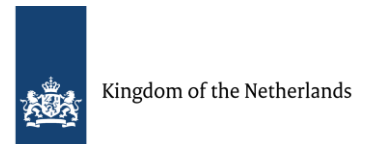


ICWFM 2025: Technical Session

Climate Resilient WASH Services: Enhancing Private Sector Engagement

 Sunday, 23 February 2025

 CIRDAP, 17 Topkhana Road, Dhaka 1000





Opening Session

Dr. M. Assaduzzaman

Senior Policy Advisor – Climate

The Embassy of the Kingdom of the Netherlands in Bangladesh

Session Flow

- Opening session
- Keynote presentation
- Questions and answer session
- Networking break
- Technical session: Open discussion
- Special remarks
- Key takeaways and next steps
- Group photos



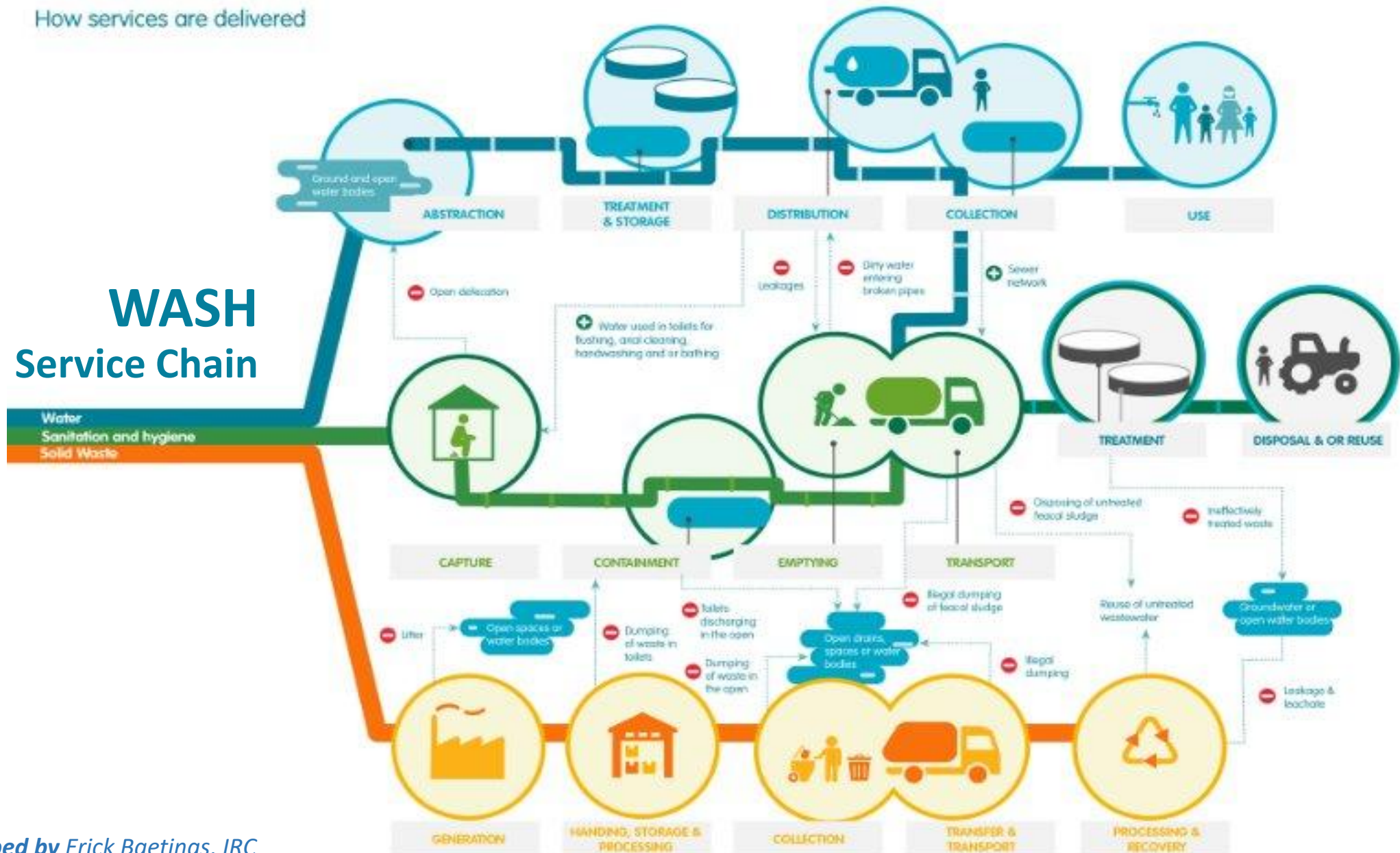
Keynote Presentation 01

Digbijoy Dey

Senior Programme Officer – South Asia Regional Programme
IRC International Water and Sanitation Centre

Water, sanitation and solid waste service chains

How services are delivered



Definition of Climate Resilient WASH Services

- Anticipate, respond to, cope with, recover from and adapt to climate-related shocks and stresses
- While minimizing negative impacts on the environment and
- Leveraging opportunities to restore and improve it
- To bring ongoing and sustained WASH services to current and future users



Criteria of Climate Resilient WASH Services

Climate-resilient WASH services and interventions adhere to the following minimum **criteria for categorization**:

- **Robust infrastructures**
- **Operated by professional service providers**
- **Users are informed, empowered and engaged –**
 - Strong and inclusive governance
 - Sustainable use and protection



Bangladesh: Climate Crisis Is Water Crisis

Hydrological zones/hotspots	Major climate risks	Impact on WASH services
Barind and Drought-Prone Areas	rising temperature, drought , reduced groundwater levels, reducing wetlands	Drinking water scarcity , short lifespan of sanitation infrastructure
Chittagong Hill Tracts (CHT)	loss of forest and vegetation cover, flash floods in hilly terrain	Drinking water scarcity, disaster risk
Coastal Zone	tidal fluctuation, accelerated sea level rise (ASLR) , salinity intrusion with sea-level rise, cyclones, storm surges	Poor water quality, scarcity of water, disaster risk
Haor and Flash Flood Areas	precipitation, subsidence and decreased sediment supply, land filling, encroachment, land use change	Absence of sanitation technology , disaster risk
River Systems and Estuaries	riverine erosion and accretion, drought, river avulsion, sedimentation offtake, subsidence, tidal fluctuation , sea-level rise, flash floods in hilly terrain and dry periods	Disaster risk, lack of investment
Urban Areas	urban sprawl, unplanned settlements and development , falling groundwater levels, faecal sludge and industrial effluents,	Absence of low-cost services , high risk of faecal contamination

Role of Private Sector

HHs	Change behaviour	Invest in facilities	Adopting service	Pay	O&M
Govt/Local Govt	Develop policy Create demand	Set standards Support poor HHs Monitor progress	Set standards & monitor compliance	Invest in infrastructure and service	O&M
Private sector	Innovate in technologies / delivery models	Design service	Investment Product/service promotion	Tariff collection Return on investment	Voluntary monitoring and quality assurance

Keynote Presentation 02

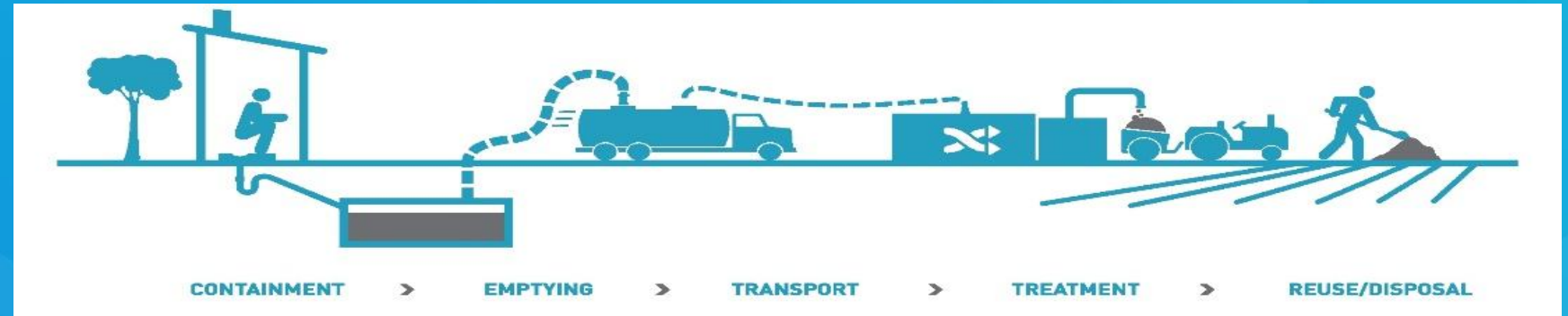
Shahidul Islam

Sector Leader – Water
SNV Bangladesh

Private Sector Engagement in Sanitation



Opportunities to involve private sector in Safely Managed Sanitation Services



Toilet & Containment	Emptying and transportation	Treatment and disposal	Reuse (compost, Briquette, Bio-gas)
Product/ toilet manufacturers, supplier, retailers	Local Government	Local Government	NGOs
	Private Company	Private Company	Private Company
Mason, Plumber	Informal workers	NGOs	
	CBOs/ NGOs		

(not just a toilet)

Large scale infrastructure, private sector investment, and professional services

Policy directions for private sector engagement in water and sanitation

Perspective Plan 2021-2041

- Incentives to encourage PPP, Co-financing, pricing policy for full cost recovery

8th Five-Year Plan 2020-2025

- Private sector - sustainable service delivery.

Bangladesh Delta Plan 2100

- Total required 2.5% of GDP, 0.5% from private sector; 0.5% for O&M (public sector; now <0.1%

SDP for WSS 2011-25

- Private sector to take larger roles & investments

PPP Act 2015 and Rules 2018

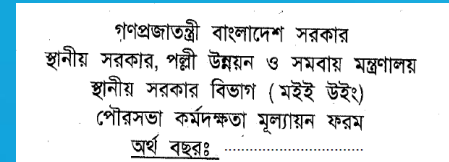
- Enabling environment and separate body

PPA 2006/ PPR 2008

- Guidelines to engage private sector

Local Govt Acts, 2029

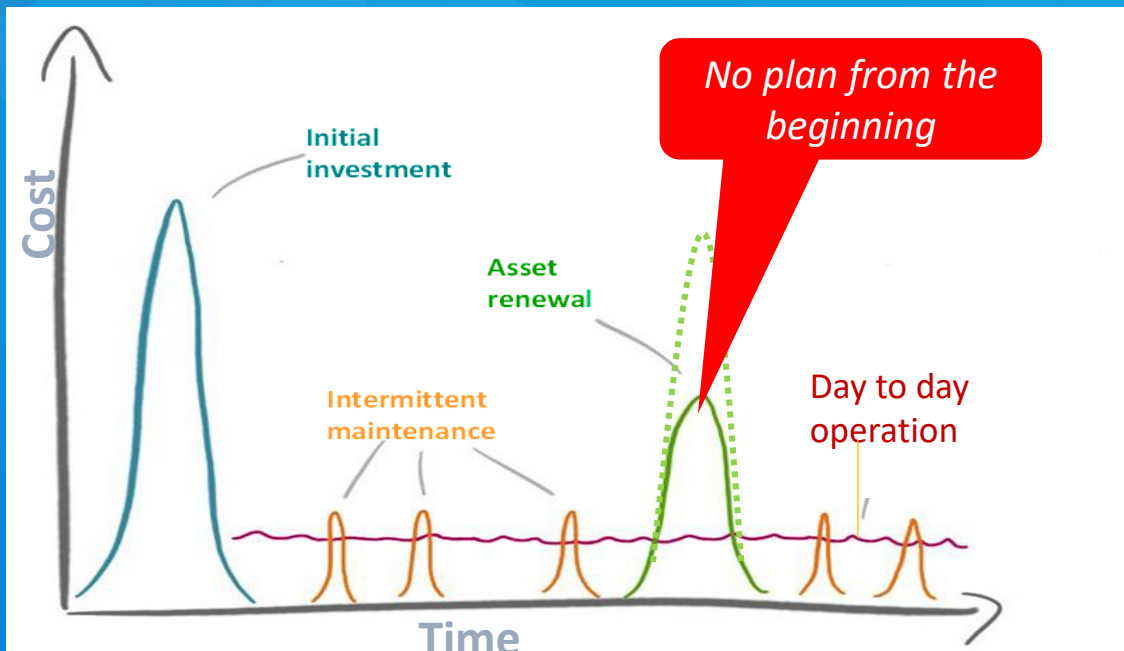
- Empowered – private sector involvement



- Cabinet Division
- Ministries/Divisions
- Departments
- City Corporations/WASAs
- Performance Evaluation of Municipalities

Yet we do not see
much private
sector engaged in
the entire service
chain

Understanding lifecycle cost and revenue sources: for sustainable sanitation services



Lifecycle Cost

< (?)

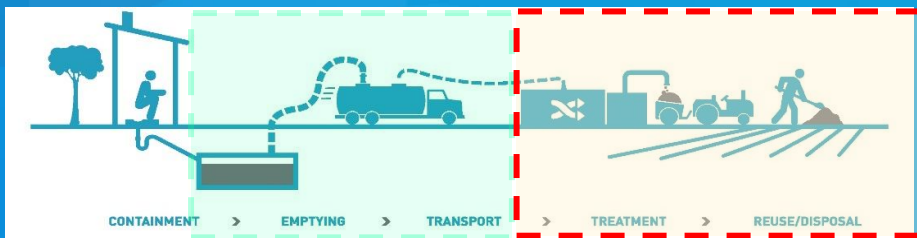
Not consider holistically

Tariff	Payment from users: application, emptying fees, fines
Taxes	Sanitation Tax, Property Tax (subsidise)
Transfers	Funds from central Government (Loan, Grant)
Trade	Income from sales of waste related products (compost, bio-gas, etc)

Revenues

Business Models

Faecal Sludge Management Services



Bundle	Unbundle
Jhenaidah, Jashore Benapole, Gazipur	Kushtia, Faridpur, Khulna, Sakhipur

Kushtia

Trip/Vacutug size	1000 L	1500L	2000 L	4000 L
Septic Tank (BDT)				
Application fee with First trip	1,000	1,300	1,500	2,000
Every next trip	500	550	600	1,000
Pit Latrine (BDT)				
Application fee with First trip	800			
Every next trip	400			

Considerations

Contract duration	- Short term: < 3 Yrs - Medium: 3 – 5 Yrs - Long term: >10 Yrs	- Traditional practice - Gazipur, Khulna, Kushtia - Jhenaidah, Jashore
Service type	On-demand/ scheduled (market size)	All cities on-demand
Tariff structure	- Flat (trip based) - Differential (pro-poor)	- Jashore, Moulvibazar - Gazipur, Benapole, Kushtia
Revenue source	- Emptying fee - Sanitation Tax	- All cities fee - Jhenaidah and Kushtia
Bidding decision	- Fixed lease fee - Royalties	- Kushtia Compost, DWASA - Gazipur, Khulna, Benapole
Performance Target	- FS Collection Ration - Response time - OHS - Safe Disposal - Customer satisfaction	Real-time monitoring, Khulna (Jashore, Benapole, Kushtia)

Khulna and Gazipur (emptying fee):

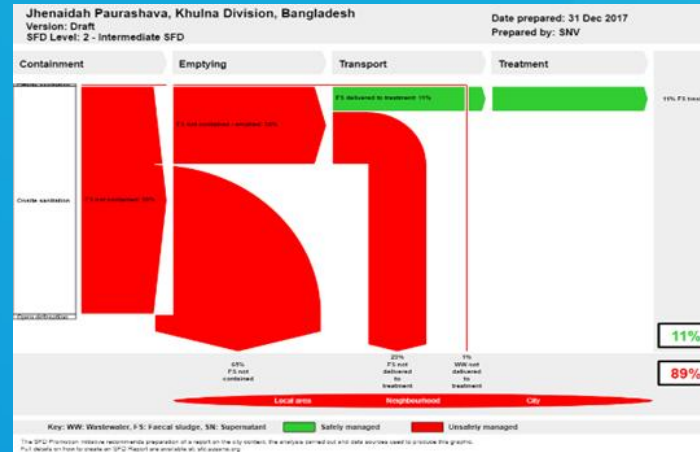
Non-slum (res): Tk 1,000/m³

Slum (res): Tk 500/m³

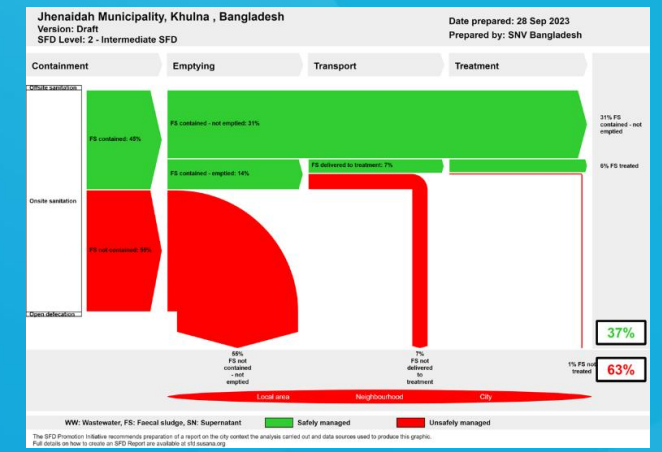
Non-residential: Tk 1,500/m³

Jhenaidah Municipality

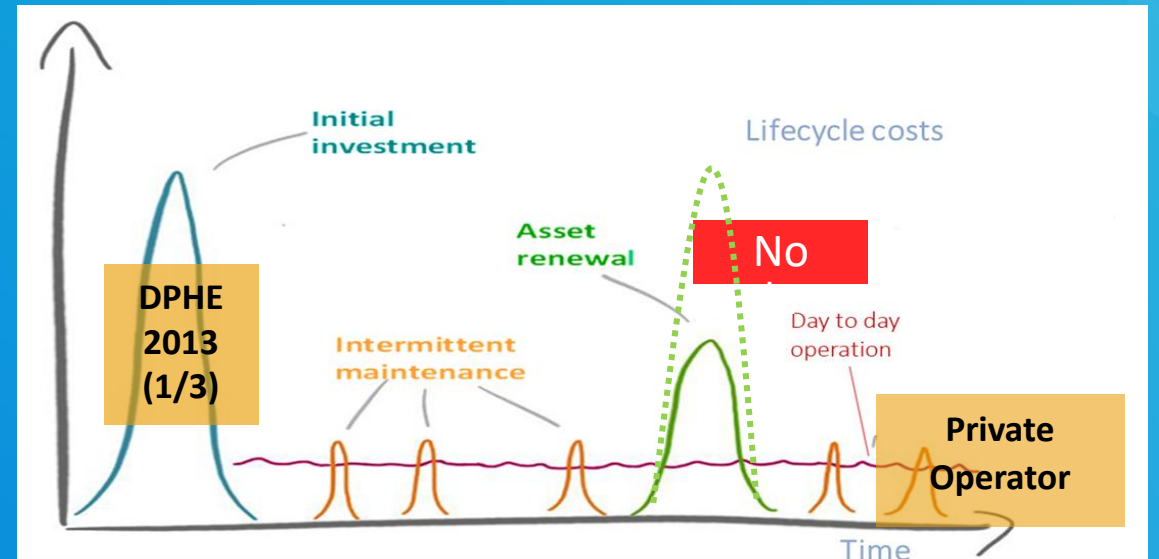
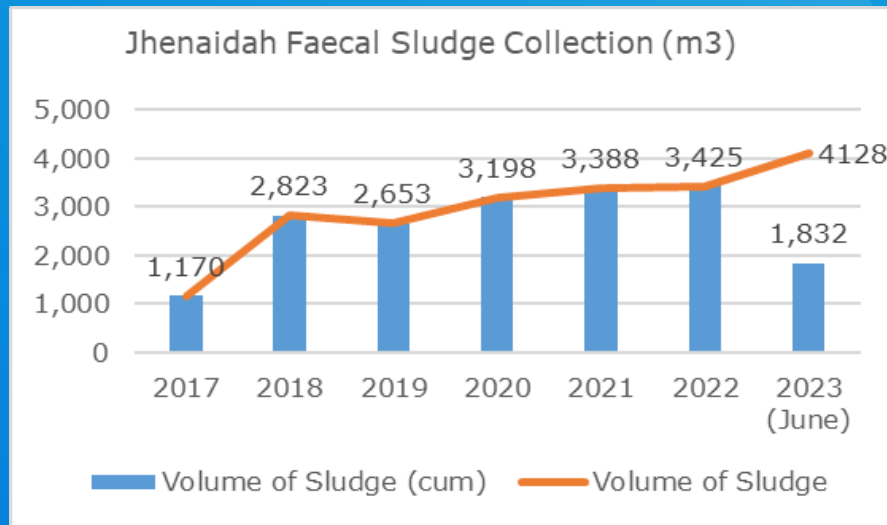
Private company provides FSM services since 2017 with no loss



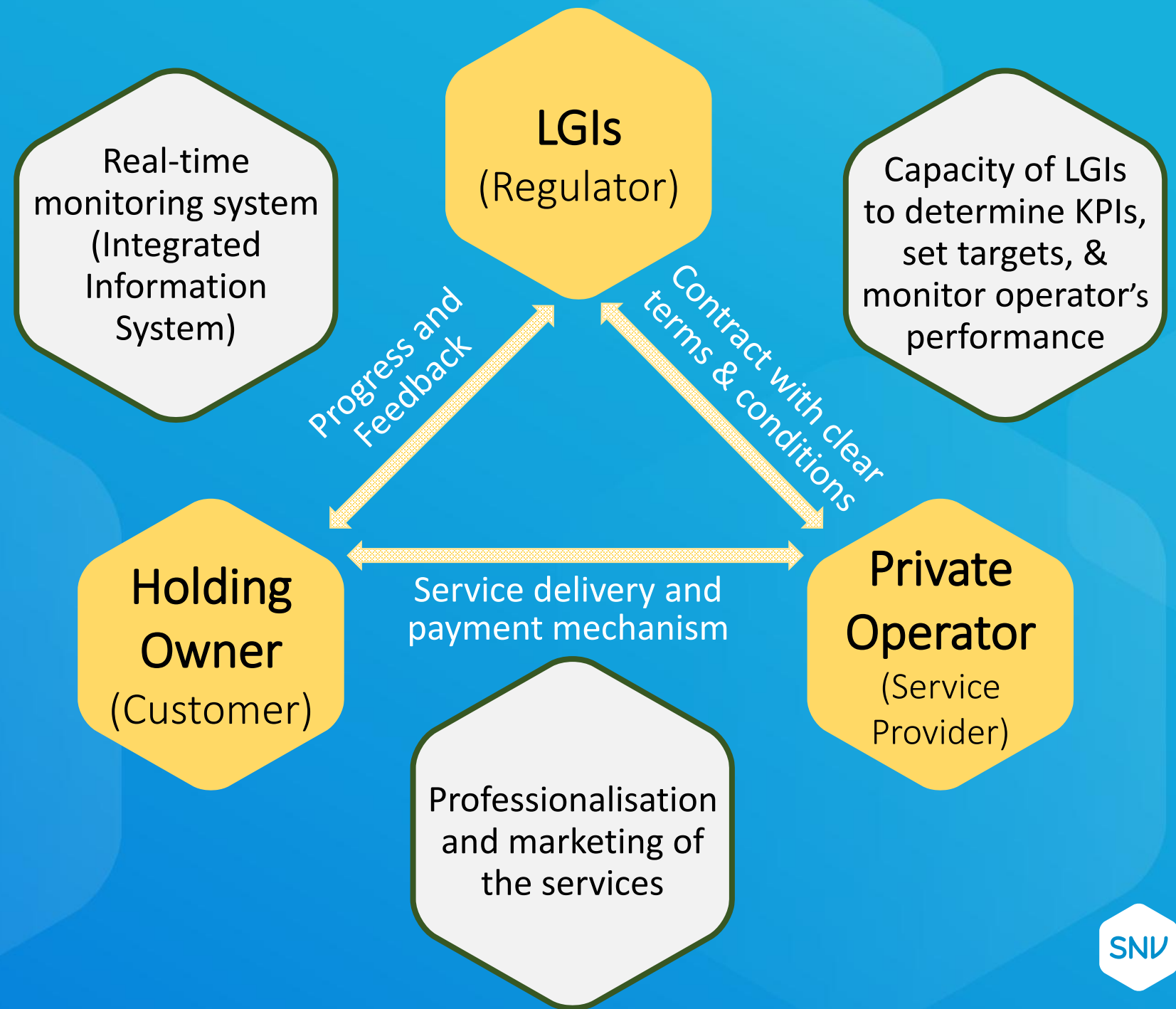
2017



2023



Support required for ensuring accountability and service quality



Issues related to the Private Sector Involvement in Sanitation

Issue 4

(LGI Initiatives for PPPs)

LGIs lack of **interest and capacity** to formulate, negotiation, selection, & management of PPP Contracts

Issue 5

(Financial Management)

No separate cost centre for sanitation in LGIs, revenues are **not ringfenced**

Issue 6

(Low Demand, Lack of Enforcement)

Lower market size and **uncertainty** of revenue

Issue 1

(Accountability)

Effective performance monitoring linked to **Key Performance Indicators** (Local to National)

Issue 2

(Innovative Financing)

Less provision for private sector partnership in current investment projects.

Issues 3

(High investment risk)

Private sector feels threats of early termination, bureaucracy, non-cooperation due to **lack of governance**

Keynote Presentation 03

Razik Fazle

Head of Quality Assurance – South and Southeast Asia
Swisscontact Bangladesh

Imagine walking miles to fetch water, only to unknowingly bring home **a source of illness!**

"IN COASTAL REGIONS OF BANGLADESH, **ABOUT 30 MILLION PEOPLE ARE AT RISK FROM CONSUMING SALINE WATER** DUE TO NATURAL DISASTERS, RISING SEA LEVELS AND SHRIMP FARMING.

MANY WALK MILES FOR THIS UNSAFE WATER."

Source: Smart Water Solutions to Address Salinity in Coastal Bangladesh (2020)





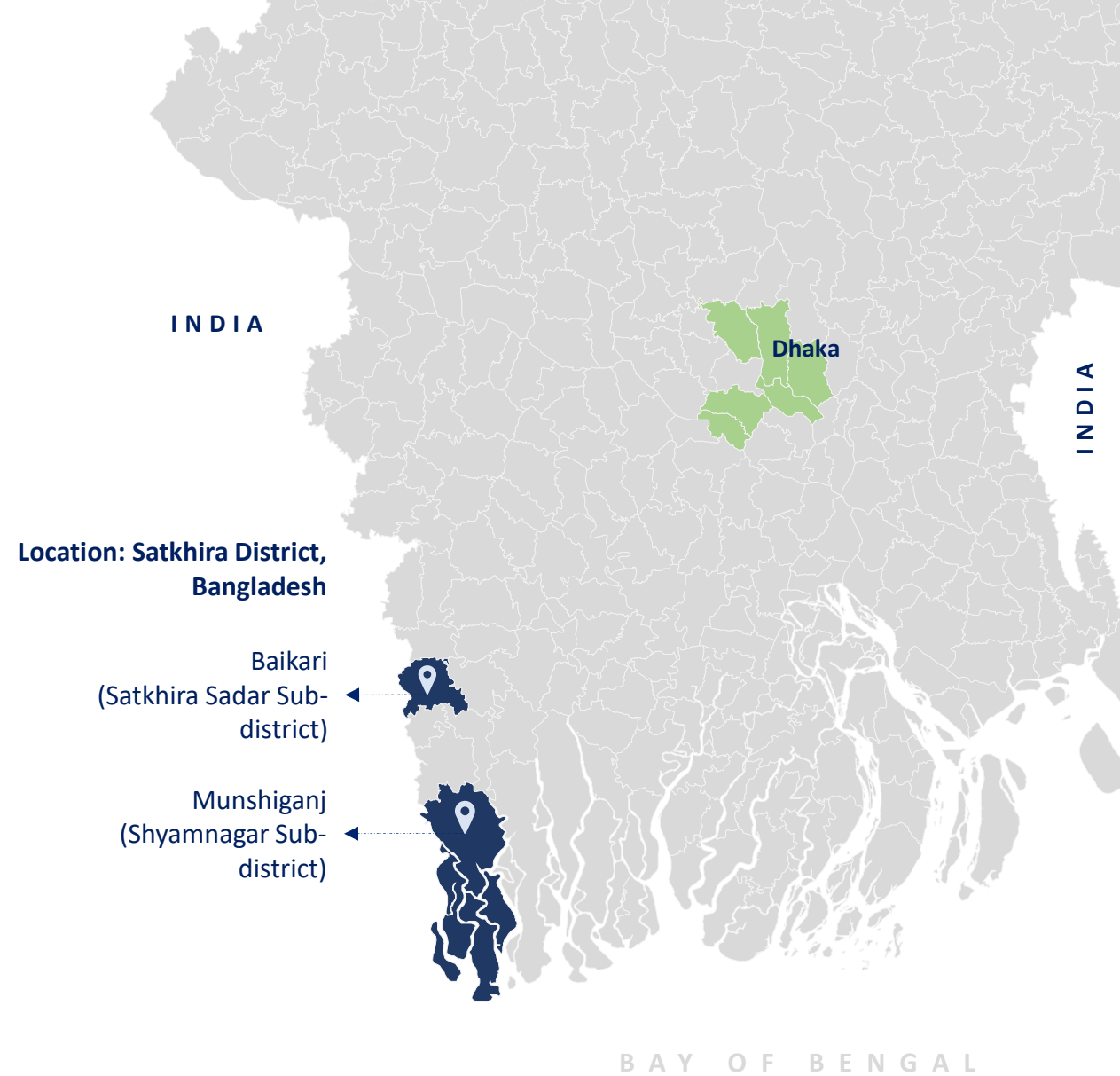
SOCIAL BUSINESS MODEL FOR SAFE WATER IN BANGLADESH

Founded by
Lokales Wasser 37 AG
Co-financed by
Swiss Agency for Development and
Cooperation (SDC) - Bern



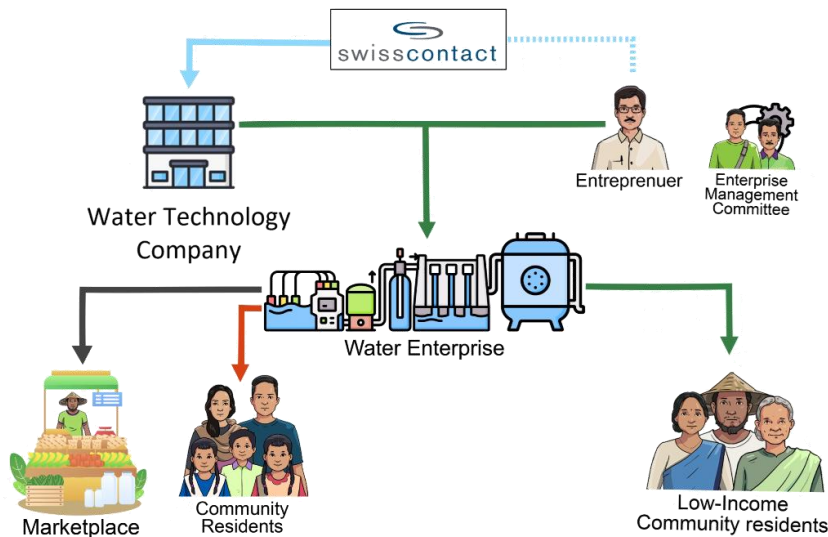
Project Timeline: February 2022 – December 2024

H2O's core objective is to ensure sustainable access to safe, affordable water and promote water awareness through social business

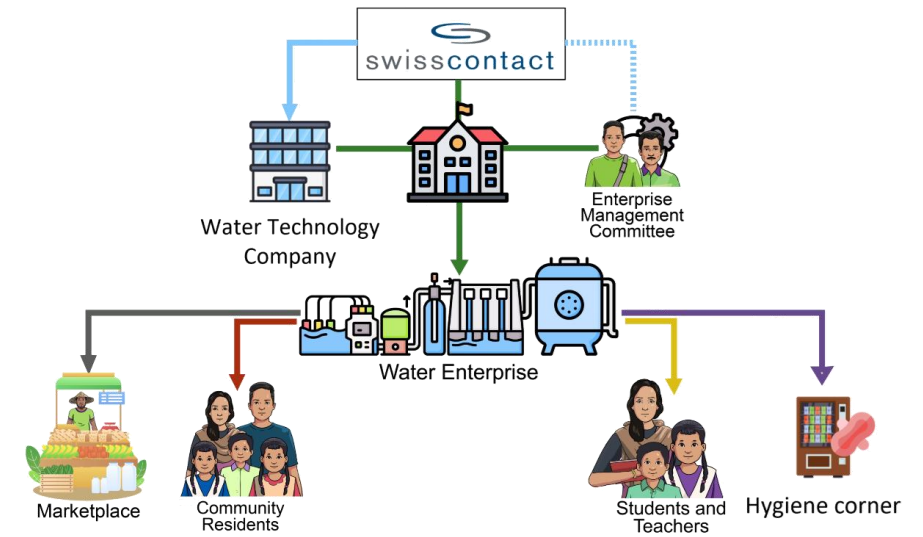


H2O's solution is to establish sustainable Community and School Water Kiosks as social enterprises

Community co-ownership based social water enterprise



School based social water enterprise



Key innovation



Local co-ownership structure



Solidarity based mechanism



Solar powered



Digital payment mechanism



Replicability and adaptability



Repair & Maintenance Fund

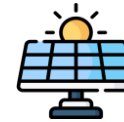
Key Achievements



402 915 litres of safe drinking water provided to **426 households** at a rate of **0.34 cent per liter**



Reduced **water collection time** by **7 minutes** per trip



Generated **6.47 MWh** of solar energy, reducing utility costs by **USD 443** per year



37% reduction in water-borne illnesses and **70% decrease** in household medical expenses



LESSONS LEARNED



Community ownership strengthens sustainability



Solidarity pricing promotes equity and access to WASH services



Financial viability in low-income areas **achievable**



Many communities still **lack awareness** of safe water benefits, affecting demand.



Market-driven solutions work best for the communities



Local government support is **crucial** but often inconsistent



Strengthen identification methods for the poorest households



Continuous adaptation enhances impact of WASH products and services

A few thoughts on scale-up or replication.



Promote partnerships

- **Partner with local and global organisations** for knowledge-sharing, technology transfer etc.
- **Adapt successful models** from countries like India and Kenya, where private-led community water enterprises have thrived.



Strengthening PPPs in Bangladesh

- Streamline water business **registration and licensing** to encourage new entrants.
- Foster **government-private sector collaboration** for infrastructure development (e.g., small-scale water treatment plants).



Access to finance

- Improve **financing options** (low-interest loans, grants, micro-finance or blended financing option for WASH entrepreneurs).
- Encourage **impact investors & development funds** to support water businesses.



Policy suggestions for the government

- Reduce bureaucratic hurdles in permits.
- Provide tax breaks/subsidies WASH enterprises.
- Mandate local governments to support/partner with local WASH enterprises.



**ACCESS TO CLEAN WATER IS NOT JUST A NECESSITY;
IT IS AN OPPORTUNITY FOR INCLUSIVE ECONOMIC GROWTH.**





Questions from the Participants



Networking Break

(15 minutes)



Open Discussion

Inge Klaassen

Inge Klaassen, 1st secretary – Water and Climate
The Embassy of the Kingdom of the Netherlands in Bangladesh

Digbijoy Dey

Senior Programme Officer – South Asia Regional Programme
IRC International Water and Sanitation Centre



Question 01

In the wake of climate change, **what are the main challenges** faced by the **public and private sectors** in entering public-private partnerships for WASH projects?



Question 02

What lessons can be learned from successful **public-private partnership models** in Bangladesh or other developing countries that are both feasible and relevant to us?



Question 03

How can the government and private sector **collaborate to create more enabling policies** for private investment in WASH infrastructure, products, and services?



Special Remarks

A H M Khalequr Rahman

Superintending Engineer (Store Circle)
Department of Public Health Engineering (DPHE)



Special Remarks

A K M Abul Kalam Azad

Director General – Programming & Investment Promotion (Joint Secretary)
Public Private Partnership Authority, Chief Adviser's Office



Key Takeaways & Next Steps

Dr. M. Assaduzzaman

Senior Policy Advisor – Climate
The Embassy of the Kingdom of the Netherlands in Bangladesh

Inge Klaassen

Inge Klaassen, 1st secretary – Water and Climate
The Embassy of the Kingdom of the Netherlands in Bangladesh



**Thank you for
your participation!**