A baseline survey found that there were 47,825 households without latrines. Soozhal's strategy involved the following.

Community capacity building

Women's self-help groups (SHGs) were established in the area several years ago as part of a state-run women's development program. SHGs, which tend to have 15–20 members, meet each week to run savings and credit schemes for household consumption and income generation. The existence of so many well-functioning SHGs was a great strength on which Soozhal was able to build. Soozhal has worked with over 650 SHGs, with a total of 8,465 members, and facilitated the creation of another 85 SHGs as part of the water and sanitation initiative. Each new SHG cost Soozhal approximately Rs750 (\$15) to promote, making this a very cost-effective strategy.

SHGs, which now have a total membership of 13,643 women, are networked at village, panchayat, and "cluster" levels, with a cluster consisting of five panchayats. Their effectiveness is demonstrated by the fact that some have been contracted to undertake school sanitation and water works.

Unlocking demand

A total of 2,465 SHG leaders, three from each group, have been trained as hygiene communicators, each taking part in three 2-day courses. They were chosen using the criteria of commitment, communications skills, and leadership qualities. As well as hygiene communication, they share the responsibilities of running their group, such as convening meetings, accounting, and keeping records.

The first objective was to encourage these women to adopt good hygiene and sanitation practices within their own households. The second was that they should educate and motivate other group members to change their hygiene practices and begin to demand latrines.

The hygiene communicators explained the scope of proposed programs, the criteria for subsidies, technical options, achievable benefits, financial implications, and commitments expected from users to other group members. They were provided with technical handbooks and trained to use a range of participatory educational tools such as flash cards and calendars with SHG members and local schoolchildren. These tools had been used in previous WaterAid projects, and were adapted for the project during workshops in which both group members and Soozhal project staff participated.

Over an 18-month period, 15,000 families were reached through Soozhal participatory processes and peer education, complemented by the TSC mass communications campaign. Numerous factors contributed to the success of this element of the program, notably the fact that the women's SHGs meet regularly, the commitment of the hygiene communicators, and good interaction among group members. Involving women's SHGs members as hygiene educators has proved to be more efficient and more cost-effective than deploying project staff in this role. The total cost of training the hygiene communicators was Rs1,080,000 (\$21,600), which works out as Rs438 (\$8.76) per head.

Through the work of hygiene communicators, communities have been made aware of the link between a lack of hygiene and diseases, and the benefits of using a latrine. The hygiene practices of group members have changed as a result, and demand for latrines is building up among families of group members, schoolchildren, and communities in general. Creating demand in this way is crucial. If sanitation programs are to be effective, it is not enough simply to provide latrines. People must also appreciate their necessity and value them.

Offering choices

Parallel with the work of hygiene communicators, the network set about trying to raise demand for sanitation by demonstrating different types of low-cost latrines and related structures. Models of alternative designs were displayed both in villages themselves and in NGO centers where most hygiene communicator training took place. The models created interest, and enabled villagers to decide which design would be most suitable for their household.

One of the key messages at this stage was that households could build a useable basic latrine immediately, then go on to improve it later when more funds became available. Superstructures made of thatch and other impermanent materials cannot withstand the area's strong winds and rains for long, so it was expected that most households would go on to build something more permanent later.

The supply of building materials was devolved to the village level, and wherever possible, masons from the local area were used. Soozhal introduced simple, low-cost building methods and many households made their own cement bricks for the latrines.

Establishing effective financial arrangements

In order for it to work, the demand-responsive approach must be backed by appropriate financial arrangements—namely financial mechanisms that reduce dependency on government subsidies and facilitate the effective use of available government funds. Two key financial instruments meet the financing requirements of the Cuddalore program.

Bridging loan funds to cover working capital requirements

These help overcome the problem that government subsidies are paid in arrears, and often delayed. Bridging loan funds also avoid cash flow problems for implementing NGOs and microcredit groups. NGOs use this money to provide latrine construction kits, which households then pay for once they receive their

government subsidies. WaterAid has provided bridging loan funds of Rs200,000 (\$4,000) for each cluster of panchayats.

Sanitation fund

The overall sanitation fund consists of each group's revolving loan fund amalgamated at cluster level. As revolving loan funds are shared through the network, resources can be efficiently directed to wherever they are needed.

The sanitation fund complements government subsidies. As part of the TSC, the Government provides Rs500 (\$10) to each household to help them build a latrine. The construction of a single pit pour-flush latrine with space for bathing costs between Rs650 and Rs850 (\$13–17), depending on whether or not the pit has to be lined. This does not include labor, which is provided by the household. If a superstructure made of permanent materials is included, the cost rises to Rs1,800–2,000 (\$36–40).

There is a sizeable gap between the amount of subsidy offered and the actual cost of building a latrine, and most low-income households cannot bridge this gap themselves. At the outset of the initiative, there was a serious risk that the demand that Soozhal had helped generate would stagnate, and available resources go to waste.

Soozhal staff discussed how to resolve the issue with the women's SHGs. One suggestion was to use existing group funds as credit for latrines. However, these funds were being fully utilized for their original purposes. Instead, the groups decided to set up separate savings schemes for sanitation, to run alongside the existing schemes. Each group member makes a deposit of Rs100 (\$2). The maximum amount that a household can then borrow for sanitation is Rs1,000 (\$21), to be repaid in monthly installments over a 10-month period. Typically, interest rates are less than 20% per annum. This covers any bank charges or interest payments on the revolving loan fund, as well as the groups' administrative expenses. Households wanting to borrow have to demonstrate commitment to building a latrine, for instance by subscribing to the sanitation fund, digging a pit, and collecting building materials. Some groups stipulate that borrowers need to have constructed a latrine designed to standard before they can take out a sanitation loan. One of the advantages of this form of financing is that it is relatively easy for groups to check whether a household is ready for a sanitation loan, and that the loan is properly used. On the borrowers' side, an advantage is that they do not need to make time-consuming visits to government offices to claim subsidies or prove that they are building a latrine.

Default rates are very low: individual NGOs in the network report that between 80 and 100% of loans are repaid in full by the due date, and the maximum delay in repayment so far has been 3 months. This excellent credit history is because households are proactive in applying for loans, groups assess people's capacity to repay before disbursing the loans, and there is strong peer pressure to repay.

The groups have raised more than Rs1,100,000 (\$22,000) internally. This supplements seed funding of Rs25,000 (\$500) per group, which was necessary because of the project's relatively short time frame, and the high demand. To

begin with, the groups borrowed Rs500,000 (\$10,000) from banks. However, Simavi, a Netherlands-based funding agency, subsequently lent Rs2,200,000 (\$44,000) interest-free. Soozhal's initial bank loan has now been repaid, and it is hoped that, thanks to Simavi's loan, commercial borrowing for the Sanitation fund can be avoided in the future. It is notable that banks that in the past would only fund microfinance for traditional income generation activities are now interested in lending for sanitation, because of the low default rates and high turnover. For instance, the government National Bank for Agricultural and Rural Development is offering credit at annual interest rates as low as 4%.

Box 1 contains information on the Palaar cluster, one of the 16 group clusters, to illustrate the project's achievements to date.

Box 1. The Palaar Cluster

No. of Panchayats Covered	5
Total Households	2,362
No. of Members	1,074
Sanitation Fund Mobilized from Members	Rs72,300 (\$1,500)
Number of Latrines Built	571

The Palaar cluster plans that all group members will have built latrines by March 2003, with total sanitation coverage in the cluster area by March 2004. They intend to apply for a bank loan to help them achieve this. The cluster has made a donation of Rs4,000 (\$83) toward building school latrines, as well as making loans of Rs36,000 (\$750) for this purpose.

Lessons Learned

The Soozhal initiative has thrown up learning points for agencies wishing to assist low-income rural households to build latrines and improve their hygiene practices.

- Building the capacity of community members to raise awareness is an effective way of unlocking latent demand for sanitation.
- Working directly with community-based organizations complements and enhances a mass-communication campaign approach, such as that adopted by TSCs.
- Once demand is created, low-income households are often willing to contribute to building latrines. However, they still need public finance to complement their own efforts and help them realize their aspirations. Well-designed financial mechanisms, in this case, microfinance, can do this.
- Subsidies need to be well targeted and well timed if they are to result in large numbers of latrines being built.
- Pooling the available finance between low-income communities enables them to optimize resources.
- Delegating responsibilities and decentralizing roles, especially on handling finance, is essential: the Soozhal initiative has shown that community groups can take on these responsibilities.

- Transaction costs for obtaining and monitoring loans from group savings and credit schemes are low compared with those of government subsidies: this benefits both borrowers and lenders.

Soozhal's imaginative and flexible approach has contributed to the rapid pace of sanitation coverage and changes in people's hygiene practices in the target area. It has shown that low-income rural communities, if mobilized and well organized, can be empowered to take these changes into their own hands.