



Demand Assessment Survey Sanitation Credit in Maharashtra

**A Presentation
for**

ISC Maharashtra Taskforce Meeting – February 5, 2018

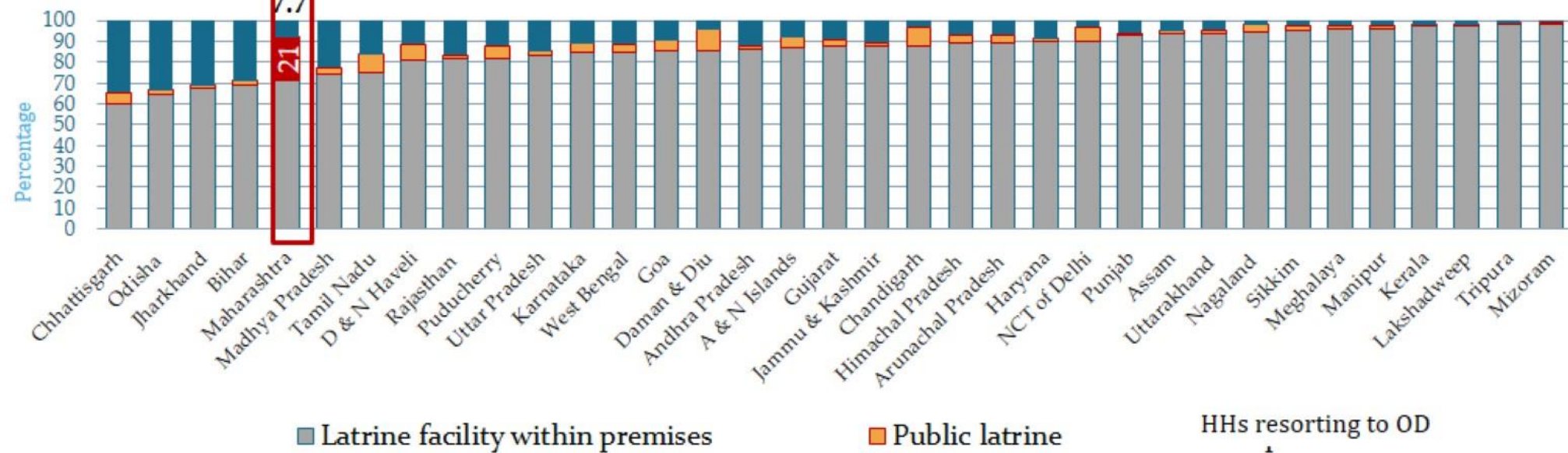
Key facts for Maharashtra (Urban) – Census 2011

Maharashtra - one of the most urbanized states in India

~50 MILLION URBAN POPULATION

384 CITIES

State Wise - Access to Toilets (Urban)



Declaration of Urban Maharashtra ODF- 1 Oct 2017



Sustainability Charter Launched by the Chief Minister



Sustainability Charter

We are committed towards the vision of Swachh Bharat. We shall ensure ODF sustainability in Maharashtra by:

- #1. Achieving universal access to Individual Household Level Latrines (IHHL), which is a leading development priority.
- #2. Ensuring adequate, clean and reliable access to public/ community toilets across urban Maharashtra, wherever IHHL are not possible.
- #3. Ensuring ODF sustainability through effective participation of government, elected representatives, schools, donors, implementers, NGOs, SHGs, CBOs and the communities.
- #4. Continuing and institutionalizing rigorous ODF validation and monitoring process through "OD Watch" and "ODF sustainability tracker"
- #5. Auditing the performance of community/ public toilet and encouraging development of OD spots into usable public spaces.
- #6. Recognizing and awarding sustained performance
- #7. Moving towards ODF+ by ensuring effective collection and adequate treatment of human fecal waste

Mr. Devendra Fadnavis
Chief Minister, Maharashtra

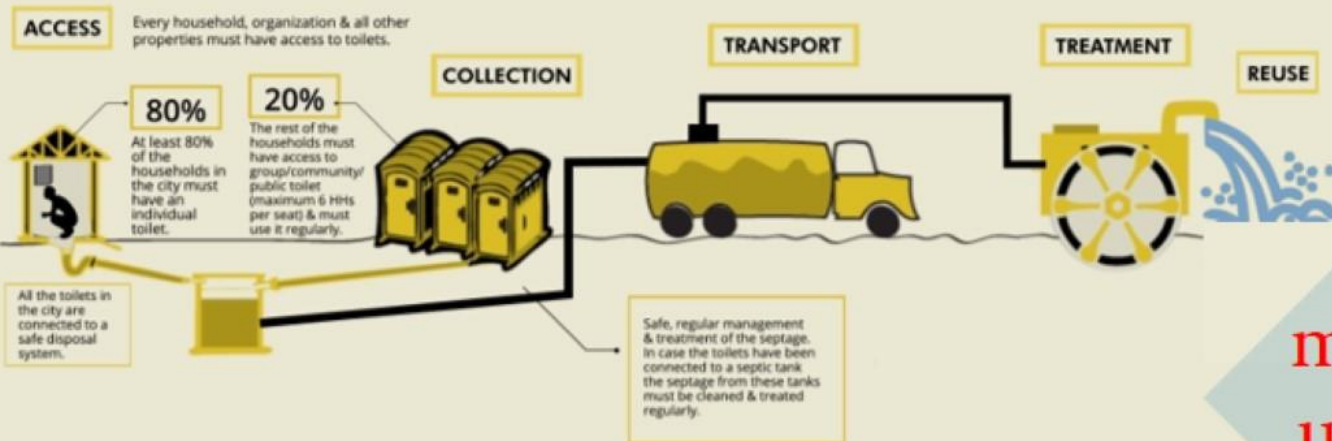


Beyond toilets and ODF ... to ODF+ and ODF++

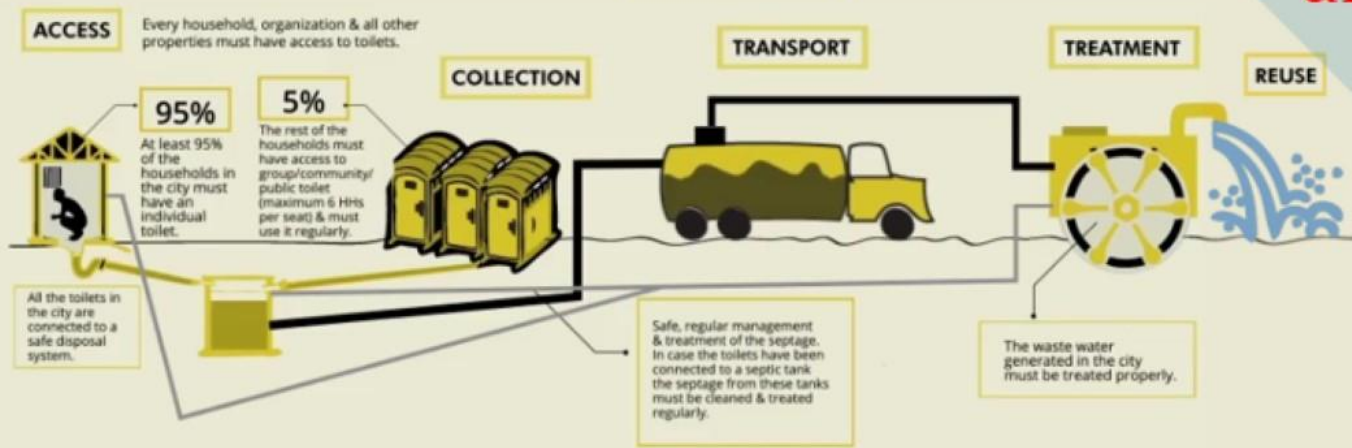
ODF



ODF+

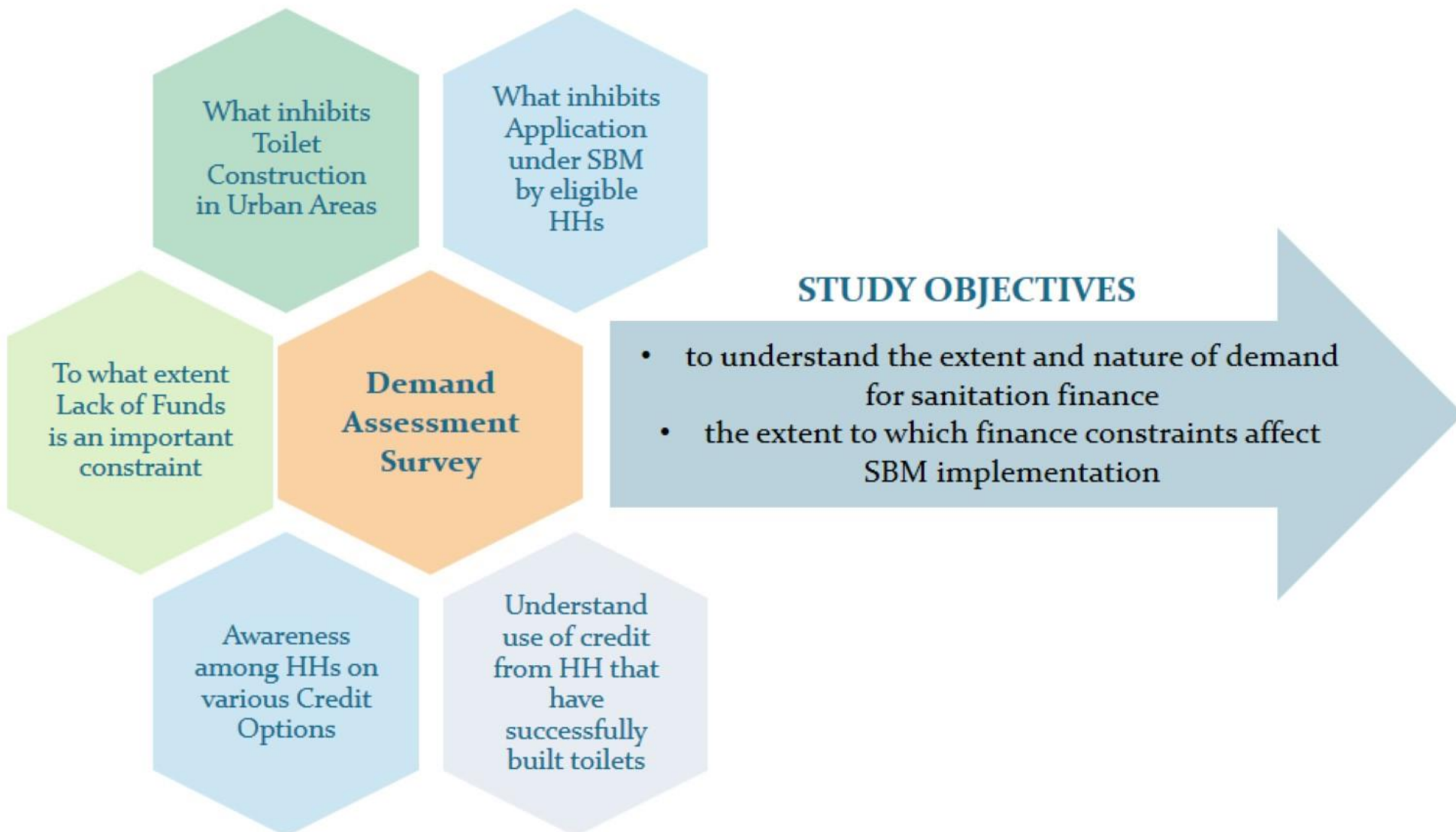


ODF++



Focus on moving towards universal access to individual toilet

Demand Assessment Survey – Sanitation Credit in Maharashtra



*The Survey covered 1200 households in the State.
The survey and analysis were carried out by IMRB for CEPT.*

Research objectives for Survey

Specific objectives

- To understand the process through which the households, who have availed the SBM scheme, constructed toilets.
- To understand various reasons, especially financial reasons, which impact the construction of toilets at home among the households which are eligible under the Swachh Bharat Mission Scheme.

- To understand the extent to which households are aware of financing options
- To understand the reasons for households not applying for the scheme despite being eligible for the same.

- To assess the eligibility of households to mobilize loans from financial institutions such as banks, credit co-operative societies, micro finance institutions and housing finance institutions.
- To develop broad estimates of the nature and magnitude of household sanitation requirements in urban Maharashtra.

Research Design- Target Group


TARGET GROUP

Three Main Categories of Households

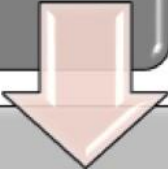
- **Category 1** : Applied for SBM subsidy, Approved and Toilet successfully built or building – **PROGRESSIVES**
- **Category 2** : Applied for SBM subsidy, Approval given BUT not started construction – **ONLOOKERS**
- **Category 3** : Not applied for SBM subsidy though do not have a toilet – **LAGGARDS**

Quantitative Household Survey- Sampling Methodology

Selection of districts: From each of the six NSS regions in Maharashtra, one district was randomly selected, thereby, a total of six districts were selected for the study.



Selection of PSUs: Urban Local Body (ULB) served as the Primary Sampling Units (PSUs). ULBs were categorized into three categories as per their statutory states- M.Corp, Class A, Class B & C. ULBs were randomly selected from each of these three categories of ULB.



Selection of Respondents: For each respondent category (Category 1, 2 and 3) - 22 Households were selected from each of the selected PSUs. For Category 1- the SBM application list was used as the sampling frame. For Category 3- Screening was undertaken to identify the eligible respondents.

Note: The survey of 1200 HHs was designed by IMRB as representative of the state.

How do the three categories stand different?



Literacy Levels

% Literates

78%

79%

70%



Average Monthly Household Income*

INR

8,751

6,662

5,914

**The mean difference is significant at .05 level between Category 1 and Category 2 as well as Category 1 and Category 3*



Ever worried about not having enough resources to arrange for a meal

YES !

54%

58%

56%

How do the three categories stand different?

**Category 1:
Progressives**



**Category 2:
Onlookers**



**Category 3:
Laggards**

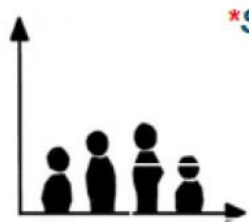


Structure of the Household*



Pucca	27	20	11
Semi- Pucca	60	63	57
Kutchra	13	17	32

*The mean difference is significant at .05 level between Category 1 and Category 2 as well as Category 1 and Category 3

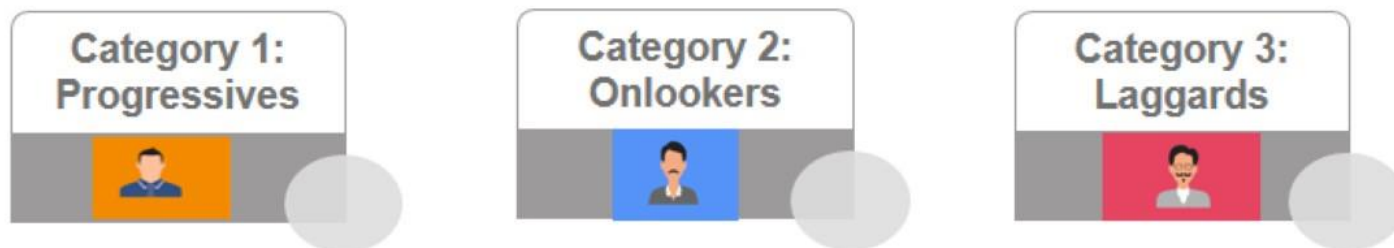


*Socio-Economic Classification (SEC)

C	22	22	15
D	29	28	32
E	42	49	49

*The mean difference is significant at .05 level between Category 1 and 2

How do the three categories stand different?



Holding a bank account*

Bank Account Holding

94%

96%

86%

*The mean difference is significant at .05 level between Category 1 and 3



Savings profile*

% of HHs which save

46%

37%

20%

*The mean difference is significant at .05 level between Category 1 and Category 2 as well as Category 1 and Category 3

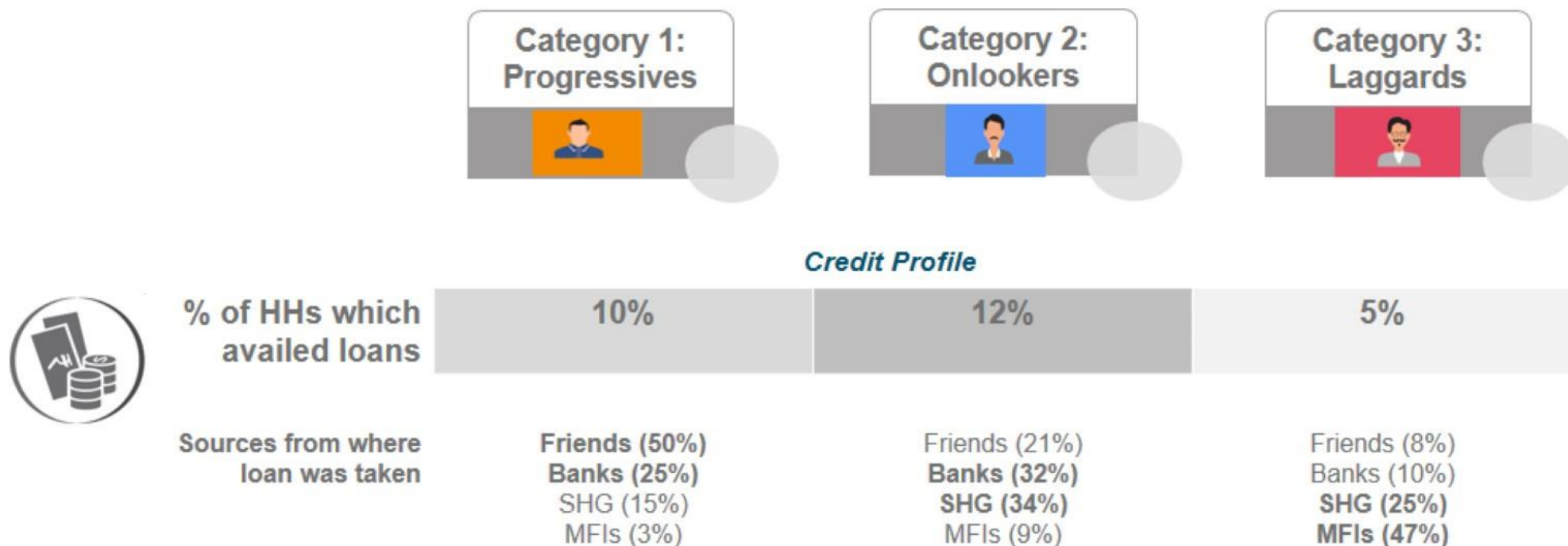
Places where savings are kept

Banks (87%)
SHGs (12%)

Banks (72%)
SHGs (3%)

Banks (87%)
SHGs (7%)

How do the three categories stand different?



Category 1: Understanding the PROGRESSIVES in the context of toilet construction



PROGRESSIVES are understood to have POSITIVE DISPOSITION TOWARDS TOILET CONSTRUCTION and TOILET USE as indicated by their attitudinal inclination.

PROGRESSIVES express their sense of experienced benefits with the use of toilets indicating that there is a clear value association with toilet.



CHALLENGES

While the PROGRESSIVES have been successful in overcoming all challenges, the BIGGEST CHALLENGE stated by them was LACK OF FINANCES. There was a clear inhibition in reaching out to formal financial institutions as also seen by the extremely low percentage of loans taken from these institutions.

Category 1: Understanding the PROGRESSIVES in the context of toilet construction



TOILET CONSTRUCTION

TYPE OF TOILET

Majority have Septic Tanks and Toilets attached to Piped Sewer system.

AVERAGE COST OF CONSTRUCTION

INR 32,985

TIME TAKEN FOR CONSTRUCTION

Over 41% reported that it took them more than 30 days to construct toilet

FINANCING

Mostly from Swachh Bharat Mission subsidy and Savings.

Every individual shared that extra funds, over and above the subsidy amount, had to be arranged as the subsidy amount was not sufficient to completely cover the expenses.

These expenses were drawn out of the pool of savings (72%) or taken as loan from informal networks (25%).

Less than 5% reported to have taken loans from formal institutions like banks, SHGs and MFIs.

Category 2: Understanding the ONLOOKERS in the context of toilet construction



ONLOOKERS, pretty much like PROGRESSIVES, appreciate the importance of having toilets as they currently have to meet with several challenges like unhygienic conditions and lack of women's safety.

ONLOOKERS seem convinced that toilets can provide solution to their problems and willing to construct toilets. With increased levels of awareness on sanitation needs and available schemes, they are keen on constructing toilets.



CHALLENGES

The ONLOOKERS have unanimously shared that LACK OF FINANCES is the BIGGEST CHALLENGE they are facing in initiating/ completing toilet construction. Despite the ONLOOKERS being more connected to the formal institution (Banks- 32%; SHGs- 34% & MFI- 9%) viz-a-viz the PROGRESSIVES, none have reached out to these institutions due to apprehensions with respect to the repayment process.

Category 2: Understanding the ONLOOKERS in the context of toilet construction



TOILET CONSTRUCTION

TYPE OF TOILET

Majority ONLOOKERS (90%) have already finalized the toilet type to be installed. Many have even initiated construction (64%) but completed it only partially.

EXPECTED AVG. COST OF CONSTRUCTION

INR 22,000

FINANCING

Mostly from Swachh Bharat Mission subsidy and Savings.

Every individual shared that extra funds, over and above the subsidy amount, had to be arranged as the subsidy amount was not sufficient to completely cover the expenses.

These expenses were drawn out of the pool of savings (84%) or taken as loan from informal networks (26%).

Only 3% reported to have taken loans from formal institutions like banks, SHGs and MFIs.

Category 3: Understanding the LAGGARDS in the context of toilet construction



LAGGARDS expressed their felt need for constructing a toilet to avoid daily challenges like lack of safety for women and privacy.

Although the LAGGARDS expressed their opinion about toilet being a necessity; in terms of prioritising their expenses, things like motorbike still precede toilet construction.



CHALLENGES

Considering that the LAGARDS have very low levels of income and savings to fall back on in comparison with ONLOOKERS, expenses can only be made on limited high value heads. Toilet, though seen important, ranks low on priority. When asked about the barriers to toilet construction, lack of financial resources emerges as the biggest barrier.

Category 3: Understanding the LAGGARDS in the context of toilet construction



TOILET CONSTRUCTION

EVER CONSIDERED TOILET CONSTRUCTION? 88% LAGGARDS have considered toilet construction.

THEN WHAT STOPPED?

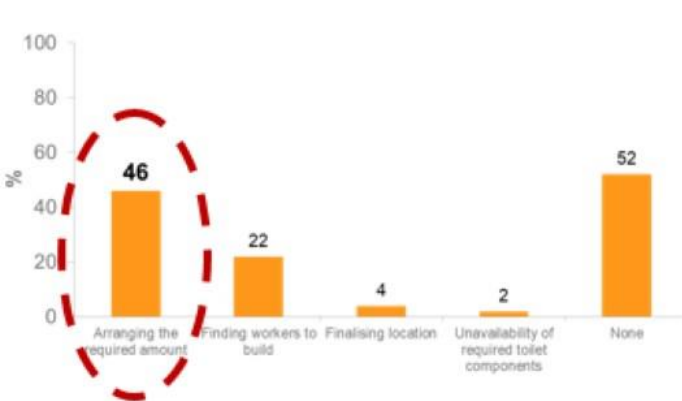
Toilets are considered important by this category, however, when compared to other expense heads, toilets fare low on the list.

The reported barriers to toilet construction are lack of financial resources (92%) and unavailability of credit (20%).

Lack of funds is a key constraint to construct a toilet

PROGRESSIVE

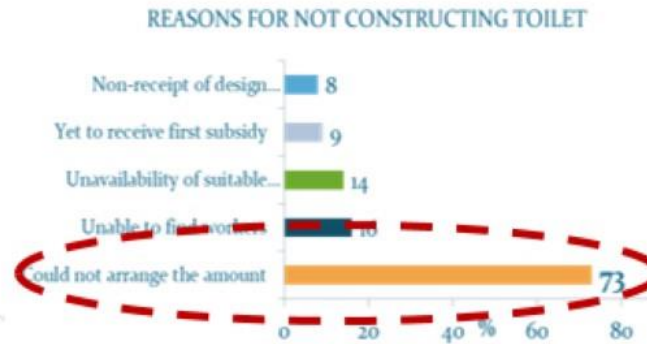
CATEGORY 1: Applied to SBM, and toilet constructed/ under construction



Approximately half of the households mentioned **arranging required amount** was the major challenge.

ONLOOKERS

CATEGORY 2: Applied to SBM, not started construction



Approximately three-fourth households mentioned **lack of finance** as the reason for not being able to arrange the initial amount.

LAGGARDS

Category 3: neither applied to SBM, nor constructed a toilet



While most households **express their willingness to construct a toilet**, **lack of financial resources** acted as a deterrent to toilet construction.

The market size for sanitation loans in urban Maharashtra is potentially in the range of Rs.3,000-4,000 Crore over the next 4-5 years.

More resources on sanitation finance at pas.org.in



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Sanitation Financing

We have explored various innovative sanitation financing options other than the routine state and central government funding for financing sanitation projects.

Innovative financing of urban sanitation

The Government of India (GoI) has set a rather ambitious goal of eliminating open defecation by 2019. For urban areas, this implies providing toilets to about 22 million households. This [column in Ideas for India \(I4I\)](#) contends that it is possible to achieve this goal if the limited public funds are leveraged to facilitate innovative financing mechanisms, through a demand-led scheme for toilets.

A 'Workshop on Financing Urban Sanitation' was organised by the Ministry of Urban Development, GoI, in partnership with the CEPT University and Centre for Policy Research on January 23, 2014, in New Delhi. It discussed sustainable sources and mechanisms for financing urban sanitation such as Corporate Social Responsibility funds and Social Impact Investments. Deliberations also explored measures to strengthen the use of government funding, tap private funds through innovative public-private partnership arrangements and results-based funding. The focus was on increasing the total pool of resources as well as improving funding effectiveness.



[Innovative financing of urban sanitation](#)



[Workshop on financing Urban Sanitation Report Presentation](#)

Thank you . . .

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